Bill No. SB 1514, 1st Eng. (2013)

Amendment No.

CHAMBER ACTION

<u>Senate</u> <u>House</u>

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Representative Fresen offered the following:

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Amendment (with title amendment)

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Remove everything after the enacting clause and insert:

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Section 1. Paragraph (j) of subsection (7) and subsection (8) of section 11.45, Florida Statutes, are amended to read:

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11.45 Definitions; duties; authorities; reports; rules.

The Auditor General shall notify the Legislative

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(7) AUDITOR GENERAL REPORTING REQUIREMENTS.-

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Auditing Committee of any financial or operational audit report prepared pursuant to this section which indicates that a state university or Florida College System institution has failed to take full corrective action in response to a recommendation that

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was included in the two preceding financial or operational audit reports.

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1. The committee may direct the governing body of the

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state university or Florida College System institution to provide a written statement to the committee explaining why full corrective action has not been taken or, if the governing body intends to take full corrective action, describing the corrective action to be taken and when it will occur.

- 2. If the committee determines that the written statement is not sufficient, the committee may require the chair of the governing body of the state university or Florida College System institution, or the chair's designee, to appear before the committee.
- 3. If the committee determines that the state university or Florida College System institution has failed to take full corrective action for which there is no justifiable reason or has failed to comply with committee requests made pursuant to this section, the committee shall refer the matter to the State Board of Education or the Board of Governors, as appropriate, to proceed in accordance with ss. 1008.32 and 1008.322, respectively may proceed in accordance with s. 11.40(2).
- (8) RULES OF THE AUDITOR GENERAL.—The Auditor General, in consultation with the Board of Accountancy, shall adopt rules for the form and conduct of all financial audits performed by independent certified public accountants pursuant to ss. 215.981, 218.39, 1001.453, 1004.28, and 1004.70. The rules for audits of local governmental entities, charter schools, charter technical career centers, and district school boards, Florida College System institutions, and State University System institutions must include, but are not limited to, requirements for the reporting of information necessary to carry out the

purposes of the Local Governmental Entity, Charter School,
Charter Technical Career Center, and District School Board,
Florida College System Institution, and State University System
Institution Financial Emergencies Act as stated in s. 218.501.
Section 2. Section 218.50, Florida Statutes, is amended to

Section 2. Section 218.50, Florida Statutes, is amended to read:

218.50 Short title.—Sections 218.50-218.504 may be cited as the "Local Governmental Entity, Charter School, Charter Technical Career Center, and District School Board, Florida College System Institution, and State University System Institution Financial Emergencies Act."

Section 3. Section 218.501, Florida Statutes, is amended to read:

218.501 Purposes.—The purposes of ss. 218.50-218.504 are:

- (1) To promote the fiscal responsibility of local governmental entities, charter schools, charter technical career centers, and district school boards, Florida College System institutions, and State University System institutions.
- (2) To assist local governmental entities, charter schools, charter technical career centers, and district school boards, Florida College System institutions, and State

 <u>University System institutions</u> in providing essential services without interruption and in meeting their financial obligations.
- (3) To assist local governmental entities, charter schools, charter technical career centers, and district school boards, Florida College System institutions, and State

 <u>University System institutions</u> through the improvement of local financial management procedures.

Section 4. Section 218.503, Florida Statutes, is amended to read:

218.503 Determination of financial emergency.-

- (1) Local governmental entities, charter schools, charter technical career centers, and district school boards, Florida

 College System institutions, and State University System

 institutions shall be subject to review and oversight by the

 Governor, the charter school sponsor, the charter technical

 career center sponsor, or the Commissioner of Education, the

 Chancellor of the Florida College System, or the Chancellor of

 the State University System, as appropriate, when any one of the

 following conditions occurs:
- (a) Failure within the same fiscal year in which due to pay short-term loans or failure to make bond debt service or other long-term debt payments when due, as a result of a lack of funds.
- (b) Failure to pay uncontested claims from creditors within 90 days after the claim is presented, as a result of a lack of funds.
- (c) Failure to transfer at the appropriate time, due to lack of funds:
 - 1. Taxes withheld on the income of employees; or
 - 2. Employer and employee contributions for:
 - a. Federal social security; or
- b. Any pension, retirement, or benefit plan of an employee.
- 99 (d) Failure for one pay period to pay, due to lack of 100 funds:

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- 1. Wages and salaries owed to employees; or
- 2. Retirement benefits owed to former employees.
- (2) A local governmental entity shall notify the Governor and the Legislative Auditing Committee; a charter school shall notify the charter school sponsor, the Commissioner of Education, and the Legislative Auditing Committee; a charter technical career center shall notify the charter technical career center sponsor, the Commissioner of Education, and the Legislative Auditing Committee; and a district school board shall notify the Commissioner of Education and the Legislative Auditing Committee; a Florida College System institution shall notify the Chancellor of the Florida College System and the Legislative Auditing Committee; and a State University System institution shall notify the Chancellor of the State University System and the Legislative Auditing Committee, when one or more of the conditions specified in subsection (1) have occurred or will occur if action is not taken to assist the local governmental entity, charter school, charter technical career center, or district school board, Florida College System institution, or State University System institution. In addition, any state agency must, within 30 days after a determination that one or more of the conditions specified in subsection (1) have occurred or will occur if action is not taken to assist the local governmental entity, charter school, charter technical career center, or district school board, Florida College System institution, or State University System institution, notify the Governor, charter school sponsor, charter technical career center sponsor, or the Commissioner of

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- Education, Chancellor of the Florida College System, or

 Chancellor of the State University System, as appropriate, and
 the Legislative Auditing Committee.
 - Upon notification that one or more of the conditions in subsection (1) have occurred or will occur if action is not taken to assist the local governmental entity $\underline{}$ or district school board, Florida College System institution, or State University System institution, the Governor or his or her designee shall contact the local governmental entity, or the Commissioner of Education or his or her designee shall contact the district school board, the Chancellor of the Florida College System shall contact the president of the Florida College System institution, or the Chancellor of the State University System shall contact the president of the State University System institution to determine what actions have been taken by the local governmental entity or the district school board to resolve or prevent the condition. The information requested must be provided within 45 days after the date of the request. If the local governmental entity or the district school board does not comply with the request, the Governor or his or her designee or the Commissioner of Education or his or her designee shall notify the members of the Legislative Auditing Committee who may take action pursuant to s. 11.40. If the Florida College System institution or the State University System institution does not comply with the request, the Chancellor of the Florida College System or the Chancellor of the State University System shall notify the members of the Legislative Auditing Committee who may take action pursuant to s. 11.45(7)(j)3. The Governor, or the

Commissioner of Education, the Chancellor of the Florida College
System, or the Chancellor of the State University System, as
appropriate, shall determine whether the local governmental
entity, or the district school board, Florida College System
institution, or State University System institution needs state
assistance to resolve or prevent the condition. If state
assistance is needed, the local governmental entity, or district
school board, Florida College System institution, or State
University System institution is considered to be in a state of
financial emergency. The Governor $_{\underline{\prime}}$ or the Commissioner of
Education, the Chancellor of the Florida College System, or the
Chancellor of the State University System, as appropriate, has
the authority to implement measures as set forth in ss. 218.50-
218.504 to assist the local governmental entity or district
school board in resolving the financial emergency. Such measures
may include, but are not limited to:

- (a) Requiring approval of the local governmental entity's budget by the Governor, or approval of the district school board's budget by the Commissioner of Education, approval of the Florida College System institution's budget by the Chancellor of the Florida College System, or approval of the State University System institution's budget by the Chancellor of the State University System.
- (b) Authorizing a state loan to a local governmental entity and providing for repayment of same.
- (c) Prohibiting a local governmental entity, or district school board, Florida College System institution, or State

 University System institution from issuing bonds, notes,

certificates of indebtedness, or any other form of debt until such time as it is no longer subject to this section.

- (d) Making such inspections and reviews of records, information, reports, and assets of the local governmental entity, or district school board, Florida College System institution, or State University System institution as are needed. The appropriate local officials shall cooperate in such inspections and reviews.
- (e) Consulting with officials and auditors of the local governmental entity, or the district school board, Florida

 College System institution, or State University System

 institution and the appropriate state officials regarding any steps necessary to bring the books of account, accounting systems, financial procedures, and reports into compliance with state requirements.
- (f) Providing technical assistance to the local governmental entity, or the district school board, Florida College System institution, or State University System institution.
- the activities of the local governmental entity, or the district school board, Florida College System institution, or State

 University System institution. If a financial emergency board is established for a local governmental entity, the Governor shall appoint board members and select a chair. If a financial emergency board, the State Board of Education shall appoint board members and select a chair. If a financial entity is considered to the state Board of Education shall appoint board members and select a chair. If a financial emergency board is established for a

- Florida College System institution, the Chancellor of the
 Florida College System shall appoint board members and select a
 chair. If a financial emergency board is established for a State
 University System institution, the Chancellor of the State
 University System shall appoint board members and select a
 chair. The financial emergency board shall adopt such rules as
 are necessary for conducting board business. The board may:
- a. Make such reviews of records, reports, and assets of the local governmental entity, or the district school board,

 Florida College System institution, or State University System institution as are needed.
- b. Consult with officials and auditors of the local governmental entity, or the district school board, Florida

 College System institution, or State University System

 institution and the appropriate state officials regarding any steps necessary to bring the books of account, accounting systems, financial procedures, and reports of the local governmental entity, or the district school board, Florida

 College System institution, or State University System

 institution into compliance with state requirements.
- c. Review the operations, management, efficiency, productivity, and financing of functions and operations of the local governmental entity, or the district school board, Florida College System institution, or State University System institution.
- d. Consult with other governmental entities for the consolidation of all administrative direction and support services, including, but not limited to, services for asset

sales, economic and community development, building inspections, parks and recreation, facilities management, engineering and construction, insurance coverage, risk management, planning and zoning, information systems, fleet management, and purchasing.

- 2. The recommendations and reports made by the financial emergency board must be submitted to the Governor for local governmental entities, or to the Commissioner of Education and the State Board of Education for district school boards, to the Chancellor of the Florida College System for Florida College System institutions, or to the Chancellor of the State University System institutions for appropriate action.
- (h) Requiring and approving a plan, to be prepared by officials of the local governmental entity, or the district school board, Florida College System institution, or State University System institution in consultation with the appropriate state officials, prescribing actions that will cause the local governmental entity, or district school board, Florida College System institution, or State University System institution to no longer be subject to this section. The plan must include, but need not be limited to:
- 1. Provision for payment in full of obligations outlined in subsection (1), designated as priority items, which are currently due or will come due.
- 2. Establishment of priority budgeting or zero-based budgeting in order to eliminate items that are not affordable.
- 3. The prohibition of a level of operations which can be sustained only with nonrecurring revenues.

- 4. Provisions implementing the consolidation, sourcing, or discontinuance of all administrative direction and support services, including, but not limited to, services for asset sales, economic and community development, building inspections, parks and recreation, facilities management, engineering and construction, insurance coverage, risk management, planning and zoning, information systems, fleet management, and purchasing.
- (4) (a) Upon notification that one or more of the conditions in subsection (1) have occurred or will occur if action is not taken to assist the charter school, the charter school sponsor or the sponsor's designee and the Commissioner of Education shall contact the charter school governing body to determine what actions have been taken by the charter school governing body to resolve or prevent the condition. The Commissioner of Education has the authority to require and approve a financial recovery plan, to be prepared by the charter school governing body, prescribing actions that will resolve or prevent the condition.
- (b) Upon notification that one or more of the conditions in subsection (1) have occurred or will occur if action is not taken to assist the charter technical career center, the charter technical career center sponsor or the sponsor's designee and the Commissioner of Education shall contact the charter technical career center governing body to determine what actions have been taken by the governing body to resolve or prevent the condition. The Commissioner of Education may require and approve a financial recovery plan, to be prepared by the charter technical career center governing body, prescribing actions that

will resolve or prevent the condition.

