

By Senator Webster

9-1319A-03

See HB 1279

1 A bill to be entitled
2 An act relating to charter schools; amending s.
3 1002.33, F.S.; providing guiding principles;
4 requiring an emphasis on reading; authorizing a
5 state university or community college to
6 sponsor a charter school; requiring certain
7 accountability measures; revising application
8 requirements; requiring fiscal projections in a
9 charter application; extending the time allowed
10 for the State Board of Education to act on an
11 appeal; requiring auditors to provide
12 notification of certain financial conditions;
13 providing additional requirements for a charter
14 school's annual report; eliminating limitations
15 on the number of charter schools per school
16 district; creating the Charter School
17 Accountability and Funding Authority and
18 providing purpose, composition, and duties;
19 eliminating a review panel; revising provisions
20 relating to the analysis of charter school
21 performance; amending s. 1002.32, F.S.;
22 correcting cross-references; amending s.
23 1013.62, F.S.; requiring the Charter School
24 Accountability and Funding Authority to
25 recommend allocations of capital outlay funds
26 to charter schools; providing priorities;
27 eliminating a formula for providing
28 allocations; providing an effective date.

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30 WHEREAS, in the 2002-2003 school year, Florida has 223
31 charter schools educating approximately 51,000 Florida

1 students, with a projected increase of 117 additional charter
2 schools in the next school year, and

3 WHEREAS, this rate of growth is a dramatic increase
4 over the prior averages of 36 charter schools per year, and

5 WHEREAS, while charter schools are public schools,
6 their unique populations or small size mean that few of them
7 are eligible for inclusion in the state's accountability
8 system, with only 38 of the 173 charter schools receiving a
9 school performance grade in 2002, and

10 WHEREAS, the issue of charter school accountability is
11 of the utmost importance at this time of budget constraints
12 and heightened awareness of public ethics, NOW, THEREFORE,

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

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16 Section 1. Subsections (2), (5), (6), (7), (8), (9),
17 (13), (23), and (24) of section 1002.33, Florida Statutes, are
18 amended to read:

19 1002.33 Charter schools.--

20 (2) GUIDING PRINCIPLES;PURPOSE.--

21 (a) Charter schools in Florida shall be guided by the
22 following principles:

23 1. Meet high standards of student achievement while
24 providing parents flexibility to choose among diverse
25 educational opportunities within the state's public school
26 system.

27 2. Promote enhanced academic success and financial
28 efficiency by aligning responsibility with accountability.

29 3. Provide parents with sufficient information on
30 whether their child is reading at grade level and whether the

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1 child gains at least a year's worth of learning for every year
2 spent in the charter school.

3 (b)~~(a)~~ Charter schools shall fulfill the following
4 purposes:

5 1. Improve student learning and academic achievement.

6 2. Increase learning opportunities for all students,
7 with special emphasis on low-performing students and reading.

8 3. Create new professional opportunities for teachers,
9 including ownership of the learning program at the school
10 site.

11 4. Encourage the use of innovative learning methods.

12 5. Require the measurement of learning outcomes.

13 (c)~~(b)~~ Charter schools may fulfill the following
14 purposes:

15 1. Create innovative measurement tools.

16 2. Provide rigorous competition within the public
17 school district to stimulate continual improvement in all
18 public schools.

19 3. Expand the capacity of the public school system.

20 (5) SPONSOR.--

21 (a) A district school board may sponsor a charter
22 school in the county over which the district school board has
23 jurisdiction.

24 (b) A community college may sponsor a charter school,
25 within each community college district, on its own or in
26 partnership with an independent postsecondary educational
27 institution.

28 (c)~~(b)~~ A state university may sponsor a charter school
29 on its own or in partnership with an independent postsecondary
30 educational institution. A state university may grant a
31 charter to a lab school created under s. 1002.32 and shall be

1 considered to be the school's sponsor. Such school shall be
2 considered a charter lab school.

3 (d) If a state university or a community college
4 sponsors a charter school that offers secondary education, it
5 must provide an option to receive an associate degree.

6 (e)~~(c)~~ The sponsor shall monitor and review the
7 charter school in its progress toward the goals established in
8 the charter.

9 (f)~~(d)~~ The sponsor shall monitor the revenues and
10 expenditures of the charter school.

11 (g)~~(e)~~ The sponsor may approve a charter for a charter
12 school before the applicant has secured space, equipment, or
13 personnel, if the applicant indicates approval is necessary
14 for it to raise working capital.

15 (h)~~(f)~~ The sponsor's policies shall not apply to a
16 charter school.

17 (i)~~(g)~~ A sponsor shall ensure that the charter is
18 innovative and consistent with the state education goals
19 established by s. 1000.03(5).

20 (j) The sponsor shall ensure that the charter school
21 participates in the state's education accountability system
22 and shall use appropriate interventions and sanctions if a
23 charter school falls short of performance measures included in
24 the approved charter.

25 (6) APPLICATION PROCESS AND REVIEW.--Beginning
26 September 1, 2003, applications are subject to the following
27 requirements:

28 (a) A person or entity wishing to open a charter
29 school shall prepare an application that:

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1 1. Demonstrates how the school will use the guiding
2 principles and meet the statutorily defined purpose of a
3 charter school.

