

1 A bill to be entitled
2 An act relating to education; amending s. 11.45, F.S.,
3 relating to audit reports and rules by the Auditor
4 General; conforming provisions related to changes in the
5 entities subject to a state of financial emergency;
6 amending s. 121.091, F.S.; increasing the period of time
7 during which certain charter school instructional
8 personnel may participate in the Florida Retirement System
9 Deferred Retirement Option Program; extending such
10 participation to certain school district prekindergarten
11 instructional personnel; deleting an obsolete provision;
12 amending ss. 218.50 and 218.501, F.S.; conforming
13 provisions related to changes in the entities subject to a
14 state of financial emergency; amending ss. 218.503 and
15 218.504, F.S.; providing that charter technical career
16 centers are subject to certain requirements in the event
17 of a financial emergency; requiring that the sponsor and
18 Legislative Auditing Committee be notified of certain
19 conditions; providing that the Commissioner of Education
20 may require a financial recovery plan if certain
21 conditions exist for a charter school or charter technical
22 career center; amending s. 1002.33, F.S.; providing for
23 duties of charter school sponsors and governing boards
24 when charter schools and charter technical career centers
25 experience a material financial weakness or a financial
26 emergency; specifying forms and evaluation instruments to
27 be used by charter school applicants and sponsors;
28 revising provisions relating to appeal of a charter school

29 application denial; deleting the auditing requirements and
30 financial emergency provisions for charter schools;
31 requiring charter schools to disclose the identity of
32 relatives of charter school personnel; revising provisions
33 relating to charter school renewal terms; requiring
34 charter schools to provide quarterly financial statements;
35 revising provisions relating to a charter school's annual
36 report; revising provisions relating to student
37 eligibility to attend a charter school; revising the
38 calculation requirements for class size compliance by
39 charter schools; providing requirements for distribution
40 of funds to charter schools; providing priority to charter
41 schools for the lease or purchase of public school
42 property and facilities; requiring a sponsor to provide
43 additional services relating to school lunches under the
44 federal lunch program; providing for the disclosure of the
45 performance of charter schools that are not given a school
46 grade or school improvement rating; providing reporting
47 requirements; providing restrictions for the employment of
48 relatives by charter school personnel; providing that
49 members of a charter school governing board are subject to
50 certain standards of conduct and financial disclosure;
51 amending s. 1002.335, F.S., relating to the Florida
52 Schools of Excellence Commission; revising provisions
53 relating to exclusive authority to authorize charter
54 schools; eliminating the requirement for district school
55 boards to annually seek continued exclusivity from the
56 State Board of Education; providing that a grant or denial

57 | of exclusivity shall be effective for 4 fiscal years;
58 | specifying additional components of cosponsor agreements;
59 | providing for application of performance disclosure
60 | requirements for charter schools that are not graded or
61 | rated; providing for application of restrictions on the
62 | employment of relatives and certain standards of conduct
63 | and financial disclosure; amending s. 1002.34, F.S.;
64 | providing additional duties for charter technical career
65 | centers, applicants, sponsors, and governing boards;
66 | requiring the Department of Education to offer or arrange
67 | training and assistance to applicants for a charter
68 | technical career center; revising the calculation
69 | requirements for class size compliance by charter
70 | technical career centers; providing for application of
71 | restrictions on the employment of relatives and certain
72 | standards of conduct and financial disclosure; creating s.
73 | 1002.345, F.S.; establishing criteria and requirements for
74 | charter schools and charter technical career centers that
75 | have material financial weaknesses or are in a state of
76 | financial emergency; establishing requirements for charter
77 | schools, charter technical career centers, governing
78 | boards, and sponsors; requiring financial audits of
79 | charter schools and charter technical career centers;
80 | providing for corrective action and financial recovery
81 | plans; providing for duties of auditors, the Commissioner
82 | of Education, and the Department of Education; requiring
83 | the State Board of Education to adopt rules; providing
84 | grounds for termination or nonrenewal of a charter;

85 | amending s. 1011.71, F.S., relating to district school
 86 | tax; providing that school boards must share an equitable
 87 | amount of capital improvement millage with charter
 88 | schools; amending s. 1013.62, F.S.; authorizing additional
 89 | uses for charter school capital outlay funds; amending s.
 90 | 1013.735, F.S.; providing charter schools with a specified
 91 | portion of the appropriation for the Classrooms for Kids
 92 | Program; providing an effective date.

93 |

94 | Be It Enacted by the Legislature of the State of Florida:

95 |

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

98 | 11.45 Definitions; duties; authorities; reports; rules.--

99 | (7) AUDITOR GENERAL REPORTING REQUIREMENTS.--

100 | (e) The Auditor General shall notify the Governor or the
 101 | Commissioner of Education, as appropriate, and the Legislative
 102 | Auditing Committee of any audit report reviewed by the Auditor
 103 | General pursuant to paragraph (b) which contains a statement
 104 | that a local governmental entity, charter school, charter
 105 | technical career center, or district school board has met one or
 106 | more of the conditions specified in s. 218.503. If the Auditor
 107 | General requests a clarification regarding information included
 108 | in an audit report to determine whether a local governmental
 109 | entity, charter school, charter technical career center, or
 110 | district school board has met one or more of the conditions
 111 | specified in s. 218.503, the requested clarification must be
 112 | provided within 45 days after the date of the request. If the

113 local governmental entity, charter school, charter technical
 114 career center, or district school board does not comply with the
 115 Auditor General's request, the Auditor General shall notify the
 116 Legislative Auditing Committee. If, after obtaining the
 117 requested clarification, the Auditor General determines that the
 118 local governmental entity, charter school, charter technical
 119 career center, or district school board has met one or more of
 120 the conditions specified in s. 218.503, he or she shall notify
 121 the Governor or the Commissioner of Education, as appropriate,
 122 and the Legislative Auditing Committee.