(c) The Commissioner of Education shall determine if the charter school or charter technical career center needs a financial recovery plan to resolve the condition. If the Commissioner of Education determines that a financial recovery plan is needed, the charter school or charter technical career center is considered to be in a state of financial emergency.

The Department of Education, with the involvement of sponsors, charter schools, and charter technical career centers, shall

- establish guidelines for developing a financial recovery plan.

 (5) A local governmental entity, or district school board,
 - Florida College System institution, or State University System institution may not seek application of laws under the bankruptcy provisions of the United States Constitution except with the prior approval of the Governor for local governmental entities, or the Commissioner of Education for district school boards, the Chancellor of the Florida College System for a Florida College System institution, or the Chancellor of the State University System institution.
 - (6) The failure of the members of the governing body of a local governmental entity, or the failure of the members of a district school board, the failure of a Florida College System institution's board of trustees, or the failure of a State University System institution's board of trustees to resolve a state of financial emergency constitutes malfeasance, misfeasance, and neglect of duty for purposes of s. 7, Art. IV

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- 325 of the State Constitution.
- Section 5. Section 218.504, Florida Statutes, is amended to read:
 - 218.504 Cessation of state action.—The Governor, or the Commissioner of Education, the Chancellor of the Florida College System, or the Chancellor of the State University System, as appropriate, has the authority to terminate all state actions pursuant to ss. 218.50-218.504. Cessation of state action must not occur until the Governor, or the Commissioner of Education, the Chancellor of the Florida College System, or the Chancellor of the State University System, as appropriate, has determined that:
 - (1) The local governmental entity, charter school, charter technical career center, or district school board, Florida

 College System institution, or State University System institution:
 - (a) Has established and is operating an effective financial accounting and reporting system.
 - (b) Has resolved the conditions outlined in s. 218.503(1).
 - (2) None of the conditions outlined in s. 218.503(1) exists.
 - Section 6. Section 1001.27, Florida Statutes, is repealed.
- Section 7. Subsections (8) and (9) of section 1001.28, 348 Florida Statutes, are amended to read:
 - 1001.28 Distance learning duties.—The duties of the Department of Education concerning distance learning include, but are not limited to, the duty to:
 - (8) Manage the state's satellite transponder resources and

enter into lease agreements to maximize the use of available transponder time. All net revenue realized through the leasing of available transponder time, after deducting the costs of performing the management function, shall be recycled to support the public education distance learning in this state based upon an allocation formula of one-third to the Department of Education, one-third to Florida College System institutions, and one-third to state universities.

(8) (9) Hire appropriate staff which may include a position that shall be exempt from part II of chapter 110 and is included in the Senior Management Service in accordance with s. 110.205.

Nothing in this section shall be construed to abrogate, supersede, alter, or amend the powers and duties of any state agency, district school board, Florida College System institution board of trustees, university board of trustees, the Board of Governors, or the State Board of Education.

Section 8. Subsection (2) of section 1001.281, Florida Statutes, is amended to read:

1001.281 Operating Trust Fund.-

(2) The fund is established for use as a depository for funds to be used for program operations funded by program revenues. Moneys to be credited to the trust fund include, but are not limited to, revenues received from the payment of fees associated with high school equivalency examinations leasing of available transponder time for the state's satellite transponder resources.

Section 9. Subsection (23) of section 1001.42, Florida

381 Statutes, is amended to read:

- 1001.42 Powers and duties of district school board.—The district school board, acting as a board, shall exercise all powers and perform all duties listed below:
- with access to courses available through a virtual instruction program option or the Florida Virtual School and award credit for successful completion of such courses. Access shall be available to students during and after the normal school day and through summer school enrollment.

Section 10. Section 1001.7065, Florida Statutes, is created to read:

1001.7065 Preeminent state research universities program.-

COLLABORATION.—A collaborative partnership is established between the Board of Governors and the Legislature to elevate the academic and research preeminence of Florida's highest-performing state research universities in accordance with this section. The partnership stems from the State University System Governance Agreement executed on March 24, 2010, wherein the Board of Governors and leaders of the Legislature agreed to a framework for the collaborative exercise of their joint authority and shared responsibility for the State University System. The governance agreement confirmed the commitment of the Board of Governors and the Legislature to continue collaboration on accountability measures, the use of data, and recommendations derived from such data.

- (2) ACADEMIC AND RESEARCH EXCELLENCE STANDARDS.—Effective

 July 1, 2013, the following academic and research excellence

 standards are established for the preeminent state research

 universities program:
- (a) An average weighted grade point average of 4.0 or higher on a 4.0 scale and an average SAT score of 1800 or higher for fall semester incoming freshmen, as reported annually.
- (b) A top-50 ranking on at least two well-known and highly respected national public university rankings, reflecting national preeminence, using most recent rankings.
- (c) A freshman retention rate of 90 percent or higher for full-time, first-time-in-college students, as reported annually to the Integrated Postsecondary Education Data System (IPEDS).
- (d) A 6-year graduation rate of 70 percent or higher for full-time, first-time-in-college students, as reported annually to the IPEDS.
- (e) Six or more faculty members at the state university who are members of a national academy, as reported by the Center for Measuring University Performance in the Top American Research Universities (TARU) annual report.
- (f) Total annual research expenditures, including federal research expenditures, of \$200 million or more, as reported annually by the National Science Foundation (NSF).
- (g) Total annual research expenditures in diversified nonmedical sciences of \$150 million or more, based on data reported annually by the NSF.

- (h) A top-100 university national ranking for research expenditures in five or more science, technology, engineering, or mathematics fields of study, as reported annually by the NSF.
- (i) One hundred or more total patents awarded by the

 United States Patent and Trademark Office for the most recent 3year period.
- (j) Four hundred or more doctoral degrees awarded annually, as reported in the Board of Governors Annual Accountability Report.
- (k) Two hundred or more postdoctoral appointees annually, as reported in the TARU annual report.
- (1) An endowment of \$500 million or more, as reported in the Board of Governors Annual Accountability Report.
- (3) PREEMINENT STATE RESEARCH UNIVERSITY DESIGNATION.—The Board of Governors shall designate each state research university that meets at least 11 of the 12 academic and research excellence standards identified in subsection (2) a preeminent state research university.
- ONLINE LEARNING.—The state research university that has attained the highest level on the academic and research excellence standards identified in subsection (2), as verified by the Board of Governors, shall establish an institute for online learning. The institute shall establish a robust offering of high-quality, fully online baccalaureate degree programs at an affordable cost in accordance with this subsection.
- (a) By August 1, 2013, the Board of Governors shall convene an advisory board to support the development of high-

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quality, fully online baccalaureate degree programs at the preeminent university.

- (b) The advisory board shall:
- 1. Offer expert advice, as requested by the preeminent university, in the development and implementation of a business plan to expand the offering of high-quality, fully online baccalaureate degree programs.
- 2. Authorize the release of funding to the preeminent university upon approval by the Board of Governors of the plan developed by the preeminent university.
- 3. Monitor, evaluate, and report on the implementation of the plan to the Board of Governors, the Governor, the President of the Senate, and the Speaker of the House of Representatives.
- (c) The advisory board shall be composed of the following five members:
- 1. The chair of the Board of Governors or the chair's permanent designee.
- 2. A member with expertise in online learning, appointed by the Board of Governors.
- 3. A member with expertise in global marketing, appointed by the Governor.
- 4. A member with expertise in cloud virtualization, appointed by the President of the Senate.
- 5. A member with expertise in disruptive innovation, appointed by the Speaker of the House of Representatives.
- (d) The president of the preeminent university shall be consulted on the advisory board member appointments.

- (e) A majority of the advisory board shall constitute a quorum, elect the chair, and appoint an executive director.
- (f) By September 1, 2013, the university shall submit to the advisory board a comprehensive plan to expand high-quality, fully online baccalaureate degree program offerings. The plan shall include:
- 1. Existing on-campus general education courses and baccalaureate degree programs that will be offered online.
 - 2. New courses that will be developed and offered online.
- 3. Support services that will be offered to students enrolled in online baccalaureate degree programs.
- 4. A tuition and fee structure that meets the requirements in paragraph (k) for online courses, baccalaureate degree programs, and student support services.
- 5. A timeline for offering, marketing, and enrolling students in the online baccalaureate degree programs.
- 6. A budget for developing and marketing the online baccalaureate degree programs.
- 7. Detailed strategies for ensuring the success of students and the sustainability of the online baccalaureate degree programs.

Upon recommendation of the plan by the advisory board and approval by the Board of Governors, the Board of Governors shall award the university \$10 million in nonrecurring funds and \$5 million in recurring funds for fiscal year 2013-2014 and \$5 million annually thereafter, subject to appropriation in the General Appropriations Act.

- (g) Beginning in January 2014, the university shall offer high-quality, fully online baccalaureate degree programs that:
 - 1. Accept full-time, first-time-in-college students.
- 2. Have the same rigorous admissions criteria as equivalent on-campus degree programs.
- 3. Offer curriculum of equivalent rigor to on-campus degree programs.
- 4. Offer rolling enrollment or multiple opportunities for enrollment throughout the year.
- 5. Do not require any on-campus courses. However, for courses or programs that require clinical training or laboratories that cannot be delivered online, the university shall offer convenient locational options to the student, which may include, but are not limited to, the option to complete such requirements at a summer-in-residence on the university campus. The university may provide a network of sites at convenient locations and contract with commercial testing centers or identify other secure testing services for the purpose of proctoring assessments or testing.
- 6. Apply the university's existing policy for accepting credits for both freshman applicants and transfer applicants.
- (h) The university may offer a fully online Masters in Business Administration degree program and other master's degree programs.
- (i) The university may develop and offer degree programs and courses that are competency based as appropriate for the quality and success of the program.

- (j) The university shall periodically expand its offering of online baccalaureate degree programs to meet student and market demands.
- (k) The university shall establish a tuition structure for its online institute in accordance with this paragraph, notwithstanding any other provision of law.
- 1. For students classified as residents for tuition purposes, tuition for an online baccalaureate degree program shall be set at no more than 75 percent of the tuition rate as specified in the General Appropriations Act pursuant to s. 1009.24(4) and 75 percent of the tuition differential pursuant to s. 1009.24(16). No distance learning fee, fee for campus facilities, or fee for on-campus services may be assessed, except that online students shall pay the university's technology fee, financial aid fee, and Capital Improvement Trust Fund fee. The revenues generated from the Capital Improvement Trust Fund fee shall be dedicated to the university's institute for online learning.
- 2. For students classified as nonresidents for tuition purposes, tuition may be set at market rates in accordance with the business plan.
- 3. Tuition for an online degree program shall include all costs associated with instruction, materials, and enrollment, excluding costs associated with the provision of textbooks pursuant to s. 1004.085 and physical laboratory supplies.
- 4. Subject to the limitations in subparagraph 1., tuition may be differentiated by degree program as appropriate to the instructional and other costs of the program in accordance with

- the business plan. Pricing must incorporate innovative approaches that incentivize persistence and completion, including, but not limited to, a fee for assessment, a bundled or all-inclusive rate, and sliding scale features.
- 5. The university must accept advance payment contracts and student financial aid.
- 6. Fifty percent of the net revenues generated from the online institute of the university shall be used to enhance and enrich the online institute offerings, and 50 percent of the net revenues generated from the online institute shall be used to enhance and enrich the university's campus state-of-the-art research programs and facilities.
- 7. The institute may charge additional local user fees pursuant to s. 1009.24(14) upon the approval of the Board of Governors.
- 8. The institute shall submit a proposal to the president of the university authorizing additional user fees for the provision of voluntary student participation in activities and additional student services.
- state research university that has attained the highest level on the academic and research excellence standards identified in subsection (2), as verified by the Board of Governors, shall submit to the Board of Governors a 5-year benchmark plan with target rankings on key performance metrics for national excellence. Upon approval by the Board of Governors, and upon the university's meeting the benchmark plan goals annually, the Board of Governors shall award the university \$15 million

annually throughout the 5-year period. Funding for this purpose is contingent upon specific appropriation in the General Appropriations Act.