4 2. Provides a detailed curriculum plan that
5 illustrates how students will be provided services to attain
6 the Sunshine State Standards.

7 3. Contains goals and objectives for improving student
8 learning and measuring that improvement. These goals and
9 objectives must indicate how much academic improvement
10 students are expected to show each year, how success will be
11 evaluated, and the specific results to be attained through
12 instruction.

13 4. Describes the reading curriculum and differentiated
14 strategies that will be used for students reading at grade
15 level or higher and a separate curriculum and strategies for
16 students who are reading below grade level. A sponsor shall
17 deny a charter if the school does not propose a reading
18 curriculum that is consistent with effective teaching
19 strategies that are grounded in scientifically based reading
20 research.

21 5. Contains an annual financial plan for each year
22 requested by the charter for operation of the school for up to
23 5 years. This plan must contain anticipated fund balances
24 based on revenue projections, a spending plan based on
25 projected revenues and expenses, and a description of controls
26 that will safeguard finances and projected enrollment trends.

27 (b)(a) A district school board, university board of
28 trustees, or community college board of trustees shall receive
29 and review all applications for a charter school. The sponsor
30 ~~A district school board shall receive and consider charter~~
31 ~~school applications received on or before October 1 of each~~

1 calendar year for charter schools to be opened at the
2 beginning of the school district's next school year, or to be
3 opened at a time agreed to by the applicant and the sponsor
4 ~~district school board~~. A sponsor ~~district school board~~ may
5 receive applications later than this date if it chooses. A
6 sponsor may not charge an applicant for a charter any fee for
7 the processing or consideration of an application, and a
8 sponsor may not base its consideration or approval of an
9 application upon the promise of future payment of any kind.

10 1. In order to facilitate an accurate budget
11 projection process, a district school board shall be held
12 harmless for FTE students who are not included in the FTE
13 projection due to approval of charter school applications
14 after the FTE projection deadline. In a further effort to
15 facilitate an accurate budget projection, within 15 calendar
16 days after receipt of a charter school application, a district
17 school board or other sponsor shall report to the Department
18 of Education the name of the applicant entity, the proposed
19 charter school location, and its projected FTE.

20 2. In order to ensure fiscal responsibility, an
21 application for a charter school shall include a full
22 accounting of expected assets, a projection of expected
23 sources and amounts of income, including income derived from
24 projected student enrollments and from community support, and
25 an expense projection that includes full accounting of the
26 costs of operation, including start-up costs.

27 3.2. The sponsor ~~A district school board~~ shall by a
28 majority vote approve or deny an application no later than 60
29 calendar days after the application is received, unless the
30 sponsor ~~district school board~~ and the applicant mutually agree
31 to temporarily postpone the vote to a specific date, at which

1 time the sponsor ~~district school board~~ shall by a majority
2 vote approve or deny the application. If the sponsor ~~district~~
3 ~~school board~~ fails to act on the application, an applicant may
4 appeal to the State Board of Education as provided in
5 paragraph (c) ~~(b)~~. If an application is denied, the sponsor
6 ~~district school board~~ shall, within 10 calendar days,
7 articulate in writing the specific reasons based upon good
8 cause supporting its denial of the charter application.

9 4.3. For budget projection purposes, the district
10 school board or other sponsor shall report to the Department
11 of Education the approval or denial of a charter application
12 within 10 calendar days after such approval or denial. In the
13 event of approval, the report to the Department of Education
14 shall include the final projected FTE for the approved charter
15 school.

16 5.4. Upon approval of a charter application, the
17 initial startup shall commence with the beginning of the
18 public school calendar for the district in which the charter
19 is granted unless the sponsor ~~district school board~~ allows a
20 waiver of this provision for good cause.

21 (c) ~~(b)~~ An applicant may appeal any denial of that
22 applicant's application or failure to act on an application to
23 the State Board of Education no later than 30 calendar days
24 after receipt of the sponsor's ~~district school board's~~
25 decision or failure to act and shall notify the sponsor
26 ~~district school board~~ of its appeal. Any response by the
27 sponsor ~~of the district school board~~ shall be submitted to the
28 State Board of Education within 30 calendar days after
29 notification of the appeal. Upon receipt of notification from
30 the State Board of Education that a charter school applicant
31 is filing an appeal, the Commissioner of Education shall

1 convene a meeting of the Charter School Appeal Commission to
2 study and make recommendations to the State Board of Education
3 regarding its pending decision about the appeal. The
4 commission shall forward its recommendation to the state board
5 no later than 7 calendar days prior to the date on which the
6 appeal is to be heard. The State Board of Education shall by
7 majority vote accept or reject the decision of the sponsor
8 ~~district school board~~ no later than 90 ~~60~~ calendar days after
9 an appeal is filed in accordance with State Board of Education
10 rule. The Charter School Appeal Commission may reject an
11 appeal submission for failure to comply with procedural rules
12 governing the appeals process. The rejection shall describe
13 the submission errors. The appellant may have up to 15
14 calendar days from notice of rejection to resubmit an appeal
15 that meets requirements of State Board of Education rule. An
16 application for appeal submitted subsequent to such rejection
17 shall be considered timely if the original appeal was filed
18 within 30 calendar days after receipt of notice of the
19 specific reasons for the ~~district school board's~~ denial of the
20 charter application. The State Board of Education shall remand
21 the application to the sponsor ~~district school board~~ with its
22 written decision that the sponsor ~~district school board~~
23 approve or deny the application. The sponsor ~~district school~~
24 ~~board~~ shall implement the decision of the State Board of
25 Education. The decision of the State Board of Education is not
26 subject to the provisions of the Administrative Procedure Act,
27 chapter 120.