123 (8) RULES OF THE AUDITOR GENERAL.--The Auditor General, in
 124 consultation with the Board of Accountancy, shall adopt rules
 125 for the form and conduct of all financial audits performed by
 126 independent certified public accountants pursuant to ss.
 127 215.981, 218.39, 1001.453, 1004.28, and 1004.70. The rules for
 128 audits of local governmental entities, charter schools, charter
 129 technical career centers, and district school boards must
 130 include, but are not limited to, requirements for the reporting
 131 of information necessary to carry out the purposes of the Local
 132 Governmental Entity, Charter School, Charter Technical Career
 133 Center, and District School Board Financial Emergencies Act as
 134 stated in s. 218.501.

135 Section 2. Paragraphs (a) and (b) of subsection (13) of
 136 section 121.091, Florida Statutes, are amended to read:

137 121.091 Benefits payable under the system.--Benefits may
 138 not be paid under this section unless the member has terminated
 139 employment as provided in s. 121.021(39) (a) or begun
 140 participation in the Deferred Retirement Option Program as

141 provided in subsection (13), and a proper application has been
142 filed in the manner prescribed by the department. The department
143 may cancel an application for retirement benefits when the
144 member or beneficiary fails to timely provide the information
145 and documents required by this chapter and the department's
146 rules. The department shall adopt rules establishing procedures
147 for application for retirement benefits and for the cancellation
148 of such application when the required information or documents
149 are not received.

150 (13) DEFERRED RETIREMENT OPTION PROGRAM.--In general, and
151 subject to the provisions of this section, the Deferred
152 Retirement Option Program, hereinafter referred to as the DROP,
153 is a program under which an eligible member of the Florida
154 Retirement System may elect to participate, deferring receipt of
155 retirement benefits while continuing employment with his or her
156 Florida Retirement System employer. The deferred monthly
157 benefits shall accrue in the System Trust Fund on behalf of the
158 participant, plus interest compounded monthly, for the specified
159 period of the DROP participation, as provided in paragraph (c).
160 Upon termination of employment, the participant shall receive
161 the total DROP benefits and begin to receive the previously
162 determined normal retirement benefits. Participation in the DROP
163 does not guarantee employment for the specified period of DROP.
164 Participation in the DROP by an eligible member beyond the
165 initial 60-month period as authorized in this subsection shall
166 be on an annual contractual basis for all participants.

167 (a) Eligibility of member to participate in the DROP.--All
168 active Florida Retirement System members in a regularly

169 established position, and all active members of ~~either~~ the
 170 Teachers' Retirement System established in chapter 238 or the
 171 State and County Officers' and Employees' Retirement System
 172 established in chapter 122, which systems are consolidated
 173 within the Florida Retirement System under s. 121.011, are
 174 eligible to elect participation in the DROP if provided that:

175 1. The member is not a renewed member of the Florida
 176 Retirement System under s. 121.122, or a member of the State
 177 Community College System Optional Retirement Program under s.
 178 121.051, the Senior Management Service Optional Annuity Program
 179 under s. 121.055, or the optional retirement program for the
 180 State University System under s. 121.35.

181 2. Except as provided in subparagraph 6., election to
 182 participate is made within 12 months immediately following the
 183 date on which the member first reaches normal retirement date,
 184 or, for a member who reaches normal retirement date ~~based on~~
 185 ~~service~~ before he or she reaches age 62, or age 55 for Special
 186 Risk Class members, election to participate may be deferred to
 187 the 12 months immediately following the date the member attains
 188 57, or age 52 for Special Risk Class members. ~~For a member who~~
 189 ~~first reached normal retirement date or the deferred eligibility~~
 190 ~~date described above prior to the effective date of this~~
 191 ~~section, election to participate shall be made within 12 months~~
 192 ~~after the effective date of this section.~~ A member who fails to
 193 make an election within the ~~such~~ 12-month limitation period
 194 shall forfeit all rights to participate in the DROP. The member
 195 shall advise his or her employer and the division in writing of
 196 the date on which the DROP shall begin. The ~~Such~~ beginning date

197 may be subsequent to the 12-month election period, but must be
198 within the 60-month or, ~~with respect to members who are~~
199 ~~instructional personnel employed by the Florida School for the~~
200 ~~Deaf and the Blind and who have received authorization by the~~
201 ~~Board of Trustees of the Florida School for the Deaf and the~~
202 ~~Blind to participate in the DROP beyond 60 months, or who are~~
203 ~~instructional personnel as defined in s. 1012.01(2)(a)-(d) in~~
204 ~~grades K-12 and who have received authorization by the district~~
205 ~~school superintendent to participate in the DROP beyond 60~~
206 ~~months, the 96-month maximum participation limitation period as~~
207 provided in subparagraph (b)1. When establishing eligibility of
208 the member to participate in the DROP for the 60-month or, ~~with~~
209 ~~respect to members who are instructional personnel employed by~~
210 ~~the Florida School for the Deaf and the Blind and who have~~
211 ~~received authorization by the Board of Trustees of the Florida~~
212 ~~School for the Deaf and the Blind to participate in the DROP~~
213 ~~beyond 60 months, or who are instructional personnel as defined~~
214 ~~in s. 1012.01(2)(a)-(d) in grades K-12 and who have received~~
215 ~~authorization by the district school superintendent to~~
216 ~~participate in the DROP beyond 60 months, the 96-month maximum~~
217 participation period, the member may elect to include or exclude
218 any optional service credit purchased by the member from the
219 total service used to establish the normal retirement date. A
220 member with dual normal retirement dates is ~~shall be~~ eligible to
221 elect to participate in DROP within 12 months after attaining
222 normal retirement date in either class.