- (6) PREEMINENT STATE RESEARCH UNIVERSITY ENHANCEMENT INITIATIVE.—The state research university that has attained the second highest level on the academic and research excellence standards identified in subsection (2), as verified by the Board of Governors, shall submit to the Board of Governors a 5-year benchmark plan with target rankings on key performance metrics for national excellence. Upon the university's meeting the benchmark plan goals annually, the Board of Governors shall award the university \$12.5 million annually throughout the 5-year period for the purpose of recruiting National Academy Members, expediting the provision of a master's degree in cloud virtualization, and instituting an entrepreneurs—in—residence program throughout its campus. Funding for this purpose is contingent upon specific appropriation in the General Appropriations Act.
- REQUIREMENT AUTHORITY.—In order to provide a jointly shared educational experience, a university that is designated a preeminent state research university may require its incoming first-time-in-college students to take a 9-to-12-credit set of unique courses specifically determined by the university and published on the university's website. The university may stipulate that credit for such courses may not be earned through any acceleration mechanism pursuant to s. 1007.27 or s. 1007.271 or any other transfer credit. All accelerated credits earned up

- to the limits specified in ss. 1007.27 and 1007.271 shall be applied toward graduation at the student's request.
 - (8) PREEMINENT STATE RESEARCH UNIVERSITY FLEXIBILITY

 AUTHORITY.—The Board of Governors is encouraged to identify and
 grant all reasonable, feasible authority and flexibility to
 ensure that a designated preeminent state research university is
 free from unnecessary restrictions.
 - (9) PROGRAMS OF EXCELLENCE THROUGHOUT THE STATE UNIVERSITY SYSTEM.—The Board of Governors is encouraged to establish standards and measures whereby individual programs in state universities that objectively reflect national excellence can be identified and make recommendations to the Legislature as to how any such programs could be enhanced and promoted.
 - Section 11. Paragraph (a) of subsection (3), subsection (6), and paragraph (b) of subsection (8) of section 1002.37, Florida Statutes, are amended to read:
 - 1002.37 The Florida Virtual School. -
 - (3) Funding for the Florida Virtual School shall be provided as follows:
 - (a)1. For a student in grades 9 through 12, a "full-time equivalent student" is one student who has successfully completed six full-credit courses that count toward the minimum number of credits required for high school graduation. A student who completes fewer than six full-credit courses is a fraction of a full-time equivalent student. Half-credit course completions shall be included in determining a full-time equivalent student. Credit completed by a student in excess of the minimum required for that student for high school graduation

is not eligible for funding.

- 2. For a student in kindergarten through grade 8, a "full-time equivalent student" is one student who has successfully completed six courses or the prescribed level of content that counts toward promotion to the next grade. A student who completes fewer than six courses or the prescribed level of content shall be a fraction of a full-time equivalent student.
- 3. For a student in a home education program, funding shall be provided in accordance with this subsection upon course completion if the parent verifies, upon enrollment for each course, that the student is registered with the school district as a home education student pursuant to s. 1002.41(1)(a).

 Beginning in the 2016-2017 2014-2015 fiscal year, when s. 1008.22(3)(g) is implemented, the reported full-time equivalent students and associated funding of students enrolled in courses requiring passage of an end-of-course assessment under s. 1003.4282 to earn a standard high school diploma shall be adjusted if after the student does not pass completes the end-of-course assessment. However, no adjustment shall be made for home education program students who choose not to take an end-of-course assessment or for a student who enrolls in a segmented remedial course delivered online.

For purposes of this paragraph, the calculation of "full-time equivalent student" shall be as prescribed in s.

- 681 1011.61(1)(c)1.b.(V) and is subject to the requirements in s.
 682 1011.61(4).
 - (6) The board of trustees shall annually submit to the

Governor, the Legislature, the Commissioner of Education, and the State Board of Education a complete and detailed report setting forth:

- (a) The operations and accomplishments of the Florida Virtual School within the state and those occurring outside the state as Florida Virtual School Global.
- (b) The marketing and operational plan for the Florida Virtual School and Florida Virtual School Global, including recommendations regarding methods for improving the delivery of education through the Internet and other distance learning technology.
- (c) The assets and liabilities of the Florida Virtual School and Florida Virtual School Global at the end of the fiscal year.
- (d) A copy of an annual financial audit of the accounts and records of the Florida Virtual School and Florida Virtual School Global, conducted by an independent certified public accountant and performed in accordance with rules adopted by the Auditor General.
- (e) Recommendations regarding the unit cost of providing services to students through the Florida Virtual School and Florida Virtual School Global. In order to most effectively develop public policy regarding any future funding of the Florida Virtual School, it is imperative that the cost of the program is accurately identified. The identified cost of the program must be based on reliable data.
- (f) Recommendations regarding an accountability mechanism to assess the effectiveness of the services provided by the

712 Florida Virtual School and Florida Virtual School Global.

(8)

- (b) For students receiving part-time instruction in kindergarten through grade 5 and students receiving full-time instruction in kindergarten through grade 12 from the Florida Virtual School, the <u>full-time equivalent student enrollment</u> calculated under this subsection is subject to the requirements in s. 1011.61(4) combined total of all FTE reported by both the school district and the Florida Virtual School may not exceed 1.0 FTE.
- Section 12. Paragraphs (b), (c), and (d) of subsection (1), paragraph (a) of subsection (2), and subsection (7) of section 1002.45, Florida Statutes, are amended to read:

1002.45 Virtual instruction programs.—

- (1) PROGRAM.—
- (b) Each school district that is eligible for the sparsity supplement pursuant to s. 1011.62(7)(a) and (b) shall provide all enrolled public school students within its boundaries the option of participating in part-time and full-time virtual instruction programs. Each school district that is not eligible for the sparsity supplement pursuant to s. 1011.62(7)(a) and (b) shall provide at least three options for part-time and full-time virtual instruction. All school districts must provide parents with timely written notification of at least one open enrollment period for full-time students of 90 days or more which ends 30 days before the first day of the school year. The purpose of the program is to make quality virtual instruction available to students using online and distance learning technology in the

nontraditional classroom. A school district virtual instruction program shall consist of the following:

- 1. Full-time <u>and part-time</u> virtual instruction for students enrolled in kindergarten through grade 12.
- 2. Part-time virtual instruction for students enrolled in kindergarten through grade 12 courses that are measured pursuant to subparagraph (8)(a)2.
- 2.3. Full-time or part-time virtual instruction for students enrolled in dropout prevention and academic intervention programs under s. 1003.53, Department of Juvenile Justice education programs under s. 1003.52, core-curricula courses delivered in a virtual learning laboratory on a school campus to meet class size requirements under s. 1003.03, or Florida College System institutions under this section.
- (c) To provide students with the option of participating in virtual instruction programs as required by paragraph (b), a school district may:
- 1. Contract with the Florida Virtual School or establish a franchise of the Florida Virtual School for the provision of a program under paragraph (b). Using this option is subject to the requirements of this section and s. $\underline{1011.61(1)(c)1.b.(III)}$ and $\underline{(IV)}$ and $\underline{(4)}$ $\underline{1011.61(1)(c)1.b.(III)}$ and $\underline{(IV)}$.
- 2. Contract with an approved provider under subsection (2) for the provision of a full-time or part-time program under paragraph (b) subparagraph (b) 1. or subparagraph (b) 3. or a part-time program under subparagraph (b) 2. or subparagraph (b) 3.
- 3. Enter into an agreement with other school districts to allow the participation of its students in an approved virtual

instruction program provided by the other school district. The agreement must indicate a process for the transfer of funds required by paragraph (7)(f).

- 4. Establish school district operated part-time or full-time kindergarten through grade 12 virtual instruction programs under paragraph (b) for students enrolled in the school district. A full-time program shall operate under its own Master School Identification Number.
- 5. Enter into an agreement with a virtual charter school authorized by the school district under s. 1002.33.

Contracts under subparagraph 1. or subparagraph 2. may include multidistrict contractual arrangements that may be executed by a regional consortium for its member districts. A multidistrict contractual arrangement or an agreement under subparagraph 3. is not subject to s. 1001.42(4)(d) and does not require the participating school districts to be contiguous. These arrangements may be used to fulfill the requirements of paragraph (b).

- (d) A virtual charter school may provide full-time virtual instruction for students in kindergarten through grade 12 if the virtual charter school has a charter approved pursuant to s. 1002.33 authorizing full-time virtual instruction. A virtual charter school may:
 - 1. Contract with the Florida Virtual School.
- Contract with an approved provider under subsection
 (2).
 - 3. Enter into an agreement with a school district to allow

the participation of the virtual charter school's students in the school district's virtual instruction program. The agreement must indicate a process for reporting of student enrollment and the transfer of funds required by paragraph (7)(f).

- (2) PROVIDER QUALIFICATIONS.—
- (a) The department shall annually publish online a list of providers approved to offer virtual instruction programs. To be approved by the department, a provider must document that it:
- 1. Is nonsectarian in its programs, admission policies, employment practices, and operations;
- Complies with the antidiscrimination provisions of s.
 1000.05;
- 3. Locates an administrative office or offices in this state, requires its administrative staff to be state residents, Requires all instructional staff to be Florida-certified teachers under chapter 1012_{τ} and conducts background screenings for all employees or contracted personnel, as required by s. 1012.32, using state and national criminal history records;
- 4. Provides to parents and students specific information posted and accessible online that includes, but is not limited to, the following teacher-parent and teacher-student contact information for each course:
- <u>a.</u> How to contact the instructor via phone, e-mail, or online messaging tools.
- b. How to contact technical support via phone, e-mail, or online messaging tools.
- 822 <u>c. How to contact the administration office via phone, e-</u>
 823 mail, or online messaging tools.

- d. Any requirement for regular contact with the instructor for the course and clear expectations for meeting the requirement.
- e. The requirement that the instructor in each course must, at a minimum, conduct one contact via phone with the parent and the student each month.
- 5.4. Possesses prior, successful experience offering online courses to elementary, middle, or high school students as demonstrated by quantified student learning gains in each subject area and grade level provided for consideration as an instructional program option. However, for a provider without sufficient prior, successful experience offering online courses, the department may conditionally approve the provider to offer courses measured pursuant to subparagraph (8) (a) 2. Conditional approval shall be valid for 1 school year only and, based on the provider's experience in offering the courses, the department shall determine whether to grant approval to offer a virtual instruction program;
- $\underline{6.5.}$ Is accredited by a regional accrediting association as defined by State Board of Education rule;
- 7.6. Ensures instructional and curricular quality through a detailed curriculum and student performance accountability plan that addresses every subject and grade level it intends to provide through contract with the school district, including:
- a. Courses and programs that meet the standards of the International Association for K-12 Online Learning and the Southern Regional Education Board.
 - b. Instructional content and services that align with, and

measure student attainment of, student proficiency in the Next Generation Sunshine State Standards.