28 (d)(c) The sponsor ~~district school board~~ shall act
29 upon the decision of the State Board of Education within 30
30 calendar days after it is received. The State Board of
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1 Education's decision is a final action subject to judicial
2 review.

3 (e)~~(d)~~1. A Charter School Appeal Commission is
4 established to assist the commissioner and the State Board of
5 Education with a fair and impartial review of appeals by
6 applicants whose charters have been denied or whose charter
7 contracts have not been renewed by their sponsors.

8 2. The Charter School Appeal Commission may receive
9 copies of the appeal documents forwarded to the State Board of
10 Education, review the documents, gather other applicable
11 information regarding the appeal, and make a written
12 recommendation to the commissioner. The recommendation must
13 state whether the appeal should be upheld or denied and
14 include the reasons for the recommendation being offered. The
15 commissioner shall forward the recommendation to the State
16 Board of Education no later than 7 calendar days prior to the
17 date on which the appeal is to be heard. The state board must
18 consider the commission's recommendation in making its
19 decision, but is not bound by the recommendation. The decision
20 of the Charter School Appeal Commission is not subject to the
21 provisions of the Administrative Procedure Act, chapter 120.

22 3. The commissioner shall appoint the members of the
23 Charter School Appeal Commission. Members shall serve without
24 compensation but may be reimbursed for travel and per diem
25 expenses in conjunction with their service. One-half of the
26 members must represent currently operating charter schools,
27 and one-half of the members must represent school districts.
28 The commissioner or a named designee shall chair the Charter
29 School Appeal Commission.

30 4. The chair shall convene meetings of the commission
31 and shall ensure that the written recommendations are

1 completed and forwarded in a timely manner. In cases where the
2 commission cannot reach a decision, the chair shall make the
3 written recommendation with justification, noting that the
4 decision was rendered by the chair.

5 5. Commission members shall thoroughly review the
6 materials presented to them from the appellant and the
7 sponsor. The commission may request information to clarify the
8 documentation presented to it. In the course of its review,
9 the commission may facilitate the postponement of an appeal in
10 those cases where additional time and communication may negate
11 the need for a formal appeal and both parties agree, in
12 writing, to postpone the appeal to the State Board of
13 Education. A new date certain for the appeal shall then be set
14 based upon the rules and procedures of the State Board of
15 Education. Commission members shall provide a written
16 recommendation to the state board as to whether the appeal
17 should be upheld or denied. A fact-based justification for the
18 recommendation must be included. The chair must ensure that
19 the written recommendation is submitted to the State Board of
20 Education members no later than 7 calendar days prior to the
21 date on which the appeal is to be heard. Both parties in the
22 case shall also be provided a copy of the recommendation.

23 (f)~~(e)~~ The Department of Education may provide
24 technical assistance to an applicant upon written request.

25 (g)~~(f)~~ In considering charter applications for a lab
26 school, a state university shall consult with the district
27 school board of the county in which the lab school is located.
28 The decision of a state university may be appealed pursuant to
29 the procedure established in this subsection.

30 (h) Prior to approving a charter, a state university
31 or community college board of trustees shall consult with the

1 district school board of the county in which the charter
2 school is to be located.

3 (i)~~(g)~~ The terms and conditions for the operation of a
4 charter school shall be set forth by the sponsor and the
5 applicant in a written contractual agreement, called a
6 charter. The sponsor shall not impose unreasonable rules or
7 regulations that violate the intent of giving charter schools
8 greater flexibility to meet educational goals. The applicant
9 and sponsor shall have 6 months in which to mutually agree to
10 the provisions of the charter. The Department of Education
11 shall provide mediation services for any dispute regarding
12 this section subsequent to the approval of a charter
13 application and for any dispute relating to the approved
14 charter, except disputes regarding charter school application
15 denials. If the Commissioner of Education determines that the
16 dispute cannot be settled through mediation, the dispute may
17 be appealed to an administrative law judge appointed by the
18 Division of Administrative Hearings. The administrative law
19 judge may rule on issues of equitable treatment of the charter
20 school as a public school, whether proposed provisions of the
21 charter violate the intended flexibility granted charter
22 schools by statute, or on any other matter regarding this
23 section except a charter school application denial, and shall
24 award the prevailing party reasonable attorney's fees and
25 costs incurred to be paid by the losing party. The costs of
26 the administrative hearing shall be paid by the party whom the
27 administrative law judge rules against.

28 (7) CHARTER.--The major issues involving the operation
29 of a charter school shall be considered in advance and written
30 into the charter. The charter shall be signed by the governing
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1 body of the charter school and the sponsor, following a public
2 hearing to ensure community input.

