

1 A bill to be entitled
2 An act relating to education funding; amending s. 287.055,
3 F.S.; including regional consortium service organizations
4 under provisions relating to procurement and competitive
5 selection of certain professional services; amending s.
6 1001.451, F.S.; revising provisions for award of incentive
7 grants to regional consortium service organizations;
8 amending 1001.453, F.S.; revising definition of direct-
9 support organization to include a regional consortium
10 service organization direct-support organization;
11 authorizing use of property and requiring rules; providing
12 for approval of a board of directors and requiring audits;
13 amending ss. 1009.50, 1009.51, 1009.52, and 1009.89, F.S.;
14 authorizing funds appropriated for Florida public student
15 assistance grants, Florida private student assistance
16 grants, Florida postsecondary student assistance grants,
17 and William L. Boyd, IV, Florida resident access grants to
18 be deposited in the State Student Financial Assistance
19 Trust Fund; amending ss. 1010.09 and 1010.34, F.S.;
20 conforming provisions relating to direct-support
21 organizations and audits thereof; amending s. 1010.72,
22 F.S.; authorizing funds to be credited to the Dale Hickam
23 Excellent Teaching Program Trust Fund; amending s.
24 1011.62, F.S., relating to funds for operation of schools;
25 providing for a transition sparsity supplement under
26 certain circumstances; revising provisions relating to the
27 manner in which each school district's allocation of
28 sparsity supplement funds shall be adjusted; amending s.

29 1011.765, F.S.; providing that the Florida Academic
 30 Improvement Trust Fund shall be utilized to provide
 31 matching grants to regional consortium service
 32 organization education foundations; amending s. 1011.94,
 33 F.S.; authorizing funds to be deposited in the Trust Fund
 34 for University Major Gifts; amending s. 1013.79, F.S.;
 35 authorizing the appropriation of funds to be transferred
 36 to the Alec P. Courtelis Capital Facilities Matching Trust
 37 Fund; providing an effective date.

38

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

40

41 Section 1. Paragraph (b) of subsection (2) of section
 42 287.055, Florida Statutes, is amended, and paragraph (e) is
 43 added to subsection (4) of said section, to read:

44 287.055 Acquisition of professional architectural,
 45 engineering, landscape architectural, or surveying and mapping
 46 services; definitions; procedures; contingent fees prohibited;
 47 penalties.--

48 (2) DEFINITIONS.--For purposes of this section:

49 (b) "Agency" means the state, a state agency, a
 50 municipality, a political subdivision, a school district, ~~or~~ a
 51 school board, or a regional consortium service organization
 52 formed under s. 1001.451. The term "agency" does not extend to a
 53 nongovernmental developer that contributes public facilities to
 54 a political subdivision under s. 380.06 or ss. 163.3220-
 55 163.3243.

56 (4) COMPETITIVE SELECTION.--

57 (e) A school district may make purchases under contracts
 58 procured pursuant to this section by a regional consortium
 59 service organization, formed under s. 1001.451, of which it is a
 60 member.

61 Section 2. Paragraph (a) of subsection (2) of section
 62 1001.451, Florida Statutes, is amended to read:

63 1001.451 Regional consortium service organizations.--In
 64 order to provide a full range of programs to larger numbers of
 65 students, minimize duplication of services, and encourage the
 66 development of new programs and services:

67 (2)(a) Each regional consortium service organization that
 68 consists of four or more school districts is eligible to
 69 receive, through the Department of Education, an incentive grant
 70 as provided in the annual General Appropriations Act of \$25,000
 71 per school district to be used for the delivery of services
 72 within the participating school districts.