- c. Mechanisms that determine and ensure that a student has satisfied requirements for grade level promotion and high school graduation with a standard diploma, as appropriate;
- 8.7. Publishes for the general public, in accordance with disclosure requirements adopted in rule by the State Board of Education, as part of its application as a provider and in all contracts negotiated pursuant to this section:
- a. Information and data about the curriculum of each full-time and part-time program.
 - b. School policies and procedures.
- c. Certification status and physical location of all administrative and instructional personnel.
- d. Hours and times of availability of instructional personnel.
 - e. Student-teacher ratios.
 - f. Student completion and promotion rates.
- g. Student, educator, and school performance accountability outcomes;
- 9.8. If the provider is a Florida College System institution, employs instructors who meet the certification requirements for instructional staff under chapter 1012; and
- 10.9. Performs an annual financial audit of its accounts and records conducted by an independent certified public accountant which is in accordance with rules adopted by the Auditor General, is conducted in compliance with generally accepted auditing standards, and includes a report on financial

statements presented in accordance with generally accepted accounting principles.

- (7) VIRTUAL INSTRUCTION PROGRAM AND VIRTUAL CHARTER SCHOOL FUNDING.—
- (a) Students enrolled in a virtual instruction program or a virtual charter school shall be funded through the Florida Education Finance Program as provided in the General Appropriations Act. However, such funds may not be provided for the purpose of fulfilling the class size requirements in ss. 1003.03 and 1011.685.
- (b) For purposes of a virtual instruction program or a virtual charter school, "full-time equivalent student" has the same meaning as provided in s. 1011.61(1)(c)1.b.(III) or (IV).
- (c) For a student enrolled in a kindergarten through grade 12 virtual instruction program, a "full-time equivalent student" has the same meaning as provided in s. 1011.61(1)(c)1.b.(III) and (IV).
- (d) The full-time equivalent student enrollment calculated under this subsection is subject to the requirements in s.

 1011.61(4). A student may not be reported as more than 1.0 full-time equivalent student in any given school year.
- (e) Beginning in the 2016-2017 2014-2015 fiscal year, when s. 1008.22(3)(g) is implemented, the reported full-time equivalent students and associated funding of students enrolled in courses requiring passage of an end-of-course assessment under s. 1003.4282 to earn a standard high school diploma shall be adjusted if after the student does not pass completes the end-of-course assessment. However, no adjustment shall be made

for a student who enrolls in a segmented remedial course delivered online.

- (f) The school district providing virtual instruction shall report full-time equivalent students for a virtual instruction program or a virtual charter school, including credits completed during the summer, to the department in a manner prescribed by the department, and funding shall be provided through the Florida Education Finance Program.
- (g) A Florida College System institution provider may not report students who are served in a virtual instruction program for funding under the Florida College System Program Fund.

Section 13. Section 1003.498, Florida Statues, is amended to read:

1003.498 School district virtual course offerings.-

(1) School districts may deliver courses in the traditional school setting by personnel certified pursuant to s. 1012.55 who provide direct instruction through virtual instruction or through blended learning courses consisting of both traditional classroom and online instructional techniques. Students in a blended learning course must be full-time students of the school and receive the online instruction in a classroom setting at the school. The funding, performance, and accountability requirements for blended learning courses are the same as those for traditional courses. To facilitate the delivery and coding of blended learning courses, the department shall provide identifiers for existing courses to designate that they are being used for blended learning courses for the purpose of ensuring the efficient reporting of such courses.

- (2) School districts may offer virtual courses for students enrolled in the school district. These courses must be identified in the course code directory. Students who meet the eligibility requirements of s. 1002.455 may participate in these virtual course offerings.
- (a) Any eligible student who is enrolled in a school district may register and enroll in an online course offered by his or her school district.
- (b) $\underline{1.}$ Any eligible student who is enrolled in a school district may register and enroll in an online course offered by any other school district in the state, except as limited by the following:
- 1. A student may not enroll in a course offered through a virtual instruction program provided pursuant to s. 1002.45.
- 2. A student may not enroll in a virtual course offered by another school district if:
- a. The course is offered online by the school district in which the student resides; or
- b. The course is offered in the school in which the student is enrolled. However, a student may enroll in an online course offered by another school district if the school in which the student is enrolled offers the course but the student is unable to schedule the course in his or her school.
- 3. The school district in which the student completes the course shall report the student's completion of that course for funding pursuant to s. 1011.61(1)(c)1.b.(VI), and the home school district shall not report the student for funding for that course.

- 2. The full-time equivalent student enrollment calculated under this subsection is subject to the requirements in s.

 1011.61(4). For purposes of this paragraph, the combined total of all school district reported FTE may not be reported as more than 1.0 full-time equivalent student in any given school year. The Department of Education shall establish procedures to enable interdistrict coordination for the delivery and funding of this online option.
- (3) A school district may not require a public school student to take a course outside the school day that is in addition to the student's courses for a given term or on school grounds.

Section 14. Subsection (4) of section 1006.29, Florida Statutes, is renumbered as subsection (5), and a new subsection (4) is added to that section to read:

1006.29 State instructional materials reviewers.-

(4) By October 1, 2013, the department shall publish minimum and recommended technology requirements that include specifications for hardware, software, networking, security, and guidelines on the number of students per device necessary to ensure that students can access all electronic and digital instructional materials.

Section 15. Paragraphs (b), (c), and (d) of subsection (1), subsection (2), paragraphs (b) and (c) of subsection (5), and subsection (6) of section 1006.73, Florida Statutes, are amended, and paragraph (i) is added to subsection (5) of that section, to read:

1006.73 Florida Virtual Campus.—

- (1) The Florida Virtual Campus is established to provide access to online student and library support services and to serve as a statewide resource and clearinghouse for public postsecondary education distance learning courses and degree programs. The primary purposes of the Florida Virtual Campus are to:
- (b) Provide information and Enhance and expand educational access to distance learning courses and degree programs offered by the state's and increase public postsecondary education institutions degree attainment across the state.
- (c) Coordinate with the Florida College System and the

 State University System to identify and provide online academic
 support services and resources when the multi-institutional
 provision of such services and resources is more cost or
 operationally effective. Address the educational needs of
 traditional students, place-bound students, time-bound students,
 and adult learners.
- (d) Increase workforce skills and expand professional development opportunities.
- (2) The chancellors of the Florida College System and the State University System shall exercise joint oversight of the Florida Virtual Campus and shall establish its governance and reporting structure, administrative and operational guidelines and processes, staffing requirements, and operational budget.

 Effective January 31, 2014, all data center services needed by the Florida Virtual Campus shall be provided by the Northwest Regional Data Center a primary data center established pursuant to s. ss. 282.201 and 1004.649. The chancellors may delegate the

1020 authority and responsibility granted in this subsection.

- (a) In carrying out the purposes of this section:
- 1022 1. The campus is not an "agency" as defined in s. 1023 20.03(11) and is not subject to chapter 287.
 - 2. The campus shall be deemed to be acting as an instrumentality of the state for purposes of sovereign immunity pursuant to s. 768.28(2).
 - 3. All records of the campus are public records unless made confidential or exempt from law.
 - (b) The campus shall maintain an unencumbered balance of not less than 5 percent of its approved operating budget.
 - (c) The campus may secure comprehensive general liability coverage, professional liability coverage, property and casualty coverage, and any other insurance coverage deemed appropriate by the chancellors.
 - (d) The campus may contract for administrative services with a public postsecondary education institution. The administrative overhead costs charged by the institution may not exceed the actual cost of providing the services and shall require a specific appropriation in the General Appropriations Act.
 - (5) The Florida Virtual Campus shall:
 - (b) Develop and manage a statewide Internet-based catalog of distance learning courses, degree programs, and resources offered by public postsecondary education institutions which is intended to assist in the coordination and collaboration of articulation and access pursuant to parts II and III of chapter 1007. The campus shall establish operational guidelines and

procedures for the catalog which must:

- 1. Require participating institutions to provide information concerning the distance learning course or degree program to include course number and classification of instructional programs number and information on the availability of the course or degree program; the type of required technology; any prerequisite course or technology competency or skill; the availability of academic support services and financial aid resources; and course costs, fees, and payment policies.
- 2. Require that distance learning courses and degree programs meet applicable accreditation standards and criteria.
- 3. Require that, at a minimum, the catalog is reviewed at the start of each academic semester to ensure that distance learning courses and degree programs comply with all operational guidelines and procedures.
- 4. Define and describe the catalog's search and retrieval options that, at a minimum, will allow users to search by academic term or course start date; institution, multiple institutions, or all institutions; and course or program delivery method, course type, course availability, subject or discipline, and course number or classification of instructional programs number.
- $\underline{5.4.}$ Use an Internet-based analytic tool that allows for the collection and analysis of data, including, but not limited to:
- a. The number and type of students who use the catalog to search for distance learning courses and degree programs.

- b. The number and type of requests for information on distance learning courses and degree programs that are not listed in the catalog.
- c. A summary of specific requests by course type or course number, delivery method, offering institution, and semester.
- $\underline{6.5.}$ Periodically obtain and analyze data from the Florida College System and the State University System concerning:
 - a. Costs of distance learning courses and degree programs.
- b. <u>Completion</u>, graduation, and retention rates of students enrolled in distance learning <u>course</u> and <u>degree</u> programs.
 - c. Distance learning course completion.
- (c) Implement a streamlined, automated, online admissions application process for undergraduate transient students who are currently enrolled and pursuing a degree at a public postsecondary education institution and who enroll in a course offered by a public postsecondary education institution that is not the student's degree-granting institution. The Florida Virtual Campus shall work with the Florida College System and the State University System to implement this process which requires all Florida College System institutions and state universities to:
- 1. Use the transient student admissions application available through the statewide computer-assisted student advising system established pursuant to paragraph (d). This admissions application is the only application required for the enrollment of a transient student as described in this paragraph.
 - 2. Implement the financial aid procedures required by the

transient student admissions application process.