3 (a) The charter shall address, and criteria for
4 approval of the charter shall be based on:

5 1. The school's mission, the students to be served,
6 and the ages and grades to be included.

7 2. The focus of the curriculum, the instructional
8 methods to be used, any distinctive instructional techniques
9 to be employed, and identification and acquisition of
10 appropriate technologies needed to improve educational and
11 administrative performance which include a means for promoting
12 safe, ethical, and appropriate uses of technology which comply
13 with legal and professional standards. The charter shall
14 ensure that reading is a primary focus of the curriculum and
15 that resources are provided to identify and provide
16 specialized instruction for students who are reading below
17 grade level. The curriculum and instructional strategies for
18 reading must be consistent with the Sunshine State Standards
19 and grounded in scientifically based reading research.

20 3. The current incoming baseline standard of student
21 academic achievement, the outcomes to be achieved, and the
22 method of measurement that will be used. The criteria listed
23 in this subparagraph shall include a detailed description for
24 each of the following:

25 a. How the baseline student academic achievement
26 levels and prior rates of academic progress will be
27 established.

28 b. How these baseline rates will be compared to rates
29 of academic progress achieved by these same students while
30 attending the charter school.

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1 c. To the extent possible, how these rates of progress
2 will be evaluated and compared with rates of progress of other
3 closely comparable student populations.

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6 The district school board is required to provide academic
7 student performance data to charter schools for each of their
8 students coming from the district school system, as well as
9 rates of academic progress of comparable student populations
10 in the district school system.

11 4. The methods used to identify the educational
12 strengths and needs of students and how well educational goals
13 and performance standards are met by students attending the
14 charter school. Included in the methods is a means for the
15 charter school to ensure accountability to its constituents by
16 analyzing student performance data and by evaluating the
17 effectiveness and efficiency of its major educational
18 programs. Students in charter schools shall, at a minimum,
19 participate in the statewide assessment program created under
20 s. 1008.22.

21 5. In secondary charter schools, a method for
22 determining that a student has satisfied the requirements for
23 graduation in s. 1003.43.

24 6. A method for resolving conflicts between the
25 governing body of the charter school and the sponsor.

26 7. The admissions procedures and dismissal procedures,
27 including the school's code of student conduct.

28 8. The ways by which the school will achieve a
29 racial/ethnic balance reflective of the community it serves or
30 within the racial/ethnic range of other public schools in the
31 same school district.

1 9. The financial and administrative management of the
2 school, including a reasonable demonstration of the
3 professional experience or competence of those individuals or
4 organizations applying to operate the charter school or those
5 hired or retained to perform such professional services and
6 the description of clearly delineated responsibilities and the
7 policies and practices needed to effectively manage the
8 charter school. A description of internal audit procedures and
9 establishment of controls to ensure that financial resources
10 are properly managed must be included. Both public sector and
11 private sector professional experience shall be equally valid
12 in such a consideration.

13 10. The asset and liability projections required in
14 the application which are incorporated into the charter and
15 shall be compared with information provided in the annual
16 report of the charter school. The charter shall ensure that,
17 if a charter school internal audit reveals a deficit financial
18 position, the auditors are required to notify the charter
19 school governing board, the sponsor, and the Department of
20 Education.

21 ~~11.10.~~ A description of procedures that identify
22 various risks and provide for a comprehensive approach to
23 reduce the impact of losses; plans to ensure the safety and
24 security of students and staff; plans to identify, minimize,
25 and protect others from violent or disruptive student
26 behavior; and the manner in which the school will be insured,
27 including whether or not the school will be required to have
28 liability insurance, and, if so, the terms and conditions
29 thereof and the amounts of coverage.

30 ~~12.11.~~ The term of the charter which shall provide for
31 cancellation of the charter if insufficient progress has been

1 made in attaining the student achievement objectives of the
2 charter and if it is not likely that such objectives can be
3 achieved before expiration of the charter. The initial term of
4 a charter shall be for 3, 4, or 5 years. In order to
5 facilitate access to long-term financial resources for charter
6 school construction, charter schools that are operated by a
7 municipality or other public entity as provided by law are
8 eligible for up to a 15-year charter, subject to approval by
9 the sponsor ~~district school board~~. A charter lab school is
10 eligible for a charter for a term of up to 15 years. In
11 addition, to facilitate access to long-term financial
12 resources for charter school construction, charter schools
13 that are operated by a private, not-for-profit, s. 501(c)(3)
14 status corporation are eligible for up to a 10-year charter,
15 subject to approval by the sponsor ~~district school board~~. Such
16 long-term charters remain subject to annual review and may be
17 terminated during the term of the charter, but only for
18 specific good cause according to the provisions set forth in
19 subsection (8).

20 ~~13.12.~~ The facilities to be used and their location.

21 ~~14.13.~~ The qualifications to be required of the
22 teachers and the potential strategies used to recruit, hire,
23 train, and retain qualified staff to achieve best value.

24 ~~15.14.~~ The governance structure of the school,
25 including the status of the charter school as a public or
26 private employer as required in paragraph (12)(i).

27 ~~16.15.~~ A timetable for implementing the charter which
28 addresses the implementation of each element thereof and the
29 date by which the charter shall be awarded in order to meet
30 this timetable.