73 Section 3. Section 1001.453, Florida Statutes, is amended
 74 to read:

75 1001.453 Direct-support organization; use of property;
 76 board of directors; audit.--

77 (1) DEFINITIONS.--For the purposes of this section, the
 78 term:

79 (a) "~~District school board~~ Direct-support organization"
 80 means a district school board direct-support organization or a
 81 regional consortium service organization direct-support an
 82 organization that:

83 1. Is approved by the district school board or regional
 84 consortium service organization board of directors;

85 2. Is a Florida corporation not for profit, incorporated
 86 under the provisions of chapter 617 and approved by the
 87 Department of State; and

88 3. Is organized and operated exclusively to receive, hold,
 89 invest, and administer property and to make expenditures to or
 90 for the benefit of public kindergarten through 12th grade
 91 education and adult career and community education programs in
 92 this state.

93 (b) "Personal services" includes full-time or part-time
 94 personnel, as well as payroll processing.

95 (c) "Regional consortium service organization" means an
 96 organization formed under s. 1001.451.

97 (2) USE OF PROPERTY.--A district school board or regional
 98 consortium service organization board of directors:

99 (a) Is authorized to permit the use of property,
 100 facilities, and personal services of the district or regional
 101 consortium service organization by a direct-support
 102 organization, subject to the provisions of this section.

103 (b) Shall prescribe by rule conditions with which a
 104 ~~district school board~~ direct-support organization must comply in
 105 order to use property, facilities, or personal services of the
 106 district or regional consortium service organization. Adoption
 107 of such rules shall be coordinated with the Department of
 108 Education. The rules shall provide for budget and audit review
 109 and oversight by the district school board or regional
 110 consortium service organization board of directors and the
 111 department.

112 (c) Shall not permit the use of property, facilities, or

113 personal services of a direct-support organization if such
 114 organization does not provide equal employment opportunities to
 115 all persons, regardless of race, color, religion, sex, age, or
 116 national origin.

117 (3) BOARD OF DIRECTORS.--The board of directors of the
 118 ~~district school board~~ direct-support organization shall be
 119 approved by the district school board or the regional consortium
 120 service organization board of directors.

121 (4) ANNUAL AUDIT.--Each direct-support organization with
 122 more than \$100,000 in expenditures or expenses shall provide for
 123 an annual ~~financial~~ audit of its financial statements in order
 124 to express an opinion on the fairness with which the financial
 125 statements are presented in conformance with generally accepted
 126 accounting principles. The audit is ~~accounts and records,~~ to be
 127 conducted by an independent certified public accountant in
 128 accordance with rules adopted by the Auditor General pursuant to
 129 s. 11.45(8) and the Commissioner of Education. The annual audit
 130 report shall be submitted to the Auditor General and the
 131 district school board or regional consortium service
 132 organization board of directors for review within 9 months after
 133 the end of the fiscal year or by the date established by year's
 134 end to the district school board or regional consortium service
 135 organization board of directors and the Auditor General,
 136 whichever is earlier. The Commissioner of Education, the Auditor
 137 General, and the Office of Program Policy Analysis and
 138 Government Accountability have the authority to require and
 139 receive from the organization or the district auditor or
 140 regional consortium service organization auditor any records

141 relative to the operation of the organization. The identity of
 142 donors and all information identifying donors and prospective
 143 donors are confidential and exempt from the provisions of s.
 144 119.07(1), and that anonymity shall be maintained in the
 145 auditor's report. All other records and information shall be
 146 considered public records for the purposes of chapter 119.

147 Section 4. Subsection (5) of section 1009.50, Florida
 148 Statutes, is amended to read:

149 1009.50 Florida Public Student Assistance Grant Program;
 150 eligibility for grants.--

151 (5) Funds appropriated by the Legislature for state
 152 student assistance grants may ~~shall~~ be deposited in the State
 153 Student Financial Assistance Trust Fund. Notwithstanding the
 154 provisions of s. 216.301 and pursuant to s. 216.351, any balance
 155 in the trust fund at the end of any fiscal year that has been
 156 allocated to the Florida Public Student Assistance Grant Program
 157 shall remain therein and shall be available for carrying out the
 158 purposes of this section.