- 3. Transfer credit awarded by the institutions offering the course to the transient student's degree-granting institution.
- 4. By December 1, 2012, Provide for an interface between the institutional advising system and the statewide computerassisted student advising system established pursuant to paragraph (d) in order to electronically send, receive, and process the transient student admissions application.
- (i) In consultation with the public postsecondary education institutions, develop and implement a plan that describes the services and resources available at the Florida Virtual Campus to encourage current and prospective students' use of such services and resources.
- (6) Beginning September 30, 2013, and annually thereafter, the chancellors of the Florida College System and the State University System shall jointly publish a report regarding the activities of the Florida Virtual Campus in the prior fiscal year. The report shall include, but not be limited to, information related to the provision of library services and electronic resources, to include those resources licensed pursuant to s. 1006.72; distance learning resources; the computer-assisted student advising system; the transient student online admissions process; and other provided programs, activities, and services.
- Section 16. Section 1006.735, Florida Statutes, is amended to read:
- 1131 1006.735 Complete Florida Degree Program Completion Pilot

1132 Project.

- (1) The Complete Florida Degree Program Completion Pilot Project is established for the purpose of recruiting, recovering, and retaining the state's adult learners and assisting them in completing an associate degree or a baccalaureate degree that is aligned to high-wage, high-skill workforce needs. As used in this section, the term "adult learner" means a student who has successfully completed collegelevel coursework in multiple semesters but has left an institution in good standing before completing his or her degree. The program pilot project shall give priority to adult learners who are veterans or active duty members of the United States Armed Forces.
- shall be implemented by the University of West Florida, acting as the lead institution, in coordination with Florida College System institutions, state universities, and private postsecondary institutions, as appropriate. The program; the University of South Florida; Florida State College at Jacksonville; and St. Petersburg College and shall include the associate, applied baccalaureate, and baccalaureate degree programs that these institutions have selected. Other partnering public postsecondary education institutions shall provide areas of specialization or concentration.
- (3) For purposes of selecting the degree programs that will be given priority in the <u>Complete Florida Degree Program pilot project</u>, the institutions identified in subsection (2) shall partner with public and private job recruitment and

placement agencies and use labor market data and projections, including those identified in the Board of Governors' Commission on Higher Education Access and Educational Attainment gap analysis, to identify the specific workforce needs and targeted occupations of the state.

- (4) The <u>Complete Florida Degree Program</u> pilot project shall provide adult learners with a single point of access to information and links to innovative online and accelerated distance learning courses, student and library support services, and electronic resources that will guide the adult learner toward the successful completion of a postsecondary degree.
- (5) By the end of Beginning with the 2013-2014 2012-2013 academic year, the Complete Florida Degree Program pilot project shall be implemented and must:
- (a) Use the distance learning course catalog established pursuant to s. 1006.73 to communicate course availability to the adult learner.
- (b) Develop and implement an advising and student support system that includes the use of degree completion specialists, is based upon best practices and processes, and includes academic and career support services designed specifically for the adult learner. The program must identify proposed changes to the statewide computer-assisted student advising system established pursuant to s. 1006.73 to assist the adult learner in using the system.
- (c) Use the streamlined, automated, online admissions application process for transient students established pursuant to s. 1006.73. The program pilot project shall identify any

additional admissions and registration policies and practices that could be further streamlined and automated for purposes of assisting the adult learner.

- (d) Use existing and, if necessary, develop new competency-based instructional and evaluation tools to assess prior performance, experience, and education for the award of college credit in order to reduce the time required for adult learners to complete their degrees. The tools may include the use of the American Council on Education's collaborative link between the United States Department of Defense and higher education through the review of military training and experiences for the award of equivalent college credit for members of the United States Armed Forces.
- (e) Develop and implement an evaluation process that collects, analyzes, and provides to the chancellors of the Florida College System and the State University System, the participating postsecondary education institutions, the chairs of the legislative appropriations committees, and the Executive Office of the Governor information on the effectiveness of the program pilot project and the attainment of its goals. Such a process shall include a management information system that collects the appropriate student, programmatic, and fiscal data necessary to complete the evaluation of the program pilot project shall also collect job placement and employment data on the adult learners who have completed their degrees as a result of the program pilot project.
 - (f) Develop and implement a statewide student recruitment

marketing campaign targeted toward recruiting adult learners, particularly veterans and active duty members of the United States Armed Forces, for enrollment in the degree programs offered through the program pilot project.

- pilot project, each institution's current tuition and fee structure shall be used. However, all participating institutions shall collaboratively identify the applicable cost components involved in the development and delivery of distance learning courses, collect information on these cost components, and submit the information to the Florida Virtual Campus. The chancellors of the Florida College System and the State University System. The chancellors shall submit a report to the chairs of the legislative appropriations committees no later than December 31, 2014 2013, on the need for a differentiated tuition and fee structure for the development and delivery of distance learning courses.
- (7) The University of West Florida, in collaboration with its partners the University of South Florida, Florida State College at Jacksonville, and St. Petersburg College, shall submit to the chairs of the Board of Governors, the State Board of Education, and the legislative appropriations committees no later than September 1, 2013 June 1, 2012, a detailed program project plan that defines the major work activities, student eligibility criteria, timeline, and cost for implementing the Complete Florida Degree Program pilot project.
- (8) The University of West Florida, in collaboration with the University of South Florida, Florida State College at

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Jacksonville, and St. Petersburg College, shall develop and implement a transition plan that transfers the administration of the pilot project to the Florida Virtual Campus no later than June 30, 2013.

Section 17. Subsections (2) and (4) and paragraph (n) of subsection (21) of section 1007.271, Florida Statutes, are amended to read:

1007.271 Dual enrollment programs.

For the purpose of this section, an eligible secondary student is a student who is enrolled in a Florida public secondary school or in a Florida private secondary school which is in compliance with s. 1002.42(2) and provides a secondary curriculum pursuant to s. 1003.428, s. 1003.429, or s. 1003.43. Students who are eligible for dual enrollment pursuant to this section may enroll in dual enrollment courses conducted during school hours, after school hours, and during the summer term. However, if the student is projected to graduate from high school before the scheduled completion date of a postsecondary course, the student may not register for that course through dual enrollment. The student may apply to the postsecondary institution and pay the required registration, tuition, and fees if the student meets the postsecondary institution's admissions requirements under s. 1007.263. Instructional time for dual enrollment may vary from 900 hours; however, the full-time equivalent student membership value shall be subject to the provisions in school district may only report the student for a maximum of 1.0 FTE, as provided in s. 1011.61(4). Any student enrolled as a dual enrollment student is exempt from the payment

of registration, tuition, and laboratory fees. Vocationalpreparatory instruction, college-preparatory instruction, and
other forms of precollegiate instruction, as well as physical
education courses that focus on the physical execution of a
skill rather than the intellectual attributes of the activity,
are ineligible for inclusion in the dual enrollment program.
Recreation and leisure studies courses shall be evaluated
individually in the same manner as physical education courses
for potential inclusion in the program.

- (4) District school boards may not refuse to enter into a dual enrollment articulation agreement with a local Florida College System institution if that Florida College System institution has the capacity to offer dual enrollment courses. A Florida College System institution may limit dual enrollment participation based upon capacity. Such limitation must be clearly specified in the dual enrollment articulation agreement.
- College System institution president shall develop a comprehensive dual enrollment articulation agreement for the respective school district and Florida College System institution. The superintendent and president shall establish an articulation committee for the purpose of developing the agreement. Each state university president may designate a university representative to participate in the development of a dual enrollment articulation agreement. A dual enrollment articulation agreement shall be completed and submitted annually by the Florida College System institution to the Department of Education on or before August 1. The agreement must include, but

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is not limited to:

1301	(n) A funding provision that delineates costs incurred by
1302	each entity. School districts shall pay the standard tuition
1303	rate per credit hour from funds provided in the Florida
1304	Education Finance Program to the institution providing
1305	instruction when such instruction takes place on the
1306	postsecondary campus should share funding to cover instructional
1307	and support costs incurred by the postsecondary institution.
1308	When dual enrollment is provided on the high school site by
1309	postsecondary institution faculty, the school district shall
1310	reimburse the costs associated with the proportion of salary and
1311	benefits and other actual costs of the postsecondary institution
1312	to provide the instruction. When dual enrollment is provided on
1313	the high school site by school district faculty, the school
1314	district shall be responsible only for the postsecondary
1315	institution's actual costs associated with offering the program.
1316	A postsecondary institution may enter into an agreement with the
1317	school district to authorize teachers who teach dual enrollment
1318	courses at the high school site or the postsecondary
1319	institution. A school district may not deny a student access to
1320	dual enrollment unless the student is ineligible to participate
1321	in the program subject to provisions specifically outlined in
1322	this section.
1323	Section 18. Section 1008.322, Florida Statutes, is created
1324	to read:
1325	1008.322 Board of Governors oversight authority
1326	(1) The Board of Governors of the State University System

shall oversee the performance of state university boards of

trustees in the enforcement of laws, rules, and regulations.
State university boards of trustees shall be primarily
responsible for compliance with laws and board rules and
regulations.

- operate, regulate, control, and be fully responsible for the management of the whole university system mandates that the state universities comply with all requests by the board for information, data, and reports. The state university presidents are responsible for the accuracy of the information and data reported to the board.
- investigate allegations of noncompliance with law or board rule or regulation and determine probable cause. The chancellor shall report determinations of probable cause to the board, which shall require the university board of trustees to document compliance with law or board rule or regulation.
- (4) If the university board of trustees cannot satisfactorily document compliance, the board may order compliance within a specified timeframe.
- (5) If the board determines that a university board of trustees is unwilling or unable to comply with law or board rule or regulation within the specified time, the board, in addition to actions constitutionally authorized, has the authority to initiate any of the following actions:
- (a) Report to the Legislature that the university has been unwilling or unable to comply with law or board rule or regulation and recommend action to be taken by the Legislature.

- (b) Withhold the transfer of state funds, discretionary grant funds, or any other funds specified as eligible for this purpose by the Legislature until the university complies with the law or board rule or regulation.
- (c) Declare the university ineligible for competitive grants.
- (6) Nothing in this section shall be construed to create a private cause of action or create any rights for individuals or entities in addition to those provided elsewhere in law, rule, or regulation.

Section 19. Paragraph (e) of subsection (4), subsection (7), paragraph (c) of subsection (8), and subsection (13) of section 1009.24, Florida Statutes, are amended to read:

1009.24 State university student fees.-

(4)

(e) The sum of the activity and service, health, and athletic fees a student is required to pay to register for a course shall not exceed 40 percent of the <u>sum of</u> tuition <u>and the tuition differential</u> established in law or in the General Appropriations Act. No university shall be required to lower any fee in effect on the effective date of this act in order to comply with this subsection. Within the 40 percent cap, universities may not increase the aggregate sum of activity and service, health, and athletic fees more than 5 percent per year, or the same percentage increase in tuition authorized under paragraph (b), whichever is greater, unless specifically authorized in law or in the General Appropriations Act. A university may increase its athletic fee to defray the costs

1384 associated with changing National Collegiate Athletic 1385 Association divisions. Any such increase in the athletic fee may 1386 exceed both the 40 percent cap and the 5 percent cap imposed by 1387 this subsection. Any such increase must be approved by the 1388 athletic fee committee in the process outlined in subsection 1389 (12) and cannot exceed \$2 per credit hour. Notwithstanding the provisions of ss. 1009.534, 1009.535, and 1009.536, that portion 1390 1391 of any increase in an athletic fee pursuant to this subsection 1392 that causes the sum of the activity and service, health, and 1393 athletic fees to exceed the 40 percent cap or the annual increase in such fees to exceed the 5 percent cap shall not be 1394 1395 included in calculating the amount a student receives for a Florida Academic Scholars award, a Florida Medallion Scholars 1396 1397 award, or a Florida Gold Seal Vocational Scholars award. 1398 Notwithstanding this paragraph and subject to approval by the 1399 board of trustees, each state university is authorized to exceed 1400 the 5-percent cap on the annual increase to the aggregate sum of activity and service, health, and athletic fees for the 2010-1401 1402 2011 fiscal year. Any such increase shall not exceed 15 percent 1403 or the amount required to reach the 2009-2010 fiscal year 1404 statewide average for the aggregate sum of activity and service, 1405 health, and athletic fees at the main campuses, whichever is 1406 greater. The aggregate sum of the activity and service, health, 1407 and athletic fees shall not exceed 40 percent of tuition. Any increase in the activity and service fee, health fee, or 1408 athletic fee must be approved by the appropriate fee committee 1409 1410 pursuant to subsection (10), subsection (11), or subsection 1411 (12).