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1 ~~17.16.~~ In the case of an existing public school being
2 converted to charter status, alternative arrangements for
3 current students who choose not to attend the charter school
4 and for current teachers who choose not to teach in the
5 charter school after conversion in accordance with the
6 existing collective bargaining agreement or district school
7 board rule in the absence of a collective bargaining
8 agreement. However, alternative arrangements shall not be
9 required for current teachers who choose not to teach in a
10 charter lab school, except as authorized by the employment
11 policies of the state university which grants the charter to
12 the lab school.

13 (b) A charter may be renewed every 5 school years,
14 provided that a program review demonstrates that the criteria
15 in paragraph (a) have been successfully accomplished and that
16 none of the grounds for nonrenewal established by paragraph
17 (8)(a) has been documented. In order to facilitate long-term
18 financing for charter school construction, charter schools
19 operating for a minimum of 2 years and demonstrating exemplary
20 academic programming and fiscal management are eligible for a
21 15-year charter renewal. Such long-term charter is subject to
22 annual review and may be terminated during the term of the
23 charter.

24 (c) A charter may be modified during its initial term
25 or any renewal term upon the recommendation of the sponsor or
26 the charter school governing board and the approval of both
27 parties to the agreement.

28 (8) CAUSES FOR NONRENEWAL OR TERMINATION OF CHARTER.--

29 (a) At the end of the term of a charter, the sponsor
30 may choose not to renew the charter for any of the following
31 grounds:

1 1. Failure to participate in the state's education
2 accountability system created in s. 1008.31, as required in
3 this section, or failure to meet the requirements for student
4 performance stated in the charter.

5 2. Failure to meet generally accepted standards of
6 fiscal management.

7 3. Violation of law.

8 4. Other good cause shown.

9 (b) During the term of a charter, the sponsor may
10 terminate the charter for any of the grounds listed in
11 paragraph (a).

12 (c) At least 90 days prior to renewing or terminating
13 a charter, the sponsor shall notify the governing body of the
14 school of the proposed action in writing. The notice shall
15 state in reasonable detail the grounds for the proposed action
16 and stipulate that the school's governing body may, within 14
17 calendar days after receiving the notice, request an informal
18 hearing before the sponsor. The sponsor shall conduct the
19 informal hearing within 30 calendar days after receiving a
20 written request. The charter school's governing body may,
21 within 14 calendar days after receiving the sponsor's decision
22 to terminate or refuse to renew the charter, appeal the
23 decision pursuant to the procedure established in subsection
24 (6).

25 (d) A charter may be terminated immediately if the
26 sponsor determines that good cause has been shown or if the
27 health, safety, or welfare of the students is threatened. The
28 school district in which the charter school is located shall
29 assume operation of the school under these circumstances. The
30 charter school's governing board may, within 14 days after
31 receiving the sponsor's decision to terminate the charter,

1 appeal the decision pursuant to the procedure established in
2 subsection (6).

3 (e) When a charter is not renewed or is terminated,
4 the school shall be dissolved under the provisions of law
5 under which the school was organized, and any unencumbered
6 public funds from the charter school shall revert to the
7 district school board. In the event a charter school is
8 dissolved or is otherwise terminated, all district school
9 board property and improvements, furnishings, and equipment
10 purchased with public funds shall automatically revert to full
11 ownership by the district school board, subject to complete
12 satisfaction of any lawful liens or encumbrances. Any
13 unencumbered public funds from the charter school, district
14 school board property and improvements, furnishings, and
15 equipment purchased with public funds, or financial or other
16 records pertaining to the charter school, in the possession of
17 any person, entity, or holding company, other than the charter
18 school, shall be held in trust upon the district school
19 board's request, until any appeal status is resolved.

20 (f) If a charter is not renewed or is terminated, the
21 charter school is responsible for all debts of the charter
22 school. The district may not assume the debt from any contract
23 for services made between the governing body of the school and
24 a third party, except for a debt that is previously detailed
25 and agreed upon in writing by both the district and the
26 governing body of the school and that may not reasonably be
27 assumed to have been satisfied by the district.

28 (g) If a charter is not renewed or is terminated, a
29 student who attended the school may apply to, and shall be
30 enrolled in, another public school. Normal application
31 deadlines shall be disregarded under such circumstances.

- 1 (9) CHARTER SCHOOL REQUIREMENTS.--
- 2 (a) A charter school shall be nonsectarian in its
3 programs, admission policies, employment practices, and
4 operations.
- 5 (b) A charter school shall admit students as provided
6 in subsection (10).
- 7 (c) A charter school shall be accountable to its
8 sponsor for performance as provided in subsection (7).
- 9 (d) A charter school shall not charge tuition or
10 registration fees, except those fees normally charged by other
11 public schools. However, a charter lab school may charge a
12 student activity and service fee as authorized by s.
13 1002.32(5).
- 14 (e) A charter school shall meet all applicable state
15 and local health, safety, and civil rights requirements.
- 16 (f) A charter school shall not violate the
17 antidiscrimination provisions of s. 1000.05.
- 18 (g) A charter school shall provide for an annual
19 financial audit in accordance with s. 218.39.
- 20 (h) No organization shall hold more than 15 charters
21 statewide.
- 22 (i) In order to provide financial information that is
23 comparable to that reported for other public schools, charter
24 schools are to maintain all financial records which constitute
25 their accounting system:
- 26 1. In accordance with the accounts and codes
27 prescribed in the most recent issuance of the publication
28 titled "Financial and Program Cost Accounting and Reporting
29 for Florida Schools"; or
- 30 2. At the discretion of the charter school governing
31 board, a charter school may elect to follow generally accepted

1 accounting standards for not-for-profit organizations, but
2 must reformat this information for reporting according to this
3 paragraph.