159 Section 5. Subsection (5) of section 1009.51, Florida
 160 Statutes, is amended to read:

161 1009.51 Florida Private Student Assistance Grant Program;
 162 eligibility for grants.--

163 (5) Funds appropriated by the Legislature for Florida
 164 private student assistance grants may ~~shall~~ be deposited in the
 165 State Student Financial Assistance Trust Fund. Notwithstanding
 166 the provisions of s. 216.301 and pursuant to s. 216.351, any
 167 balance in the trust fund at the end of any fiscal year that has
 168 been allocated to the Florida Private Student Assistance Grant

169 Program shall remain therein and shall be available for carrying
 170 out the purposes of this section and as otherwise provided by
 171 law.

172 Section 6. Subsection (6) of section 1009.52, Florida
 173 Statutes, is amended to read:

174 1009.52 Florida Postsecondary Student Assistance Grant
 175 Program; eligibility for grants.--

176 (6) Funds appropriated by the Legislature for Florida
 177 postsecondary student assistance grants may ~~shall~~ be deposited
 178 in the State Student Financial Assistance Trust Fund.
 179 Notwithstanding the provisions of s. 216.301 and pursuant to s.
 180 216.351, any balance in the trust fund at the end of any fiscal
 181 year that has been allocated to the Florida Postsecondary
 182 Student Assistance Grant Program shall remain therein and shall
 183 be available for carrying out the purposes of this section and
 184 as otherwise provided by law.

185 Section 7. Subsection (6) of section 1009.89, Florida
 186 Statutes, is amended to read:

187 1009.89 The William L. Boyd, IV, Florida resident access
 188 grants.--

189 (6) Funds appropriated by the Legislature for the William
 190 L. Boyd, IV, Florida Resident Access Grant Program may ~~shall~~ be
 191 deposited in the State Student Financial Assistance Trust Fund.
 192 Notwithstanding the provisions of s. 216.301 and pursuant to s.
 193 216.351, any balance in the trust fund at the end of any fiscal
 194 year which has been allocated to the William L. Boyd, IV,
 195 Florida Resident Access Grant Program shall remain therein and
 196 shall be available for carrying out the purposes of this

197 section. If the number of eligible students exceeds the total
 198 authorized in the General Appropriations Act, an institution may
 199 use its own resources to assure that each eligible student
 200 receives the full benefit of the grant amount authorized.

201 Section 8. Section 1010.09, Florida Statutes, is amended
 202 to read:

203 1010.09 Direct-support organizations.--School district,
 204 regional consortium service organization, community college, and
 205 university direct-support organizations shall be organized and
 206 conducted under the provisions of ss. 1001.453, 1004.28, and
 207 1004.70 and rules of the State Board of Education, as
 208 applicable.

209 Section 9. Section 1010.34, Florida Statutes, is amended
 210 to read:

211 1010.34 Audits of direct-support organizations.--Audits of
 212 school district, regional consortium service organization,
 213 community college, and state university direct-support
 214 organizations are subject to the audit provisions of ss.
 215 1001.453(4), 1004.28(5), and 1004.70(6), as applicable.

216 Section 10. Section 1010.72, Florida Statutes, is amended
 217 to read:

218 1010.72 Dale Hickam Excellent Teaching Program Trust
 219 Fund.--The Dale Hickam Excellent Teaching Program Trust Fund is
 220 created to be administered by the Department of Education. Funds
 221 may ~~must~~ be credited to the trust fund as provided in chapter
 222 98-309, Laws of Florida, to be used for the purposes set forth
 223 therein.