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A university board of trustees is authorized to collect for financial aid purposes an amount not to exceed 5 percent of the sum of tuition, the tuition differential, and out-of-state fees fee. The revenues from fees are to remain at each campus and replace existing financial aid fees. Such funds shall be disbursed to students as quickly as possible. A minimum of 75 percent of funds from the student financial aid fee shall be used to provide financial aid based on absolute need. The Board of Governors shall develop criteria for making financial aid awards. Each university shall report annually to the Board of Governors and the Department of Education on the revenue collected pursuant to this subsection, the amount carried forward, the criteria used to make awards, the amount and number of awards for each criterion, and a delineation of the distribution of such awards. The report shall include an assessment by category of the financial need of every student who receives an award, regardless of the purpose for which the award is received. Awards which are based on financial need shall be distributed in accordance with a nationally recognized system of need analysis approved by the Board of Governors. An award for academic merit shall require a minimum overall grade point average of 3.0 on a 4.0 scale or the equivalent for both initial receipt of the award and renewal of the award.

(8)

(c) The fee may not exceed <u>20</u> 10 percent of the <u>sum of</u> tuition <u>and the tuition differential</u> for resident students or <u>20</u> 10 percent of the sum of tuition, the tuition differential, and out-of-state fees for nonresident students. The fee for resident

students shall be limited to an increase of \$3 \$2 per credit hour over the prior year. The Capital Improvement Trust Fund fee may be used to fund any project or real property acquisition that meets the requirements of chapter 1013. The Division of Bond Finance of the State Board of Administration shall analyze any proposed reductions to the Capital Improvement Trust Fund fee to ensure consistency with prudent financial management of the bond program associated with the revenues from the fee. The Board of Governors shall approve any proposed fee reductions provided that no such reduction reduces the fee below the level established in paragraph (a).

- (13) Each university board of trustees may establish a technology fee of up to 5 percent of the <u>sum of</u> tuition <u>and the tuition differential</u> per credit hour. The revenue from this fee shall be used to enhance instructional technology resources for students and faculty. The technology fee may not be included in any award under the Florida Bright Futures Scholarship Program established pursuant to ss. 1009.53-1009.538.
- Section 20. <u>Section 1010.79</u>, Florida Statutes, is repealed.
- Section 21. (1) The Sophomore Level Test Trust Fund, FLAIR number 48-2-646, within the Department of Education is terminated.
- (2) All current balances remaining in, and all revenues of, the trust fund shall be transferred to the General Revenue Fund.
- (3) The Department of Education shall pay any outstanding debts or obligations of the terminated trust fund as soon as

- practicable, and the Chief Financial Officer shall close out and remove the terminated trust fund from the various state accounting systems using generally accepted accounting principles concerning warrants outstanding, assets, and liabilities.
- 1473 Section 22. Section 1010.81, Florida Statutes, is amended to read:
 - Fund.—Chapter 99-29, Laws of Florida, re-created The Education Knott Data Center Working Capital Trust Fund shall be administered by the Department of Education as a depository for funds received to record the revenue from fees paid for services provided by the department's technology office, interest earnings, and cash advances from customer entities. Moneys deposited in the trust fund shall be used to fund the services provided by the department's technology office Department of Education's data center and disbursements to pay the costs of operating the data center as authorized in s. 216.272.
 - Section 23. Subsection (5) is added to section 1011.40, Florida Statutes, to read:
 - 1011.40 Budgets for universities.-
 - (5) GUIDELINES FOR EDUCATION AND GENERAL FUND. -
 - (a) Each state university shall maintain an education and general fund ending fund balance that is sufficient to address normal contingencies and to meet the requirements in subsection (2).
 - (b) If at any time the unencumbered portion of the education and general fund's ending fund balance in the

institution's approved operating budget is projected to fall below 3 percent of the projected education and general fund revenues during the current fiscal year, the university's board of trustees shall provide written notification to the Board of Governors and the Chancellor of the State University System.

(c) If at any time the unencumbered portion of the education and general fund's ending fund balance in the institution's approved operating budget is projected to fall below 2 percent of projected education and general fund revenues during the current fiscal year, the university's board of trustees shall provide written notification to the Board of Governors and the Chancellor of the State University System.

Within 14 days after receiving such notification, if the chancellor determines that the institution does not have a plan that is reasonably anticipated to avoid a financial emergency as determined pursuant to s. 218.503, the chancellor shall appoint a financial emergency board that shall operate under the requirements, powers, and duties specified in s. 218.503(3)(g).

(4) of section 1011.61, Florida Statutes, are amended to read:
1011.61 Definitions.—Notwithstanding the provisions of s.
1000.21, the following terms are defined as follows for the
purposes of the Florida Education Finance Program:

Section 24. Paragraph (c) of subsection (1) and subsection

- (1) A "full-time equivalent student" in each program of the district is defined in terms of full-time students and part-time students as follows:
 - (c)1. A "full-time equivalent student" is:
 - a. A full-time student in any one of the programs listed

- 1524 in s. 1011.62(1)(c); or
- b. A combination of full-time or part-time students in any one of the programs listed in s. 1011.62(1)(c) which is the equivalent of one full-time student based on the following calculations:
 - (I) A full-time student in a combination of programs listed in s. 1011.62(1)(c) shall be a fraction of a full-time equivalent membership in each program equal to the number of net hours per school year for which he or she is a member, divided by the appropriate number of hours set forth in subparagraph (a)1. or subparagraph (a)2. The difference between that fraction or sum of fractions and the maximum value as set forth in subsection (4) for each full-time student is presumed to be the balance of the student's time not spent in a nonbasic program and shall be recorded as time in the appropriate basic program. The sum of the fractions for each program may not exceed the maximum value set forth in subsection (4).
 - (II) A prekindergarten student with a disability shall meet the requirements specified for kindergarten students.
 - (III) A full-time equivalent student for students in kindergarten through grade 12 in a full-time virtual instruction program under s. 1002.45 or a virtual charter school under s. 1002.33 shall consist of six full-credit completions or the prescribed level of content that counts toward promotion to the next grade in programs listed in s. 1011.62(1)(c). Credit completions may be a combination of full-credit courses or half-credit courses. Beginning in the 2016-2017 2014-2015 fiscal year, when s. 1008.22(3)(g) is implemented, the reported full-

time equivalent students and associated funding of students enrolled in courses requiring passage of an end-of-course assessment under s. 1003.4282 to earn a standard high school diploma shall be adjusted if after the student does not pass completes the end-of-course assessment. However, no adjustment shall be made for a student who enrolls in a segmented remedial course delivered online.

- kindergarten through grade 12 in a part-time virtual instruction program under s. 1002.45 shall consist of six full-credit completions in programs listed in s. 1011.62(1)(c)1. and 3. Credit completions may be a combination of full-credit courses or half-credit courses. Beginning in the 2016-2017 2014-2015 fiscal year, when s. 1008.22(3)(g) is implemented, the reported full-time equivalent students and associated funding of students enrolled in courses requiring passage of an end-of-course assessment under s. 1003.4282 to earn a standard high school diploma shall be adjusted if after the student does not pass completes the end-of-course assessment. However, no adjustment shall be made for a student who enrolls in a segmented remedial course delivered online.
- (V) A Florida Virtual School full-time equivalent student shall consist of six full-credit completions or the prescribed level of content that counts toward promotion to the next grade in the programs listed in s. 1011.62(1)(c)1. and 3. for students participating in kindergarten through grade 12 part-time virtual instruction and the programs listed in s. 1011.62(1)(c) for students participating in kindergarten through grade 12 full-

time virtual instruction. Credit completions may be a combination of full-credit courses or half-credit courses. Beginning in the 2016-2017 2014-2015 fiscal year, when s. 1008.22(3)(g) is implemented, the reported full-time equivalent students and associated funding of students enrolled in courses requiring passage of an end-of-course assessment under s. 1003.4282 to earn a standard high school diploma shall be adjusted if after the student does not pass completes the end-of-course assessment. However, no adjustment shall be made for a student who enrolls in a segmented remedial course delivered online.

(VI) Each successfully completed full-credit course earned through an online course delivered by a district other than the one in which the student resides shall be calculated as 1/6 FTE.

(VII) Each successfully completed credit earned under the alternative high school course credit requirements authorized in s. 1002.375, which is not reported as a portion of the 900 net hours of instruction pursuant to subparagraph (1)(a)1., shall be calculated as 1/6 FTE.

(VII) (VIII) (A) A full-time equivalent student for courses requiring passage of a statewide, standardized end-of-course assessment under s. 1003.4282 to earn a standard high school diploma pursuant to s. 1008.22(3)(c)2.a. shall be defined and reported based on the number of instructional hours as provided in this subsection until the 2016-2017 fiscal year for the first 3 years of administering the end-of-course assessment. Beginning in the 2016-2017 fiscal year fourth year of administering the

end-of-course assessment, the FTE for the course shall be assessment-based credit-based and each course shall be equal to 1/6 FTE. The reported FTE shall be adjusted if after the student does not pass successfully completes the end-of-course assessment pursuant to s. 1008.22(3)(c)2.a. However, no adjustment shall be made for a student who enrolls in a segmented remedial course delivered online.

(VIII) (B) For students enrolled in a school district as a full-time student, the district may report 1/6 FTE for each student who passes a statewide, standardized end-of-course assessment without being enrolled in the corresponding course.

- (C) The FTE earned under this sub-sub-subparagraph and any FTE for courses or programs listed in s. 1011.62(1)(c) that do not require passing a statewide, standardized end-of-course assessment are subject to the requirements in subsection (4).
- 2. A student in membership in a program scheduled for more or less than 180 school days or the equivalent on an hourly basis as specified by rules of the State Board of Education is a fraction of a full-time equivalent membership equal to the number of instructional hours in membership divided by the appropriate number of hours set forth in subparagraph (a)1.; however, for the purposes of this subparagraph, membership in programs scheduled for more than 180 days is limited to students enrolled in:
 - a. Juvenile justice education programs.
 - b. and The Florida Virtual School.
- 1634 <u>c. Virtual instruction programs and virtual charter</u>
 1635 schools pursuant to ss. 1002.45 and 1003.498 for the purpose of

course completion and credit recovery.

- 3. The department shall determine and implement an equitable method of equivalent funding for experimental schools and for schools operating under emergency conditions, which schools have been approved by the department to operate for less than the minimum school day.

- The full-time equivalent student enrollment calculated under this subsection is subject to the requirements in subsection (4).
 - (4) The maximum value for funding a student in kindergarten through grade 12 or in a prekindergarten program for exceptional children as provided in s. 1003.21(1)(e) shall be the sum of the calculations in paragraphs (a), (b), and (c) as calculated by the department is one full-time equivalent student membership for a school year or equivalent.
 - (a) The sum of the student's full-time equivalent student membership value for the school year or the equivalent derived from paragraphs (1)(a) and (b), subparagraph (1)(c)1., subsubparagraphs (1)(c)2.b. and c., subparagraph (1)(c)3., and subsection (2). If the sum is greater than 1.0, the full-time equivalent student membership value for each program or course shall be reduced by an equal proportion so that the student's total full-time equivalent student membership value is equal to 1.0.
 - (b) If the result in paragraph (a) is less than 1.0 full—time equivalent student and the student has full-time equivalent student enrollment pursuant to sub-sub-subparagraph

- (1) (c) 1.b. (VIII), calculate an amount that is the lesser of the value in sub-sub-subparagraph (1) (c) 1.b. (VIII) or the value of less the value in paragraph (a).
 - (c) The full-time equivalent student enrollment value in sub-subparagraph (1)(c)2.a.