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5 Charter schools are to provide annual financial report and
6 program cost report information in the state-required formats
7 for inclusion in district reporting in compliance with s.
8 1011.60(1). Charter schools that are operated by a
9 municipality or are a component unit of a parent nonprofit
10 organization may use the accounting system of the municipality
11 or the parent but must reformat this information for reporting
12 according to this paragraph.

13 (j) The governing board of the charter school shall
14 annually adopt and maintain an operating budget.

15 (k) The governing body of the charter school shall
16 exercise continuing oversight over charter school operations.
17 ~~and make annual progress reports to its sponsor, which upon~~
18 ~~verification shall be forwarded to the Commissioner of~~
19 ~~Education at the same time as other annual school~~
20 ~~accountability reports. The report shall contain at least the~~
21 ~~following information:~~

22 (l) The governing body of the charter school shall
23 report its progress annually to its sponsor, which shall
24 verify and forward the report to the Commissioner of Education
25 at the same time as other annual school accountability
26 reports. The Department of Education shall consult with the
27 Charter School Accountability and Funding Authority to provide
28 suggested guidelines and a format or template for the annual
29 report. The department shall include in its compilation a
30 notation that the school failed to file its report by the

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1 established deadline. The guidelines shall include at least
2 the following components:

3 1. Student achievement performance data, including the
4 information required for the annual school report and the
5 education accountability system governed by ss. 1008.31 and
6 1008.345. Charter schools are subject to the same
7 accountability requirements as other public schools, including
8 reports of student achievement information that links baseline
9 student data to the school's performance projections
10 identified in the charter. The charter school shall identify
11 reasons for any difference between projected and actual
12 student performance ~~The charter school's progress toward~~
13 ~~achieving the goals outlined in its charter.~~

14 2. Financial status of the charter school, according
15 to guidelines recommended by the Charter School Accountability
16 and Funding Authority and provided by the Department of
17 Education. The guidelines must include revenues and
18 expenditures at a level of detail that allows for analysis of
19 the ability to meet financial obligations and timely repayment
20 of debt ~~The information required in the annual school report~~
21 ~~pursuant to s. 1008.345.~~

22 3. Documentation of the facilities in current use and
23 any planned facilities for use by the charter school for
24 instruction of students, administrative functions, or
25 investment purposes ~~Financial records of the charter school,~~
26 ~~including revenues and expenditures.~~

27 4. Descriptive information about the charter school's
28 personnel, including salary and benefit levels of charter
29 school employees and the proportion of instructional personnel
30 who hold professional or temporary certificates.

31

1 (m)~~(l)~~ A charter school shall not levy taxes or issue
2 bonds secured by tax revenues.

3 (n)~~(m)~~ A charter school shall provide instruction for
4 at least the number of days required by law for other public
5 schools, and may provide instruction for additional days.

6 (13) NUMBER OF SCHOOLS.--There shall be no limitation
7 on the number of newly created charter schools that may be
8 authorized in any county. Any district school board policy
9 that seeks to limit the number of newly created charter
10 schools shall be subject to review and approval by the State
11 Board of Education prior to its taking effect.

12 ~~(a) The number of newly created charter schools is~~
13 ~~limited to no more than 28 in each school district that has~~
14 ~~100,000 or more students, no more than 20 in each school~~
15 ~~district that has 50,000 to 99,999 students, and no more than~~
16 ~~12 in each school district with fewer than 50,000 students.~~

17 ~~(b) An existing public school which converts to a~~
18 ~~charter school shall not be counted toward the limit~~
19 ~~established by paragraph (a).~~

20 ~~(c) Notwithstanding any limit established by this~~
21 ~~subsection, a district school board or a charter school~~
22 ~~applicant shall have the right to request an increase of the~~
23 ~~limit on the number of charter schools authorized to be~~
24 ~~established within the district from the State Board of~~
25 ~~Education.~~

26 ~~(d) Whenever a municipality has submitted charter~~
27 ~~applications for the establishment of a charter school feeder~~
28 ~~pattern (elementary, middle, and senior high schools), and~~
29 ~~upon approval of each individual charter application by the~~
30 ~~district school board, such applications shall then be~~

31

1 ~~designated as one charter school for all purposes listed~~
2 ~~pursuant to this section.~~

3 (23) CHARTER SCHOOL ACCOUNTABILITY AND FUNDING
4 ~~AUTHORITY; CHARTER SCHOOL REVIEW PANEL AND LEGISLATIVE~~
5 ~~REVIEW.~~--