223 3. The employer of a member electing to participate in the
224 DROP, or employers if dually employed, shall acknowledge in

225 writing to the division the date the member's participation in
 226 the DROP begins and the date the member's employment and DROP
 227 participation will terminate.

228 4. Simultaneous employment of a participant by additional
 229 Florida Retirement System employers subsequent to the
 230 commencement of participation in the DROP is ~~shall be~~
 231 permissible provided such employers acknowledge in writing a
 232 DROP termination date no later than the participant's existing
 233 termination date or the 60-month participation ~~limitation~~ period
 234 as provided in subparagraph (b)1.

235 5. A DROP participant may change employers while
 236 participating in the DROP, subject to the following:

237 a. A change of employment must take place without a break
 238 in service so that the member receives salary for each month of
 239 continuous DROP participation. If a member receives no salary
 240 during a month, DROP participation shall cease unless the
 241 employer verifies a continuation of the employment relationship
 242 for such participant pursuant to s. 121.021(39)(b).

243 b. Such participant and new employer shall notify the
 244 division of the identity of the new employer on forms required
 245 by the division ~~as to the identity of the new employer.~~

246 c. The new employer shall acknowledge, in writing, the
 247 participant's DROP termination date, which may be extended but
 248 not beyond the original 60-month or, ~~with respect to members who~~
 249 ~~are instructional personnel employed by the Florida School for~~
 250 ~~the Deaf and the Blind and who have received authorization by~~
 251 ~~the Board of Trustees of the Florida School for the Deaf and the~~
 252 ~~Blind to participate in the DROP beyond 60 months, or who are~~

253 ~~instructional personnel as defined in s. 1012.01(2)(a)-(d) in~~
 254 ~~grades K-12 and who have received authorization by the district~~
 255 ~~school superintendent to participate in the DROP beyond 60~~
 256 ~~months, the 96-month maximum participation period provided in~~
 257 ~~subparagraph (b)1., shall acknowledge liability for any~~
 258 ~~additional retirement contributions and interest required if the~~
 259 ~~participant fails to timely terminate employment, and shall be~~
 260 ~~subject to the adjustment required in sub-subparagraph (c)5.d.~~

261 6. Effective July 1, 2001, for instructional personnel as
 262 defined in s. 1012.01(2), election to participate in the DROP
 263 may ~~shall~~ be made at any time following the date on which the
 264 member first reaches normal retirement date. The member shall
 265 advise his or her employer and the division in writing of the
 266 date on which the DROP ~~Deferred Retirement Option Program~~ shall
 267 begin. When establishing eligibility of the member to
 268 participate in the DROP for the 60-month or, ~~with respect to~~
 269 ~~members who are instructional personnel employed by the Florida~~
 270 ~~School for the Deaf and the Blind and who have received~~
 271 ~~authorization by the Board of Trustees of the Florida School for~~
 272 ~~the Deaf and the Blind to participate in the DROP beyond 60~~
 273 ~~months, or who are instructional personnel as defined in s.~~
 274 ~~1012.01(2)(a)-(d) in grades K-12 and who have received~~
 275 ~~authorization by the district school superintendent to~~
 276 ~~participate in the DROP beyond 60 months, the 96-month maximum~~
 277 ~~participation period, as provided in subparagraph (b)1., the~~
 278 ~~member may elect to include or exclude any optional service~~
 279 ~~credit purchased by the member from the total service used to~~
 280 ~~establish the normal retirement date. A member with dual normal~~

281 retirement dates is ~~shall be~~ eligible to elect to participate in
 282 either class.

283 (b) Participation in the DROP.--

284 1. An eligible member may elect to participate in the DROP
 285 for a period not to exceed a maximum of 60 calendar months or,
 286 with respect to members who are instructional personnel employed
 287 by the Florida School for the Deaf and the Blind and who have
 288 received authorization by the Board of Trustees of the Florida
 289 School for the Deaf and the Blind to participate in the DROP
 290 beyond 60 months, ~~or~~ who are instructional personnel as defined
 291 in s. 1012.01(2)(a)-(d) in grades K-12 or classroom teachers for
 292 prekindergarten students funded under s. 1011.62 and who have
 293 received authorization by the district school superintendent to
 294 participate in the DROP beyond 60 calendar months, or who are
 295 instructional personnel as defined in s. 1012.01(2)(a)-(d) in
 296 grades K-12 or classroom teachers for prekindergarten students
 297 funded under s. 1011.62 and who are employed by a charter school
 298 and who have received authorization from the governing board of
 299 the charter school to participate in the DROP beyond 60 calendar
 300 months, 96 calendar months immediately following the date on
 301 which the member first reaches his or her normal retirement date
 302 or the date to which he or she is eligible to defer his or her
 303 election to participate as provided in subparagraph (a)2.

304 However, a member who has reached normal retirement date prior
 305 to the effective date of the DROP is ~~shall be~~ eligible to
 306 participate in the DROP for up to ~~for a period of time not to~~
 307 ~~exceed~~ 60 calendar months or, ~~with respect to members who are~~
 308 ~~instructional personnel employed by the Florida School for the~~

309 ~~Deaf and the Blind and who have received authorization by the~~
 310 ~~Board of Trustees of the Florida School for the Deaf and the~~
 311 ~~Blind to participate in the DROP beyond 60 months, or who are~~
 312 ~~instructional personnel as defined in s. 1012.01(2)(a)-(d) in~~
 313 ~~grades K-12 and who have received authorization by the district~~
 314 ~~school superintendent to participate in the DROP beyond 60~~
 315 ~~calendar months, 96 calendar months, as appropriate, immediately~~
 316 following the effective date of the DROP, except that a member
 317 of the Special Risk Class who has reached normal retirement date
 318 prior to the effective date of the DROP and whose total accrued
 319 value exceeds 75 percent of average final compensation as of his
 320 or her effective date of retirement may ~~shall be eligible to~~
 321 participate in the DROP for no more than 36 calendar months
 322 immediately following the effective date of the DROP.