Section 25. Paragraph (i) of subsection (1) of section 1011.62, Florida Statutes, is amended to read:

- 1011.62 Funds for operation of schools.—If the annual allocation from the Florida Education Finance Program to each district for operation of schools is not determined in the annual appropriations act or the substantive bill implementing the annual appropriations act, it shall be determined as follows:
- (1) COMPUTATION OF THE BASIC AMOUNT TO BE INCLUDED FOR OPERATION.—The following procedure shall be followed in determining the annual allocation to each district for operation:
- (i) Calculation of full-time equivalent membership with respect to dual enrollment instruction.—Students enrolled in dual enrollment instruction pursuant to s. 1007.271 may be included in calculations of full-time equivalent student memberships for basic programs for grades 9 through 12 by a district school board. Instructional time for dual enrollment may vary from 900 hours; however, the <u>full-time equivalent</u> student membership value shall be subject to the provisions in school district may only report the student for a maximum of 1.0 full-time equivalent student membership, as provided in s. 1011.61(4). Dual enrollment full-time equivalent student

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membership shall be calculated in an amount equal to the hours of instruction that would be necessary to earn the full-time equivalent student membership for an equivalent course if it were taught in the school district. Students in dual enrollment courses may also be calculated as the proportional shares of full-time equivalent enrollments they generate for a Florida College System institution or university conducting the dual enrollment instruction. Early admission students shall be considered dual enrollments for funding purposes. Students may be enrolled in dual enrollment instruction provided by an eligible independent college or university and may be included in calculations of full-time equivalent student memberships for basic programs for grades 9 through 12 by a district school board. However, those provisions of law which exempt dual enrolled and early admission students from payment of instructional materials and tuition and fees, including laboratory fees, shall not apply to students who select the option of enrolling in an eligible independent institution. An independent college or university which is located and chartered in Florida, is not for profit, is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools or the Accrediting Council for Independent Colleges and Schools, and confers degrees as defined in s. 1005.02 shall be eligible for inclusion in the dual enrollment or early admission program. Students enrolled in dual enrollment instruction shall be exempt from the payment of tuition and fees, including laboratory fees. No student enrolled in college credit mathematics or English dual enrollment instruction shall be funded as a dual enrollment

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- unless the student has successfully completed the relevant section of the entry-level examination required pursuant to s. 1722 1008.30.
- Section 26. Section 1011.622, Florida Statutes, is created to read:
 - identifier.—For a student without a common student identifier who transfers from a public school district or the Florida Virtual School to another public school district or the Florida Virtual School, the Department of Education shall decrease the Florida Education Finance Program funds from the district or the Florida Virtual School which the student attended prior to the transfer.
 - Section 27. Subsection (10) of section 1011.80, Florida Statutes, is amended to read:
- 1735 1011.80 Funds for operation of workforce education 1736 programs.—
- (10) A high school student dually enrolled under s. 1737 1738 1007.271 in a workforce education program operated by a Florida 1739 College System institution or school district career center 1740 generates the amount calculated for workforce education funding, 1741 including any payment of performance funding, and the 1742 proportional share of full-time equivalent enrollment generated 1743 through the Florida Education Finance Program for the student's enrollment in a high school. If a high school student is dually 1744 enrolled in a Florida College System institution program, 1745 1746 including a program conducted at a high school, the Florida 1747 College System institution earns the funds generated for

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workforce education funding, and the school district earns the proportional share of full-time equivalent funding from the Florida Education Finance Program. If a student is dually enrolled in a career center operated by the same district as the district in which the student attends high school, that district earns the funds generated for workforce education funding and also earns the proportional share of full-time equivalent funding from the Florida Education Finance Program. If a student is dually enrolled in a workforce education program provided by a career center operated by a different school district, the funds must be divided between the two school districts proportionally from the two funding sources. A student may not be reported for funding in a dual enrollment workforce education program unless the student has completed the basic skills assessment pursuant to s. 1004.91. A student who is coenrolled in a K-12 education program and an adult education program may not be reported for purposes of funding in an adult education program if the student is, except that for the 2011-2012 and 2012-2013 fiscal years, students who are coenrolled in core curricula courses for credit recovery or dropout prevention purposes and does do not have a pattern of excessive absenteeism or habitual truancy or a history of disruptive behavior in school, and the student may be reported for funding for up to two courses per year student. Such a student is students are exempt from the payment of the block tuition for adult general education programs provided in s. 1009.22(3)(c). The Department of Education shall develop a list of courses to be designated as core curricula courses for the purposes of coenrollment.

Bill No. SB 1514, 1st Eng. (2013)

Amendment No.

Section 28. Section 1011.815, Florida Statutes, is created to read:

- 1011.815 Guidelines for general funds.—
- (1) Each Florida College System institution shall maintain a general fund ending fund balance that is sufficient to address normal contingencies and to meet the requirements in s. 1011.84(3)(e).
- (2) If at any time the unencumbered portion of the general fund's ending fund balance in the institution's approved operating budget is projected to fall below 3 percent of the projected general fund revenues during the current fiscal year, the president of the institution shall provide written notification to the State Board of Education and the Chancellor of the Florida College System.
- (3) If at any time the unencumbered portion of the general fund's ending fund balance in the institution's approved operating budget is projected to fall below 2 percent of projected general fund revenues during the current fiscal year, the president of the institution shall provide written notification to the State Board of Education and the Chancellor of the Florida College System. Within 14 days after receiving such notification, if the chancellor determines that the institution does not have a plan that is reasonably anticipated to avoid a financial emergency as determined pursuant to s.

 218.503, the chancellor shall appoint a financial emergency board that shall operate under the requirements, powers, and duties specified in s. 218.503(3)(g).

Section 29. Subsection (4) of section 1012.885, Florida

1804 Statutes, is amended to read:

1012.885 Remuneration of Florida College System institution presidents; limitations.—

(4) LIMITATION ON REMUNERATION.—Notwithstanding the provisions of this section, for the 2012-2013 fiscal year, a Florida College System institution president may not receive more than \$200,000 in remuneration from appropriated state funds. Only compensation, as defined in s. 121.021(22), provided to a Florida College System institution president may be used in calculating benefits under chapter 121.

Section 30. Effective upon this act becoming a law, subsection (4) of section 1012.886, Florida Statutes, is amended to read:

1012.886 Remuneration of Florida College System institution administrative employees; limitations.—

- (4) EXPIRATION.—This section expires June 30, 2013.
- 1820 Section 31. Subsection (4) of section 1012.975, Florida
 1821 Statutes, is amended to read:
 - 1012.975 Remuneration of state university presidents; limitations.—
 - (4) LIMITATION ON REMUNERATION.—Notwithstanding the provisions of this section, for the 2012-2013 fiscal year, a state university president may not receive more than \$200,000 in remuneration from public funds. Only compensation, as defined in s. 121.021(22), provided to a state university president may be used in calculating benefits under chapter 121.
- Section 32. Effective upon this act becoming a law, subsection (4) of section 1012.976, Florida Statutes, is amended

1832 to read:

- 1012.976 Remuneration of state university administrative employees; limitations.—
- 1835 (4) EXPIRATION.—This section expires June 30, 2013.
- Section 33. Notwithstanding s. 411.01, Florida Statutes,
 school readiness program eligibility and enrollment shall be as
 follows:
 - (1) Effective August 1, 2013, or upon reevaluation of eligibility for children currently served, whichever is later, each early learning coalition shall give priority for participation in the school readiness program as follows:
 - (a) Priority shall be given first to a child younger than 13 years of age from a working family that includes a parent receiving temporary cash assistance under chapter 414, Florida Statutes, and subject to the federal work requirements or a parent who transitions from the work program into employment as described in s. 445.032, Florida Statutes.
 - (b) Priority shall be given next to an at-risk child younger than 9 years of age.
 - (c) Priority shall be given next to a child from birth to the beginning of the school year for which the child is eligible for admission to kindergarten in a public school under s.

 1003.21(1)(a)2., Florida Statutes, from a working family that is economically disadvantaged. However, the child ceases to be eligible if his or her family income exceeds 200 percent of the federal poverty level.
 - (d) Priority shall be given next to an at-risk child who is at least 9 years of age but younger than 13 years of age. An

at-risk child whose sibling is enrolled in the school readiness program within an eligibility priority category listed in paragraphs (a)-(c) shall be given priority over other children who are eligible under this paragraph.

- (e) Priority shall be given next to a child who has special needs, has been determined eligible as a student with disabilities, has a current individual education plan with a Florida school district, and is not younger than 3 years of age. A special needs child eligible under this paragraph remains eligible until the child is eligible for admission to kindergarten in a public school under s. 1003.21(1)(a)2.
- (f) Priority shall be given next to a child who is younger than 13 years of age from a working family that is economically disadvantaged. A child who is eligible under this paragraph whose sibling is enrolled in the school readiness program under paragraph (c) shall be given priority over other children who are eligible under this paragraph.
- (g) Notwithstanding paragraphs (a)-(d), priority shall be given last to a child who otherwise meets one of the eligibility criteria in paragraphs (a)-(d) but who is also enrolled concurrently in the federal Head Start Program and the Voluntary Prekindergarten Education Program.
- (2) A school readiness provider may be paid only for authorized hours of care provided for a child in the school readiness program. A child enrolled in the Voluntary

 Prekindergarten Education Program may receive care from the school readiness program if the child is eligible according to the eligibility priorities in this section.

- (3) An early learning coalition shall enroll all eligible children, including those from its uniform waiting list, according to the eligibility priorities in this section.
- (4) The parent of a child enrolled in the school readiness program must notify the early learning coalition or its designee within 10 days after any change in employment, income, or family size. Upon notification by the parent, the child's eligibility must be reevaluated.
- (5) A child whose eligibility priority category requires the child to be from a working family ceases to be eligible for the school readiness program if a parent with whom the child resides does not reestablish employment within 30 days after becoming unemployed.
- (6) Eligibility for each child must be reevaluated annually. Upon reevaluation, a child may not continue to receive school readiness services if he or she ceases to be eligible under this subsection.
- readiness program, the coalition must disenroll the children in reverse order of the eligibility priorities listed in subsection (1), beginning with children from families with the highest family incomes. A notice of disenrollment must be sent to parents and school readiness providers at least 2 weeks before disenrollment to provide adequate time for parents to arrange alternative care for their children. However, an at-risk child may not be disenrolled from the program without the written approval of the Family Safety Program Office of the Department of Children and Families or the community-based lead agency.

- (8) If a child is absent from the program for 5 consecutive days without parental notification to the program of such absences, the school readiness provider shall report the absences to the early learning coalition for a determination of the need for continued care.
- (9) Notwithstanding s. 39.604, Florida Statutes, a school readiness provider, regardless of whether the provider is licensed, shall comply with the reporting requirements of the Rilya Wilson Act for each at-risk child under the age of school entry enrolled in the school readiness program.
- Section 34. (1) Notwithstanding s. 411.01, Florida

 Statutes, funding for the school readiness program shall be
 allocated among the early learning coalitions in accordance with
 this section and the General Appropriations Act.
- (2) The Division of Early Learning shall administer school readiness funds and shall prepare and submit a unified budget request for the school readiness system in accordance with chapter 216, Florida Statutes.
- (3) All instructions to early learning coalitions for administering this section shall emanate from the Division of Early Learning in accordance with the policies of the Legislature.
- (4) All cost savings and all revenues received through a mandatory sliding fee scale shall be used to increase the number of children served.
- (5) All state, federal, and required local maintenance-ofeffort or matching funds provided to an early learning coalition for purposes of this section shall be used for implementation of

its approved school readiness plan, including the hiring of
staff to effectively operate the coalition's school readiness
program.