6 (a) The Department of Education shall regularly
7 convene a Charter School Accountability and Funding Authority
8 ~~Review Panel~~ in order to evaluate performance accountability
9 of charter schools and oversee funding as required by s.
10 1013.62 ~~review issues, practices, and policies regarding~~
11 ~~charter schools.~~

12 1. The composition of the authority ~~review panel~~ shall
13 include individuals with experience in finance,
14 administration, law, education, and school governance, and
15 individuals familiar with charter school construction and
16 operation. No current charter school operator or sponsor shall
17 be a member of the authority.The panel shall include two
18 appointees each from the Commissioner of Education, the
19 President of the Senate, and the Speaker of the House of
20 Representatives. The Governor shall appoint three members of
21 the authority ~~panel~~ and shall annually designate the chair.
22 The members of the authority shall serve 3-year staggered
23 terms and shall be eligible for reappointment ~~Each member of~~
24 ~~the panel shall serve a 1-year term, unless renewed by the~~
25 ~~office making the appointment.~~

26 2. The Charter School Accountability and Funding
27 Authority ~~panel~~ shall make recommendations to the Legislature,
28 to the State Board ~~Department~~ of Education, to charter
29 schools, and to school districts on ~~for~~ improving charter
30 school operations, ~~and oversight and for ensuring best~~
31

1 business practices ~~at~~ and fair business relationships, and
2 distributing facilities funding with charter schools.

3 3. Annually, the Charter School Accountability and
4 Funding Authority shall recommend an allocation for charter
5 schools facilities funding as required by s. 1013.62. Charter
6 schools are not eligible for facilities funding unless they
7 have been in operation for 3 or more years. The authority
8 shall determine the priorities based on an analysis of the
9 charter school's previous 3 years of operation and shall use
10 at least the following criteria:

11 a. The charter school's need for permanent
12 construction related to the size and mission of the school.

13 b. The financial stability of the charter school,
14 including any multiyear funding commitments.

15 c. Parental satisfaction.

16 d. Improved student performance.

17 e. Other appropriate accountability and performance
18 data.

19 (b) The Legislature shall review the operation of
20 charter schools during the 2005 Regular Session of the
21 Legislature.

22 (24) ANALYSIS OF CHARTER SCHOOL PERFORMANCE.--Upon
23 receipt of the annual report required by paragraph(9)(1)
24 ~~(9)(k)~~, the Department of Education shall provide to the State
25 Board of Education, the Commissioner of Education, the
26 Governor, the President of the Senate, ~~and~~ the Speaker of the
27 House of Representatives, and the Charter School
28 Accountability and Funding Authority an analysis and
29 comparison of the overall performance of charter school
30 students, to include all students whose scores are counted as
31 part of the statewide assessment program, versus comparable

1 public school students in the district as determined by the
2 statewide assessment program currently administered in the
3 school district, and other assessments administered pursuant
4 to s. 1008.22(3). If a charter school is required to prepare a
5 performance improvement plan, the Department of Education
6 shall immediately report that charter school to the Charter
7 School Accountability and Funding Authority.

8 Section 2. Subsection (2) and paragraph (h) of
9 subsection (9) of section 1002.32, Florida Statutes, are
10 amended to read:

11 1002.32 Developmental research (laboratory) schools.--

12 (2) ESTABLISHMENT.--There is established a category of
13 public schools to be known as developmental research
14 (laboratory) schools (lab schools). Each lab school shall
15 provide sequential instruction and shall be affiliated with
16 the college of education within the state university of
17 closest geographic proximity. A lab school to which a charter
18 has been issued under s. 1002.33(5)(c)~~(5)(b)~~ must be
19 affiliated with the college of education within the state
20 university that issued the charter, but is not subject to the
21 requirement that the state university be of closest geographic
22 proximity. For the purpose of state funding, Florida
23 Agricultural and Mechanical University, Florida Atlantic
24 University, Florida State University, the University of
25 Florida, and other universities approved by the State Board of
26 Education and the Legislature are authorized to sponsor one or
27 more lab schools.

28 (9) FUNDING.--Funding for a lab school, including a
29 charter lab school, shall be provided as follows:

30 (h) A lab school to which a charter has been issued
31 under s. 1002.33(5)(c)~~(5)(b)~~ is eligible to receive funding

1 for charter school capital outlay if it meets the eligibility
2 requirements of s. 1013.62. If the lab school receives funds
3 from charter school capital outlay, the school shall receive
4 capital outlay funds otherwise provided in this subsection
5 only to the extent that funds allocated pursuant to s. 1013.62
6 are insufficient to provide capital outlay funds to the lab
7 school at one-fifteenth of the cost per student station.