323 2. Upon deciding to participate in the DROP, the member
 324 shall submit, on forms required by the division:

- 325 a. A written election to participate in the DROP;
- 326 b. Selection of the DROP participation and termination
 327 dates, which satisfy the limitations stated in paragraph (a) and
 328 subparagraph 1. The ~~Such~~ termination date must ~~shall~~ be in a
 329 binding letter of resignation to ~~with~~ the employer, establishing
 330 a deferred termination date. The member may change the
 331 termination date within the limitations of subparagraph 1., but
 332 only with the written approval of the ~~his or her~~ employer;
- 333 c. A properly completed DROP application for service
 334 retirement as provided in this section; and
- 335 d. Any other information required by the division.

336 3. The DROP participant shall be a retiree under the

337 Florida Retirement System for all purposes, except for paragraph
 338 (5)(f) and subsection (9) and ss. 112.3173, 112.363, 121.053,
 339 and 121.122. However, participation in the DROP does not alter
 340 the participant's employment status and the member is such
 341 ~~employee shall~~ not be deemed retired from employment until his
 342 or her deferred resignation is effective and termination occurs
 343 as provided in s. 121.021(39).

344 4. Elected officers shall be eligible to participate in
 345 the DROP subject to the following:

346 a. An elected officer who reaches normal retirement date
 347 during a term of office may defer the election to participate in
 348 the DROP until the next succeeding term in that office. An such
 349 elected officer who exercises this option may participate in the
 350 DROP for up to 60 calendar months or for a period of no longer
 351 than the such succeeding term of office, whichever is less.

352 b. An elected or a nonelected participant may run for a
 353 term of office while participating in DROP and, if elected,
 354 extend the DROP termination date accordingly, except that,
 355 ~~however,~~ if such additional term of office exceeds the 60-month
 356 limitation established in subparagraph 1., and the officer does
 357 not resign from office within the such 60-month limitation, the
 358 retirement and the participant's DROP shall be null and void as
 359 provided in sub-subparagraph (c)5.d.

360 c. An elected officer who is dually employed and elects to
 361 participate in DROP shall be required to satisfy the definition
 362 of termination within the 60-month or, ~~with respect to members~~
 363 ~~who are instructional personnel employed by the Florida School~~
 364 ~~for the Deaf and the Blind and who have received authorization~~

365 ~~by the Board of Trustees of the Florida School for the Deaf and~~
 366 ~~the Blind to participate in the DROP beyond 60 months, or who~~
 367 ~~are instructional personnel as defined in s. 1012.01(2)(a)-(d)~~
 368 ~~in grades K-12 and who have received authorization by the~~
 369 ~~district school superintendent to participate in the DROP beyond~~
 370 ~~60 months, the 96-month maximum participation limitation period~~
 371 ~~as provided in subparagraph 1. for the nonelected position and~~
 372 ~~may continue employment as an elected officer as provided in s.~~
 373 ~~121.053. The elected officer shall ~~will~~ be enrolled as a renewed~~
 374 ~~member in the Elected Officers' Class or the Regular Class, as~~
 375 ~~provided in ss. 121.053 and 121.122, on the first day of the~~
 376 ~~month after termination of employment in the nonelected position~~
 377 ~~and termination of DROP. Distribution of the DROP benefits shall~~
 378 ~~be made as provided in paragraph (c).~~

379 Section 3. Section 218.50, Florida Statutes, is amended to
 380 read:

381 218.50 Short title.--Sections 218.50-218.504 may be cited
 382 as the "Local Governmental Entity, Charter School, Charter
 383 Technical Career Center, and District School Board Financial
 384 Emergencies Act."

385 Section 4. Section 218.501, Florida Statutes, is amended
 386 to read:

387 218.501 Purposes.--The purposes of ss. 218.50-218.504 are:

388 (1) To promote the fiscal responsibility of local
 389 governmental entities, charter schools, charter technical career
 390 centers, and district school boards.

391 (2) To assist local governmental entities, charter
 392 schools, charter technical career centers, and district school

393 boards in providing essential services without interruption and
 394 in meeting their financial obligations.

395 (3) To assist local governmental entities, charter
 396 schools, charter technical career centers, and district school
 397 boards through the improvement of local financial management
 398 procedures.

399 Section 5. Subsections (1), (2), and (4) of section
 400 218.503, Florida Statutes, are amended to read:

401 218.503 Determination of financial emergency.--

402 (1) Local governmental entities, charter schools, charter
 403 technical career centers, and district school boards shall be
 404 subject to review and oversight by the Governor, the charter
 405 school sponsor, the charter technical career center sponsor, or
 406 the Commissioner of Education, as appropriate, when any one of
 407 the following conditions occurs:

408 (a) Failure within the same fiscal year in which due to
 409 pay short-term loans or failure to make bond debt service or
 410 other long-term debt payments when due, as a result of a lack of
 411 funds.

412 (b) Failure to pay uncontested claims from creditors
 413 within 90 days after the claim is presented, as a result of a
 414 lack of funds.

415 (c) Failure to transfer at the appropriate time, due to
 416 lack of funds:

- 417 1. Taxes withheld on the income of employees; or
- 418 2. Employer and employee contributions for:
 - 419 a. Federal social security; or
 - 420 b. Any pension, retirement, or benefit plan of an

421 employee.

422 (d) Failure for one pay period to pay, due to lack of
423 funds:

- 424 1. Wages and salaries owed to employees; or
- 425 2. Retirement benefits owed to former employees.