224 Section 11. Subsection (6) of section 1011.62, Florida
 225 Statutes, is amended to read:

226 1011.62 Funds for operation of schools.--If the annual
 227 allocation from the Florida Education Finance Program to each
 228 district for operation of schools is not determined in the
 229 annual appropriations act or the substantive bill implementing
 230 the annual appropriations act, it shall be determined as
 231 follows:

232 (6) DETERMINATION OF SPARSITY SUPPLEMENT.--

233 (a) Annually, in an amount to be determined by the
 234 Legislature through the General Appropriations Act, there shall
 235 be added to the basic amount for current operation of the FEFP
 236 qualified districts a sparsity supplement which shall be
 237 computed as follows:

238

$$\text{Sparsity Factor} = \frac{1101.8918}{2700 + \text{district sparsity index}} - 0.1101$$

239
 240 except that districts with a sparsity index of 1,000 or less
 241 shall be computed as having a sparsity index of 1,000, and
 242 districts having a sparsity index of 7,308 and above shall be
 243 computed as having a sparsity factor of zero. A qualified
 244 district's full-time equivalent student membership shall equal
 245 or be less than that prescribed annually by the Legislature in
 246 the appropriations act. The amount prescribed annually by the
 247 Legislature shall be no less than 17,000, but no more than

248 | 24,000. A district that exceeds the full-time equivalent student
 249 | membership requirement shall receive a one-time transition
 250 | supplement in the amount of one-half of the sparsity supplement
 251 | calculated for said district provided the district qualified for
 252 | the sparsity supplement in each of the most recent 3 fiscal
 253 | years.

254 | (b) The district sparsity index shall be computed by
 255 | dividing the total number of full-time equivalent students in
 256 | all programs in the district by the number of senior high school
 257 | centers in the district, not in excess of three, which centers
 258 | are approved as permanent centers by a survey made by the
 259 | Department of Education.

260 | (c) Each district's allocation of sparsity supplement
 261 | funds shall be adjusted in the following manner:

262 | 1. A maximum discretionary levy per FTE value for each
 263 | district shall be calculated by dividing the value of each
 264 | district's maximum discretionary levy by its FTE student count.~~+~~

265 | 2. A state average discretionary levy value per FTE shall
 266 | be calculated by dividing the total maximum discretionary levy
 267 | value for all districts by the state total FTE student count.~~+~~

268 | 3. A total potential funds per FTE for each district shall
 269 | be calculated by dividing the total potential funds, not
 270 | including Florida School Recognition Program funds and the
 271 | minimum guarantee, for each district by its FTE student count.

272 | 4. A state average total potential funds per FTE shall be
 273 | calculated by dividing the total potential funds, not including
 274 | the minimum guarantee, for all districts by the state total FTE
 275 | student count.

276 ~~5.3.~~ For districts that have a levy value per FTE as
 277 calculated in subparagraph 1. higher than the state average
 278 calculated in subparagraph 2., a sparsity wealth adjustment
 279 shall be calculated as the product of the difference between the
 280 state average levy value per FTE calculated in subparagraph 2.
 281 and the district's levy value per FTE calculated in subparagraph
 282 1. and the district's FTE student count and ~~-1.~~ However, no
 283 district shall have a sparsity wealth adjustment which, when
 284 applied to the total potential funds calculated in subparagraph
 285 3., would cause the district's total potential funds per FTE to
 286 be less than the state average calculated in subparagraph 4.

287 ~~6.4.~~ Each district's sparsity supplement allocation shall
 288 be calculated by adding the amount calculated as specified in
 289 paragraphs (a) and (b) and the wealth adjustment amount
 290 calculated in this paragraph.

291 Section 12. Section 1011.765, Florida Statutes, is amended
 292 to read:

293 1011.765 Florida Academic Improvement Trust Fund matching
 294 grants.--

295 (1) MATCHING GRANTS.--The Florida Academic Improvement
 296 Trust Fund shall be utilized to provide matching grants to the
 297 Florida School for the Deaf and the Blind Endowment Fund, ~~and to~~
 298 any public school district education foundation, and any
 299 regional consortium service organization education foundation
 300 that meets the requirements of this section and is recognized by
 301 the local school district as a its designated K-12 education
 302 foundation. For purposes of this section, "regional consortium
 303 service organization" means an organization formed under s.

304 1001.451.

305 (a) The State Board of Education shall adopt rules for the
 306 administration, submission, documentation, evaluation, and
 307 approval of requests for matching funds and for maintaining
 308 accountability for matching funds.