- (6) Costs shall be kept to the minimum necessary for the efficient and effective administration of the school readiness program with the highest priority of expenditure being direct services for eligible children. However, no more than 5 percent of the funds described in subsection (5) may be used for administrative costs, and, except as otherwise specified in the General Appropriations Act, no more than 18 percent of the funds described in subsection (5) may be used for any combination of administrative costs, quality activities, and nondirect services as follows:
- (a) Administrative costs as described in 45 C.F.R. s. 98.52.
- (b) Activities to improve the quality of child care as described in 45 C.F.R. s. 98.51, which shall be limited to the following:
- 1. Developing, establishing, expanding, operating, and coordinating resource and referral programs specifically related to the provision of comprehensive consumer education to parents and the public regarding participation in the school readiness program.
- 2. Awarding grants to school readiness providers to assist them in meeting applicable state requirements for child care performance standards, implementing developmentally appropriate curricula and related classroom resources that support

1971 <u>curricula, providing literacy supports, and providing</u> 1972 professional development.

- 3. Providing training and technical assistance for school readiness providers, staff, and parents on child performance standards, child screenings, child assessments, developmentally appropriate curricula, character development, teacher-child interactions, age-appropriate discipline practices, health and safety, nutrition, first aid, the recognition of communicable diseases, and child abuse detection and prevention.
- 4. From among the funds provided for the activities described in subparagraphs 1.-3., providing adequate funding for infants and toddlers as necessary to meet federal requirements related to expenditures for quality activities for infant and toddler care.
- 5. Monitoring providers using a standardized methodology adopted by the Department of Education to improve compliance with state and federal regulations and law pursuant to the requirements of the statewide provider contract adopted by the department.
- 6. Assisting the provider in implementing a pre-assessment and post-assessment.
- 7. Responding to Warm-Line requests by providers and parents related to school readiness children, including providing developmental and health screenings to school readiness children.
- (c) Nondirect services as described in 63 Fed. Reg. 39962-39963 (July 24, 1998) and applicable Office of Management and

- Budget instructions required to administer the school readiness program. Such services include, but are not limited to:
 - 1. Assisting families to complete the required application and eligibility documentation.
 - 2. Determining child and family eligibility.
 - 3. Recruiting eligible child care providers.
 - 4. Processing and tracking attendance records.
 - 5. Developing and maintaining a statewide childcare information system.

- As used in this paragraph, the term "nondirect services" does not include payments to school readiness providers for direct services provided to children who are eligible under subsection (1) of section 37 of this act, administrative costs described in paragraph (a), or quality activities described in paragraph (b).
- (7) State funds appropriated for the school readiness program may not be used for the construction of new facilities or the purchase of buses.
- appropriated funding for the school readiness program shall be allocated to early learning coalitions based on the average prior year enrollment and the uniform waiting list as adopted by the Early Learning Programs Estimating Conference pursuant to s. 216.136(8), Florida Statutes, and using the average market rate by program care level and provider type pursuant to section 39 of this act.
- Section 35. Notwithstanding s. 411.01013, Florida

 Statutes, the school readiness market rate schedule shall be

Amendment No. implemented as follows:

- (1) As used in this section, the term:
- (a) "Average market rate" means the biannually determined average of the market rate by program care level and provider type in a predetermined geographic market.
- (b) "Market rate" means the price that a child care provider charges for daily, weekly, or monthly child care services.
- (2) The Division of Early Learning shall establish procedures for the adoption of a market rate schedule. The schedule must include, at a minimum, county-by-county rates:
- (a) The market rate, including the minimum and the maximum rates for child care providers that hold a Gold Seal Quality

 Care designation under s. 402.281, Florida Statutes.
- (b) The market rate for child care providers that do not hold a Gold Seal Quality Care designation.
 - (3) The market rate schedule, at a minimum, must:
- (a) Differentiate rates by type, including, but not limited to, a child care provider that holds a Gold Seal Quality Care designation under s. 402.281, Florida Statutes, a child care facility licensed under s. 402.305, Florida Statutes, a public or nonpublic school exempt from licensure under s. 402.3025, Florida Statutes, a faith-based child care facility exempt from licensure under s. 402.316, Florida Statutes, that does not hold a Gold Seal Quality Care designation, a large family child care home licensed under s. 402.3131, Florida Statutes, or a family day care home licensed or registered under s. 402.313, Florida Statutes.

- (b) Differentiate rates by the type of child care services provided for children with special needs or risk categories, infants, toddlers, preschool-age children, and school-age children.
- (c) Differentiate rates between full-time and part-time child care services.
- (d) Consider discounted rates for child care services for multiple children in a single family.
- (4) The market rate schedule must be based exclusively on the prices charged for child care services.
- (5) The market rate schedule shall be considered by an early learning coalition in the adoption of a payment schedule. The payment schedule must take into consideration the average market rate, include the projected number of children to be served, and be submitted for approval by the Division of Early Learning. Informal child care arrangements shall be reimbursed at not more than 50 percent of the rate adopted for a family day care home.
- (6) The Division of Early Learning may contract with one or more qualified entities to administer this section and provide support and technical assistance for child care providers.
- (7) The Division of Early Learning may adopt rules for establishing procedures for the collection of child care providers' market rate, the calculation of the average market rate by program care level and provider type in a predetermined geographic market, and the publication of the market rate schedule.

Section 36. Notwithstanding the required review by the Legislative Budget Commission pursuant to s. 1003.03(4)(c), Florida Statutes, for the 2012-2013 fiscal year, the alternate compliance calculation amounts to the class size operating categorical fund authorized by s. 1003.03(4)(c), Florida Statutes, shall be the reduction calculation required by s. 1003.03(4), Florida Statutes. The Commissioner of Education shall modify payments to school districts as required by s. 1003.03(4), Florida Statutes, for the 2012-2013 fiscal year. This section shall take effect upon this act becoming a law. Section 37. Except as otherwise expressly provided in this

Section 37. Except as otherwise expressly provided in this act and except for this section, which shall take effect upon this act becoming a law, this act shall take effect July 1, 2013.

TITLE AMENDMENT

Remove everything before the enacting clause and insert:

A bill to be entitled

An act relating to education funding; amending s. 11.45, F.S.; requiring the Legislative Auditing Committee to refer certain financial matters to the State Board of Education or the Board of Governors; conforming provisions; amending ss. 218.50, 218.501, 218.503, and 218.504, F.S.; including Florida College System institutions and State University System institutions in annual financial audit and audit report requirements, determinations of financial

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emergency, financial management procedures, and	
cessation of state action upon resolution of financial	
emergency conditions; repealing s. 1001.27, F.S.,	
relating to a state satellite network; amending s.	
1001.28, F.S.; deleting a duty of the Department of	
Education to manage the state's satellite transponder	
resources; amending s. 1001.281, F.S.; revising funds	
deposited in the Operating Trust Fund; amending s.	
1001.42, F.S.; revising district school board duties	
relating to virtual instruction; creating s.	
1001.7065, F.S.; creating the preeminent state	
research universities program; establishing a	
collaborative partnership between the Board of	
Governors and the Legislature to elevate the academic	
and research preeminence of the highest-performing	
state research universities; establishing academic and	
research excellence standards for a university to be	
designated a preeminent state research university;	
providing for a preeminent state research university	
to establish an institute for online learning;	
providing duties and responsibilities of an advisory	
board, the university, and the Board of Governors to	
provide high-quality, fully online baccalaureate	
degree programs, including establishment of a tuition	
structure for the institute; providing for the award	
of funding to preeminent state research universities	
based upon performance; authorizing a preeminent state	
research university to establish special course	

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requirements; providing for preeminent state research university flexibility; encouraging the Board of Governors to promote additional programs of excellence; amending s. 1002.37, F.S.; revising and clarifying requirements for reporting and funding a full-time equivalent student in the Florida Virtual School; providing requirements for funding a home education student enrolled in the Florida Virtual School; providing reporting requirements relating to Florida Virtual School Global; amending s. 1002.45, F.S.; authorizing a school district to provide parttime virtual instruction for K-12 students in all courses; revising requirements for the use of virtual instruction in core-curricula courses for the purpose of meeting class size requirements; revising requirements for approval as a provider of virtual instruction programs; providing requirements for conditional approval; revising and clarifying the requirements for reporting and funding a full-time equivalent student enrolled in a virtual instruction program; amending s. 1003.498, F.S.; requiring the Department of Education to provide identifiers for courses to designate their use for blended learning courses; removing restrictions on students taking online courses across district lines; clarifying the requirements for reporting a full-time equivalent student; prohibiting a school district from requiring a public school student to take an online course at

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certain times or places; amending s. 1006.29, F.S.; requiring the department to publish technology requirements related to instructional materials; amending s. 1006.73, F.S.; revising purposes, duties, and responsibilities of the Florida Virtual Campus; amending s. 1006.735, F.S.; establishing the Complete Florida Degree Program and providing requirements for its implementation; amending s. 1007.271, F.S.; revising provisions relating to the full-time equivalent student membership value for dual enrolled students; revising dual enrollment articulation agreement requirements; revising funding provisions delineating costs incurred by the institution providing instruction; creating s. 1008.322, F.S.; providing Board of Governors oversight authority; requiring state university compliance with laws, rules, and regulations; authorizing certain actions for noncompliance; amending s. 1009.24, F.S.; revising certain state university student fees; repealing s. 1010.79, F.S., relating to the Sophomore Level Test Trust Fund; terminating the Sophomore Level Test Trust Fund and providing for the transfer of funds and payment of outstanding obligations; amending s. 1010.81, F.S.; renaming the Knott Data Center Working Capital Trust Fund and revising the deposit and use of funds; amending s. 1011.40, F.S.; providing requirements for maintaining fund balances in the education and general fund of state universities;

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amending s. 1011.61, F.S.; revising and clarifying the definition of a full-time equivalent student; revising provisions relating to funding based on student completion of end-of-course examinations; revising provisions relating to the maximum value for funding a student; amending s. 1011.62, F.S.; revising provisions relating to the full-time equivalent student membership value for dual enrolled students; creating s. 1011.622, F.S.; providing for funding adjustments for students without a common student identifier; amending s. 1011.80, F.S.; revising provisions relating to funding for coenrolled students in workforce education programs; creating s. 1011.815, F.S.; providing requirements for maintaining fund balances in the general fund of Florida College System institutions; amending ss. 1012.885, 1012.886, and 1012.975, and 1012.976, F.S.; extending indefinitely provisions relating to remuneration of Florida College System institution presidents, Florida College System institution administrative employees, state university presidents, and state university administrative employees; providing requirements for school readiness program eligibility, enrollment, and funding and the school readiness market rate schedule, notwithstanding certain provisions of law; specifying the formula to be used for the 2012-2013 fiscal year in calculating the alternate compliance calculation amounts to the

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class size operating categorical fund, notwithstanding certain provisions of law; providing effective dates.

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