426 (e) An unreserved or total fund balance or retained
427 earnings deficit, or unrestricted or total net assets deficit,
428 as reported on the balance sheet or statement of net assets on
429 the general purpose or fund financial statements, for which
430 sufficient resources of the local governmental entity, as
431 reported on the balance sheet or statement of net assets on the
432 general purpose or fund financial statements, are not available
433 to cover the deficit. Resources available to cover reported
434 deficits include net assets that are not otherwise restricted by
435 federal, state, or local laws, bond covenants, contractual
436 agreements, or other legal constraints. Fixed or capital assets,
437 the disposal of which would impair the ability of a local
438 governmental entity to carry out its functions, are not
439 considered resources available to cover reported deficits.

440 (2) A local governmental entity shall notify the Governor
441 and the Legislative Auditing Committee, a charter school shall
442 notify the charter school sponsor and the Legislative Auditing
443 Committee, a charter technical career center shall notify the
444 charter technical career center sponsor and the Legislative
445 Auditing Committee, and a district school board shall notify the
446 Commissioner of Education and the Legislative Auditing
447 Committee, when one or more of the conditions specified in
448 subsection (1) have occurred or will occur if action is not

449 taken to assist the local governmental entity, charter school,
 450 charter technical career center, or district school board. In
 451 addition, any state agency must, within 30 days after a
 452 determination that one or more of the conditions specified in
 453 subsection (1) have occurred or will occur if action is not
 454 taken to assist the local governmental entity, charter school,
 455 charter technical career center, or district school board,
 456 notify the Governor, charter school sponsor, charter technical
 457 career center sponsor, or the Commissioner of Education, as
 458 appropriate, and the Legislative Auditing Committee.

459 (4) (a) Upon notification that one or more of the
 460 conditions in subsection (1) exist, the charter school sponsor
 461 or the sponsor's designee and the Commissioner of Education
 462 shall contact the charter school governing body to determine
 463 what actions have been taken by the charter school governing
 464 body to resolve the condition. The Commissioner of Education may
 465 ~~charter school sponsor has the authority to~~ require and approve
 466 a financial recovery plan, to be prepared by the charter school
 467 governing body, prescribing actions that will cause the charter
 468 school to no longer be subject to this section. ~~The Department~~
 469 ~~of Education shall establish guidelines for developing such~~
 470 ~~plans.~~

471 (b) Upon notification that one or more of the conditions
 472 in subsection (1) exist, the charter technical career center
 473 sponsor or the sponsor's designee and the Commissioner of
 474 Education shall contact the charter technical career center
 475 governing body to determine what actions have been taken by the
 476 charter technical career center governing body to resolve the

477 condition. The Commissioner of Education may require and approve
 478 a financial recovery plan, to be prepared by the charter
 479 technical career center governing body, prescribing actions that
 480 will cause the charter technical career center to no longer be
 481 subject to this section.

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

488
 489 The Department of Education, with the involvement of sponsors,
 490 charter schools, and charter technical career centers, shall
 491 establish guidelines for developing such plans.

492 Section 6. Section 218.504, Florida Statutes, is amended
 493 to read:

494 218.504 Cessation of state action.--The Governor or the
 495 Commissioner of Education, as appropriate, has the authority to
 496 terminate all state actions pursuant to ss. 218.50-218.504.

497 Cessation of state action must not occur until the Governor or
 498 the Commissioner of Education, as appropriate, has determined
 499 that:

500 (1) The local governmental entity, charter school, charter
 501 technical career center, or district school board:

502 (a) Has established and is operating an effective
 503 financial accounting and reporting system.

504 (b) Has resolved the conditions outlined in s. 218.503(1).

505 (2) None of the conditions outlined in s. 218.503(1)
506 exists.

507 Section 7. Paragraph (b) of subsection (5), paragraphs
508 (a), (b), and (d) of subsection (6), paragraphs (a) and (b) of
509 subsection (7), paragraphs (g) through (q) of subsection (9),
510 paragraphs (a) and (h) of subsection (10), paragraphs (b) and
511 (c) of subsection (17), paragraph (e) of subsection (18),
512 paragraph (a) of subsection (20), and subsections (21) and (23)
513 of section 1002.33, Florida Statutes, are amended, present
514 subsection (24) is renumbered as subsection (26), and new
515 subsections (24) and (25) are added to that section, to read:

516 1002.33 Charter schools.--

517 (5) SPONSOR; DUTIES.--

518 (b) Sponsor duties.--

519 1.a. The sponsor shall monitor and review the charter
520 school in its progress toward the goals established in the
521 charter.

522 b. The sponsor shall monitor the revenues and expenditures
523 of the charter school and perform the duties provided for in s.
524 1002.345.

525 c. The sponsor may approve a charter for a charter school
526 before the applicant has secured space, equipment, or personnel,
527 if the applicant indicates approval is necessary for it to raise
528 working funds.

529 d. The sponsor's policies shall not apply to a charter
530 school unless mutually agreed to by both the sponsor and the
531 charter school.

532 e. The sponsor shall ensure that the charter is innovative

533 and consistent with the state education goals established by s.
534 1000.03(5).

535 f. The sponsor shall ensure that the charter school
536 participates in the state's education accountability system. If
537 a charter school falls short of performance measures included in
538 the approved charter, the sponsor shall report such shortcomings
539 to the Department of Education.

540 g. The sponsor shall not be liable for civil damages under
541 state law for personal injury, property damage, or death
542 resulting from an act or omission of an officer, employee,
543 agent, or governing body of the charter school.

544 h. The sponsor shall not be liable for civil damages under
545 state law for any employment actions taken by an officer,
546 employee, agent, or governing body of the charter school.

547 i. The sponsor's duties to monitor the charter school
548 shall not constitute the basis for a private cause of action.

549 j. The sponsor shall not impose additional reporting
550 requirements on a charter school without providing reasonable
551 and specific justification in writing to the charter school.