309 (b) Donations, state matching funds, or proceeds from
 310 endowments established pursuant to this section shall be used at
 311 the discretion of the public school district education
 312 foundation, the regional consortium service organization
 313 education foundation, or the Florida School for the Deaf and the
 314 Blind for academic achievement within the school district,
 315 school districts, or school, and shall not be expended for the
 316 construction of facilities or for the support of interscholastic
 317 athletics. A ~~No~~ public school district education foundation, a
 318 regional consortium service organization education foundation,
 319 or the Florida School for the Deaf and the Blind shall not
 320 accept or purchase facilities for which the state will be asked
 321 for operating funds unless the Legislature has granted prior
 322 approval for such acquisition.

323 (2) ALLOCATION OF THE TRUST FUND.--Funds appropriated to
 324 the Florida Academic Improvement Trust Fund shall be allocated
 325 by the Department of Education in the following manner:

326 (a) For every year in which there is a legislative
 327 appropriation to the trust fund, an equal amount of the annual
 328 appropriation, to be determined by dividing the total
 329 legislative appropriation by the number of local education
 330 foundations and regional consortium service organization
 331 education foundations, as well as the Florida School for the

332 Deaf and the Blind, must be reserved for each public school
 333 district education foundation, each regional consortium service
 334 organization education foundation, and the Florida School for
 335 the Deaf and the Blind Endowment Fund to provide each foundation
 336 and the Florida School for the Deaf and the Blind with an
 337 opportunity to receive and match appropriated funds. Trust funds
 338 that remain unmatched by contribution on April 1 of any year
 339 shall be made available for matching by any public school
 340 district education foundation, by any regional consortium
 341 service organization education foundation, and by the Florida
 342 School for the Deaf and the Blind which shall have an
 343 opportunity to apply for excess trust funds prior to the award
 344 of such funds.

345 (b) Matching grants shall be proportionately allocated
 346 from the trust fund on the basis of matching each \$4 of state
 347 funds with \$6 of private funds. To be eligible for matching, a
 348 minimum of \$4,500 must be raised from private sources.

349 (c) Funds sufficient to provide the match shall be
 350 transferred from the state trust fund to the public school
 351 education foundation, to the regional consortium service
 352 organization education foundation, or to the Florida School for
 353 the Deaf and the Blind Endowment Fund upon notification that a
 354 proportionate amount has been received and deposited by the
 355 foundation or school into its own trust fund.

356 (d) If the total of the amounts to be distributed in any
 357 quarter pursuant to this subsection exceeds the amount of funds
 358 remaining from specific appropriations made for the
 359 implementation of this section, all grants shall be

360 proportionately reduced so that the total of matching grants
 361 distributed does not exceed available appropriations.

362 (3) GRANT ADMINISTRATION.--

363 (a) Each public school district education foundation, each
 364 regional consortium service organization education foundation,
 365 and the Florida School for the Deaf and the Blind participating
 366 in the Florida Academic Improvement Trust Fund shall separately
 367 account for all funds received pursuant to this section, and may
 368 establish its own academic improvement trust fund as a
 369 depository for the private contributions, state matching funds,
 370 and earnings on investments of such funds. State matching funds
 371 shall be transferred to the public school district education
 372 foundation, to the regional consortium service organization
 373 education foundation, or to the Florida School for the Deaf and
 374 the Blind Endowment Fund upon notification that the foundation
 375 or school has received and deposited private contributions that
 376 meet the criteria for matching as provided in this section. The
 377 public school district education foundations, the regional
 378 consortium service organization education foundations, and the
 379 Florida School for the Deaf and the Blind are responsible for
 380 the maintenance, investment, and administration of their
 381 academic improvement trust funds.

382 (b) The public school district education foundations, the
 383 regional consortium service organization education foundations,
 384 and the Florida School for the Deaf and the Blind shall be
 385 responsible for soliciting and receiving contributions to be
 386 deposited and matched with grants for academic achievement
 387 within the school district, school districts, or school.