8 Section 3. Section 1013.62, Florida Statutes, is
9 amended to read:

10 1013.62 Charter schools capital outlay funding.--

11 (1) In each year in which funds are appropriated for
12 charter school capital outlay purposes, the Commissioner of
13 Education shall allocate the funds among ~~eligible~~ charter
14 schools. The commissioner shall allocate the funds based on
15 recommendations provided by the Charter School Accountability
16 and Funding Authority.To be eligible for a funding
17 allocation, a charter school must meet the provisions of
18 subsection (6), must have received final approval from its
19 sponsor pursuant to s. 1002.33 for operation during that
20 fiscal year, and must serve students in facilities that are
21 not provided by the charter school's sponsor. Prior to the
22 release of capital outlay funds to a school district on behalf
23 of the charter school, the Department of Education shall
24 ensure that the charter school sponsor ~~district school board~~
25 and the charter school governing board enter into a written
26 agreement that includes provisions for the reversion of any
27 unencumbered funds and all equipment and property purchased
28 with public education funds to the ownership of the sponsor
29 ~~district school board~~, as provided for in subsection (3), in
30 the event that the school terminates operations. Any funds
31 recovered by the state shall be deposited in the General

1 Revenue Fund. A charter school is not eligible for a funding
2 allocation if it was created by the conversion of a public
3 school and operates in facilities provided by the charter
4 school's sponsor for a nominal fee or at no charge or if it is
5 directly or indirectly operated by the school district. ~~Unless~~
6 ~~otherwise provided in the General Appropriations Act, the~~
7 ~~funding allocation for each eligible charter school shall be~~
8 ~~determined by multiplying the school's projected student~~
9 ~~enrollment by one-fifteenth of the cost-per-student station~~
10 ~~specified in s. 1013.64(6)(b) for an elementary, middle, or~~
11 ~~high school, as appropriate. If the funds appropriated are not~~
12 ~~sufficient, the commissioner shall prorate the available funds~~
13 ~~among eligible charter schools. Funds shall be distributed on~~
14 ~~the basis of the capital outlay full-time equivalent~~
15 ~~membership by grade level, which shall be calculated by~~
16 ~~averaging the results of the second and third enrollment~~
17 ~~surveys.~~The Department of Education shall distribute capital
18 outlay funds monthly, beginning in the first quarter of the
19 fiscal year, based on one-twelfth of the amount the department
20 reasonably expects the charter school to receive during that
21 fiscal year. The commissioner shall adjust subsequent
22 distributions as necessary to reflect each charter school's
23 actual student enrollment as reflected in the second and third
24 enrollment surveys. The commissioner shall establish the
25 intervals and procedures for determining the projected and
26 actual student enrollment of eligible charter schools.

27 (2) Annually, the Charter School Accountability and
28 Funding Authority shall recommend an allocation for charter
29 schools facilities funding as required by this section.
30 Charter schools are not eligible for facilities funding unless
31 they have been in operation for 3 or more years. The authority

1 shall determine the priorities based on an analysis of the
2 charter school's previous 3 years of operation and shall use
3 at least the following criteria:

4 (a) The charter school's need for permanent
5 construction related to the size and mission of the school.

6 (b) The financial stability of the charter school,
7 including any multiyear funding commitments.

8 (c) Parental satisfaction.

9 (d) Improved student performance.

10 (e) Other appropriate accountability and performance
11 data.

12 ~~(3)(2)~~ A charter school's governing body may use
13 charter school capital outlay funds for any capital outlay
14 purpose that is directly related to the functioning of the
15 charter school, including the:

16 (a) Purchase of real property.

17 (b) Construction, renovation, repair, and maintenance
18 of school facilities.

19 (c) Purchase, lease-purchase, or lease of permanent or
20 relocatable school facilities.

21 (d) Purchase of vehicles to transport students to and
22 from the charter school.

23 ~~(4)(3)~~ When a charter school is nonrenewed or
24 terminated, any unencumbered funds and all equipment and
25 property purchased with district public funds shall revert to
26 the ownership of the district school board, as provided for in
27 s. 1002.33(8)(e) and (f). In the case of a charter school
28 operated by a state university or a community college, or a
29 charter lab school, any unencumbered funds and all equipment
30 and property purchased with that institution's university
31 public funds shall revert to the ownership of the institution

1 ~~state university~~ that issued the charter. The reversion of
2 such equipment, property, and furnishings shall focus on
3 recoverable assets, but not on intangible or irrecoverable
4 costs such as rental or leasing fees, normal maintenance, and
5 limited renovations. The reversion of all property secured
6 with public funds is subject to the complete satisfaction of
7 all lawful liens or encumbrances. If there are additional
8 local issues such as the shared use of facilities or partial
9 ownership of facilities or property, these issues shall be
10 agreed to in the charter contract prior to the expenditure of
11 funds.

12 (5)~~(4)~~ The Commissioner of Education shall specify
13 procedures for submitting and approving requests for funding
14 under this section and procedures for documenting
15 expenditures.

16 (6)~~(5)~~ The annual legislative budget request of the
17 Department of Education shall include a request for capital
18 outlay funding for charter schools. The request shall be based
19 on the projected number of students to be served in charter
20 schools who meet the eligibility requirements of this section.
21 A dedicated funding source, if identified in writing by the
22 Commissioner of Education and submitted along with the annual
23 charter school legislative budget request, may be considered
24 an additional source of funding.

25 (7)~~(6)~~ Unless authorized otherwise by the Legislature,
26 allocation ~~and proration~~ of charter school capital outlay
27 funds shall be made to ~~eligible~~ charter schools by the
28 Commissioner of Education in an amount and in a manner
29 authorized by subsection (1).

30 Section 4. This act shall take effect September 1,
31 2003.