552 2. Immunity for the sponsor of a charter school under
553 subparagraph 1. applies only with respect to acts or omissions
554 not under the sponsor's direct authority as described in this
555 section.

556 3. Nothing contained in this paragraph shall be considered
557 a waiver of sovereign immunity by a district school board.

558 4. A community college may work with the school district
559 or school districts in its designated service area to develop
560 charter schools that offer secondary education. These charter

561 schools must include an option for students to receive an
 562 associate degree upon high school graduation. District school
 563 boards shall cooperate with and assist the community college on
 564 the charter application. Community college applications for
 565 charter schools are not subject to the time deadlines outlined
 566 in subsection (6) and may be approved by the district school
 567 board at any time during the year. Community colleges shall not
 568 report FTE for any students who receive FTE funding through the
 569 Florida Education Finance Program.

570 (6) APPLICATION PROCESS AND REVIEW.--Charter school
 571 applications are subject to the following requirements:

572 (a) A person or entity wishing to open a charter school
 573 shall prepare and submit an application on a form developed by
 574 the Department of Education, which ~~that~~:

575 1. Demonstrates how the school will use the guiding
 576 principles and meet the statutorily defined purpose of a charter
 577 school.

578 2. Provides a detailed curriculum plan that illustrates
 579 how students will be provided services to attain the Sunshine
 580 State Standards.

581 3. Contains goals and objectives for improving student
 582 learning and measuring that improvement. These goals and
 583 objectives must indicate how much academic improvement students
 584 are expected to show each year, how success will be evaluated,
 585 and the specific results to be attained through instruction.

586 4. Describes the reading curriculum and differentiated
 587 strategies that will be used for students reading at grade level
 588 or higher and a separate curriculum and strategies for students

589 | who are reading below grade level. A sponsor shall deny a
590 | charter if the school does not propose a reading curriculum that
591 | is consistent with effective teaching strategies that are
592 | grounded in scientifically based reading research.

593 | 5. Contains an annual financial plan for each year
594 | requested by the charter for operation of the school for up to 5
595 | years. This plan must contain anticipated fund balances based on
596 | revenue projections, a spending plan based on projected revenues
597 | and expenses, and a description of controls that will safeguard
598 | finances and projected enrollment trends.

599 | (b) A sponsor shall receive and review all applications
600 | for a charter school using an evaluation instrument developed by
601 | the Department of Education. Beginning with the 2007-2008 school
602 | year, a sponsor shall receive and consider charter school
603 | applications received on or before August 1 of each calendar
604 | year for charter schools to be opened at the beginning of the
605 | school district's next school year, or to be opened at a time
606 | agreed to by the applicant and the sponsor. A sponsor may
607 | receive applications later than this date if it chooses. A
608 | sponsor may not charge an applicant for a charter any fee for
609 | the processing or consideration of an application, and a sponsor
610 | may not base its consideration or approval of an application
611 | upon the promise of future payment of any kind.

612 | 1. In order to facilitate an accurate budget projection
613 | process, a sponsor shall be held harmless for FTE students who
614 | are not included in the FTE projection due to approval of
615 | charter school applications after the FTE projection deadline.
616 | In a further effort to facilitate an accurate budget projection,

617 within 15 calendar days after receipt of a charter school
618 application, a sponsor shall report to the Department of
619 Education the name of the applicant entity, the proposed charter
620 school location, and its projected FTE.

621 2. In order to ensure fiscal responsibility, an
622 application for a charter school shall include a full accounting
623 of expected assets, a projection of expected sources and amounts
624 of income, including income derived from projected student
625 enrollments and from community support, and an expense
626 projection that includes full accounting of the costs of
627 operation, including start-up costs.

628 3. A sponsor shall by a majority vote approve or deny an
629 application no later than 60 calendar days after the application
630 is received, unless the sponsor and the applicant mutually agree
631 in writing to temporarily postpone the vote to a specific date,
632 at which time the sponsor shall by a majority vote approve or
633 deny the application. If the sponsor fails to act on the
634 application, an applicant may appeal to the State Board of
635 Education as provided in paragraph (c). If an application is
636 denied, the sponsor shall, within 10 calendar days, articulate
637 in writing the specific reasons, based upon good cause,
638 supporting its denial of the charter application and shall
639 provide the letter of denial and supporting documentation to the
640 applicant and to the Department of Education supporting those
641 reasons.

642 4. For budget projection purposes, the sponsor shall
643 report to the Department of Education the approval or denial of
644 a charter application within 10 calendar days after such

645 approval or denial. In the event of approval, the report to the
646 Department of Education shall include the final projected FTE
647 for the approved charter school.

648 5. Upon approval of a charter application, the initial
649 startup shall commence with the beginning of the public school
650 calendar for the district in which the charter is granted unless
651 the sponsor allows a waiver of this provision for good cause.

652 (d) For charter school applications in school districts
653 that have not been granted exclusive authority to sponsor
654 charter schools pursuant to s. 1002.335(5), the right to appeal
655 an application denial under paragraph (c) shall be contingent on
656 the applicant having submitted the same or a substantially
657 similar application to the district school board and the Florida
658 Schools of Excellence Commission or one of its cosponsors. Any
659 such applicant whose application is denied by the commission or
660 one of its cosponsors and ~~subsequent to its denial~~ by the
661 district school board may exercise its right to appeal the
662 district school board's denial under paragraph (c) within 30
663 days after receipt of the commission's or cosponsor's denial or
664 failure to act on the application. However, the applicant
665 forfeits its right to appeal under paragraph (c) if it fails to
666 submit its application to the commission or one of its
667 cosponsors by August 1 of the school year immediately following
668 the district school board's denial of the application.

669 (7) CHARTER.--The major issues involving the operation of
670 a charter school shall be considered in advance and written into
671 the charter. The charter shall be signed by the governing body
672 of the charter school and the sponsor, following a public

673 hearing to ensure community input.