388 (c) Each public school district education foundation, each
 389 regional consortium service organization education foundation,
 390 and the Florida School for the Deaf and the Blind shall be
 391 responsible for proper expenditure of the funds received
 392 pursuant to this section.

393 Section 13. Subsection (1) of section 1011.94, Florida
 394 Statutes, is amended to read:

395 1011.94 Trust Fund for University Major Gifts.--

396 (1) There is established a Trust Fund for University Major
 397 Gifts. The purpose of the trust fund is to enable each
 398 university and New College to provide donors with an incentive
 399 in the form of matching grants for donations for the
 400 establishment of permanent endowments and sales tax exemption
 401 matching funds received pursuant to s. 212.08(5)(j), which must
 402 be invested, with the proceeds of the investment used to support
 403 libraries and instruction and research programs, as defined by
 404 the State Board of Education. All funds appropriated for the
 405 challenge grants, new donors, major gifts, sales tax exemption
 406 matching funds pursuant to s. 212.08(5)(j), or eminent scholars
 407 program may ~~must~~ be deposited into the trust fund and invested
 408 pursuant to s. 17.61 until the State Board of Education
 409 allocates the funds to universities to match private donations.
 410 Notwithstanding s. 216.301 and pursuant to s. 216.351, any
 411 undisbursed balance remaining in the trust fund and interest
 412 income accruing to the portion of the trust fund which is not
 413 matched and distributed to universities must remain in the trust
 414 fund and be used to increase the total funds available for
 415 challenge grants. Funds deposited in the trust fund for the

416 sales tax exemption matching program authorized in s.
 417 212.08(5)(j), and interest earnings thereon, shall be maintained
 418 in a separate account within the Trust Fund for University Major
 419 Gifts, and may be used only to match qualified sales tax
 420 exemptions that a certified business designates for use by state
 421 universities and community colleges to support research and
 422 development projects requested by the certified business. The
 423 State Board of Education may authorize any university to
 424 encumber the state matching portion of a challenge grant from
 425 funds available under s. 1011.45.

426 Section 14. Subsections (1) and (3) of section 1013.79,
 427 Florida Statutes, are amended to read:

428 1013.79 University Facility Enhancement Challenge Grant
 429 Program.--

430 (1) The Legislature recognizes that the universities do
 431 not have sufficient physical facilities to meet the current
 432 demands of their instructional and research programs. It further
 433 recognizes that, to strengthen and enhance universities, it is
 434 necessary to provide facilities in addition to those currently
 435 available from existing revenue sources. It further recognizes
 436 that there are sources of private support that, if matched with
 437 state support, can assist in constructing much-needed facilities
 438 and strengthen the commitment of citizens and organizations in
 439 promoting excellence throughout the state universities.
 440 Therefore, it is the intent of the Legislature to establish a
 441 trust fund to provide the opportunity for each university to
 442 receive support for ~~and match~~ challenge grants for instructional
 443 and research-related capital facilities within the university.

444 (3) There is established the Alec P. Courtelis Capital
445 Facilities Matching Trust Fund for the purpose of providing
446 matching funds from private contributions for the development of
447 high priority instructional and research-related capital
448 facilities, including common areas connecting such facilities,
449 within a university. The Legislature may ~~shall~~ appropriate funds
450 to be transferred to the trust fund. The Public Education
451 Capital Outlay and Debt Service Trust Fund, Capital Improvement
452 Trust Fund, Division of Sponsored Research Trust Fund, and
453 Contracts and Grants Trust Fund shall not be used as the source
454 of the state match for private contributions. All appropriated
455 funds deposited into the trust fund shall be invested pursuant
456 to the provisions of s. 17.61. Interest income accruing to that
457 portion of the trust fund shall increase the total funds
458 available for the challenge grant program. Interest income
459 accruing from the private donations shall be returned to the
460 participating foundation upon completion of the project. The
461 State Board of Education shall administer the trust fund and all
462 related construction activities.

463 Section 15. This act shall take effect July 1, 2005.