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

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

678 2. The focus of the curriculum, the instructional methods
679 to be used, any distinctive instructional techniques to be
680 employed, and identification and acquisition of appropriate
681 technologies needed to improve educational and administrative
682 performance which include a means for promoting safe, ethical,
683 and appropriate uses of technology which comply with legal and
684 professional standards. The charter shall ensure that reading is
685 a primary focus of the curriculum and that resources are
686 provided to identify and provide specialized instruction for
687 students who are reading below grade level. The curriculum and
688 instructional strategies for reading must be consistent with the
689 Sunshine State Standards and grounded in scientifically based
690 reading research.

691 3. The current incoming baseline standard of student
692 academic achievement, the outcomes to be achieved, and the
693 method of measurement that will be used. The criteria listed in
694 this subparagraph shall include a detailed description for each
695 of the following:

696 a. How the baseline student academic achievement levels
697 and prior rates of academic progress will be established.

698 b. How these baseline rates will be compared to rates of
699 academic progress achieved by these same students while
700 attending the charter school.

701 c. To the extent possible, how these rates of progress
702 will be evaluated and compared with rates of progress of other
703 closely comparable student populations.

704

705 The district school board is required to provide academic
706 student performance data to charter schools for each of their
707 students coming from the district school system, as well as
708 rates of academic progress of comparable student populations in
709 the district school system.

710 4. The methods used to identify the educational strengths
711 and needs of students and how well educational goals and
712 performance standards are met by students attending the charter
713 school. Included in the methods is a means for the charter
714 school to ensure accountability to its constituents by analyzing
715 student performance data and by evaluating the effectiveness and
716 efficiency of its major educational programs. Students in
717 charter schools shall, at a minimum, participate in the
718 statewide assessment program created under s. 1008.22.

719 5. In secondary charter schools, a method for determining
720 that a student has satisfied the requirements for graduation in
721 s. 1003.43.

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

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

726 8. The ways by which the school will achieve a
727 racial/ethnic balance reflective of the community it serves or
728 within the racial/ethnic range of other public schools in the

729 same school district.

730 9. The financial and administrative management of the
731 school, including a reasonable demonstration of the professional
732 experience or competence of those individuals or organizations
733 applying to operate the charter school or those hired or
734 retained to perform such professional services and the
735 description of clearly delineated responsibilities and the
736 policies and practices needed to effectively manage the charter
737 school. A description of internal audit procedures and
738 establishment of controls to ensure that financial resources are
739 properly managed must be included. Both public sector and
740 private sector professional experience shall be equally valid in
741 such a consideration.

742 10. The asset and liability projections required in the
743 application which are incorporated into the charter and which
744 shall be compared with information provided in the annual report
745 of the charter school. ~~The charter shall ensure that, if a~~
746 ~~charter school internal audit or annual financial audit reveals~~
747 ~~a state of financial emergency as defined in s. 218.503 or~~
748 ~~deficit financial position, the auditors are required to notify~~
749 ~~the charter school governing board, the sponsor, and the~~
750 ~~Department of Education. The internal auditor shall report such~~
751 ~~findings in the form of an exit interview to the principal or~~
752 ~~the principal administrator of the charter school and the chair~~
753 ~~of the governing board within 7 working days after finding the~~
754 ~~state of financial emergency or deficit position. A final report~~
755 ~~shall be provided to the entire governing board, the sponsor,~~
756 ~~and the Department of Education within 14 working days after the~~

757 ~~exit interview. When a charter school is in a state of financial~~
758 ~~emergency, the charter school shall file a detailed financial~~
759 ~~recovery plan with the sponsor. The department, with the~~
760 ~~involvement of both sponsors and charter schools, shall~~
761 ~~establish guidelines for developing such plans.~~

762 11. A description of procedures that identify various
763 risks and provide for a comprehensive approach to reduce the
764 impact of losses; plans to ensure the safety and security of
765 students and staff; plans to identify, minimize, and protect
766 others from violent or disruptive student behavior; and the
767 manner in which the school will be insured, including whether or
768 not the school will be required to have liability insurance,
769 and, if so, the terms and conditions thereof and the amounts of
770 coverage.

771 12. The term of the charter which shall provide for
772 cancellation of the charter if insufficient progress has been
773 made in attaining the student achievement objectives of the
774 charter and if it is not likely that such objectives can be
775 achieved before expiration of the charter. The initial term of a
776 charter shall be for 4 or 5 years. In order to facilitate access
777 to long-term financial resources for charter school
778 construction, charter schools that are operated by a
779 municipality or other public entity as provided by law are
780 eligible for up to a 15-year charter, subject to approval by the
781 district school board. A charter lab school is eligible for a
782 charter for a term of up to 15 years. In addition, to facilitate
783 access to long-term financial resources for charter school
784 construction, charter schools that are operated by a private,

785 not-for-profit, s. 501(c)(3) status corporation are eligible for
786 up to a 15-year charter, subject to approval by the district
787 school board. Such long-term charters remain subject to annual
788 review and may be terminated during the term of the charter, but
789 only according to the provisions set forth in subsection (8).

790 13. The facilities to be used and their location.

791 14. The qualifications to be required of the teachers and
792 the potential strategies used to recruit, hire, train, and
793 retain qualified staff to achieve best value.

794 15. The governance structure of the school, including the
795 status of the charter school as a public or private employer as
796 required in paragraph (12)(i).

797 16. A timetable for implementing the charter which
798 addresses the implementation of each element thereof and the
799 date by which the charter shall be awarded in order to meet this
800 timetable.

801 17. In the case of an existing public school being
802 converted to charter status, alternative arrangements for
803 current students who choose not to attend the charter school and
804 for current teachers who choose not to teach in the charter
805 school after conversion in accordance with the existing
806 collective bargaining agreement or district school board rule in
807 the absence of a collective bargaining agreement. However,
808 alternative arrangements shall not be required for current
809 teachers who choose not to teach in a charter lab school, except
810 as authorized by the employment policies of the state university
811 which grants the charter to the lab school.

812 18. Full disclosure of the identity of all relatives

813 employed by the charter school who are related to the charter
 814 school owner, president, chair of the governing board of
 815 directors, superintendent, governing board member, principal,
 816 assistant principal, or any other person employed by the charter
 817 school having equivalent decisionmaking authority. For the
 818 purpose of this subparagraph, the term "relative" means father,
 819 mother, son, daughter, brother, sister, husband, wife, father-
 820 in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-
 821 law, sister-in-law, stepfather, stepmother, stepson,
 822 stepdaughter, stepbrother, stepsister, half brother, or half
 823 sister.

824 (b)~~1.~~ A charter may be renewed if ~~provided that~~ a program
 825 review demonstrates that the criteria in paragraph (a) have been
 826 successfully accomplished and that none of the grounds for
 827 nonrenewal established by paragraph (8)(a) has been documented.
 828 In order to facilitate long-term financing for charter school
 829 construction, a charter school that has operated ~~schools~~
 830 ~~operating~~ for a minimum of 3 years, that has received a school
 831 grade of at least a "C" pursuant to s. 1008.34 during the
 832 previous 3 years, and that demonstrates ~~demonstrating~~ exemplary
 833 ~~academic programming and~~ fiscal management must be offered ~~are~~
 834 ~~eligible for~~ a 15-year charter renewal. Such long-term charter
 835 is subject to annual review and may be terminated during the
 836 term of the charter pursuant to subsection (8).

837 ~~2. The 15 year charter renewal that may be granted~~
 838 ~~pursuant to subparagraph 1. shall be granted to a charter school~~
 839 ~~that has received a school grade of "A" or "B" pursuant to s.~~
 840 ~~1008.34 in 3 of the past 4 years and is not in a state of~~

841 ~~financial emergency or deficit position as defined by this~~
 842 ~~section. Such long term charter is subject to annual review and~~
 843 ~~may be terminated during the term of the charter pursuant to~~
 844 ~~subsection (8).~~

845 (9) CHARTER SCHOOL REQUIREMENTS.--

846 ~~(g) A charter school shall provide for an annual financial~~
 847 ~~audit in accordance with s. 218.39. Financial audits that reveal~~
 848 ~~a state of financial emergency as defined in s. 218.503 and are~~
 849 ~~conducted by a certified public accountant or auditor in~~
 850 ~~accordance with s. 218.39 shall be provided to the governing~~
 851 ~~body of the charter school within 7 working days after finding~~
 852 ~~that a state of financial emergency exists. When a charter~~
 853 ~~school is found to be in a state of financial emergency by a~~
 854 ~~certified public accountant or auditor, the charter school must~~
 855 ~~file a detailed financial recovery plan with the sponsor within~~
 856 ~~30 days after receipt of the audit.~~

857 (g) ~~(h)~~ In order to provide financial information that is
 858 comparable to that reported for other public schools, charter
 859 schools are to maintain all financial records which constitute
 860 their accounting system:

861 1. In accordance with the accounts and codes prescribed in
 862 the most recent issuance of the publication titled "Financial
 863 and Program Cost Accounting and Reporting for Florida Schools";
 864 or

865 2. At the discretion of the charter school governing
 866 board, a charter school may elect to follow generally accepted
 867 accounting standards for not-for-profit organizations, but must
 868 reformat this information for reporting according to this

869 paragraph.

870

871 Charter schools shall provide annual financial report and
 872 program cost report information in the state-required formats
 873 for inclusion in district reporting in compliance with s.
 874 1011.60(1). Charter schools that are operated by a municipality
 875 or are a component unit of a parent nonprofit organization may
 876 use the accounting system of the municipality or the parent but
 877 must reformat this information for reporting according to this
 878 paragraph. A charter school shall provide quarterly financial
 879 statements to the sponsor.

880 (h)~~(i)~~ The governing board of the charter school shall
 881 annually adopt and maintain an operating budget.

882 (i)~~(j)~~ The governing body of the charter school shall
 883 exercise continuing oversight over charter school operations.

884 (j)~~(k)~~ The governing body of the charter school shall be
 885 responsible for:

886 1. Ensuring that the charter school has retained the
 887 services of a certified public accountant or auditor for the
 888 annual financial audit, pursuant to s. 1002.345(2) ~~paragraph~~
 889 ~~(g)~~, who shall submit the report to the governing body.

890 2. Reviewing and approving the audit report, including
 891 audit findings and recommendations for the financial recovery
 892 plan.

893 3.a. Performing the duties provided for in s. 1002.345,
 894 including monitoring a corrective action plan.

895 b. Monitoring a financial recovery plan in order to ensure
 896 compliance.

897 4. Participating in governance training approved by the
 898 department that must include government in the sunshine,
 899 conflicts of interest, ethics, and financial responsibility.

900 (k)~~(l)~~ The governing body of the charter school shall
 901 report its progress annually to its sponsor, which shall forward
 902 the report to the Commissioner of Education at the same time as
 903 other annual school accountability reports. The Department of
 904 Education shall develop a uniform, online annual accountability
 905 report format to be completed by charter schools. This report
 906 shall be easy to utilize and contain demographic information,
 907 student performance data, and financial accountability
 908 information. A charter school may directly access, complete, and
 909 correct school data and information in the online accountability
 910 report. The sponsor shall review the report before final
 911 submission to ~~shall not be required to provide information and~~
 912 ~~data that is duplicative and already in the possession of the~~
 913 department. The Department of Education shall include in its
 914 compilation a notation if a school failed to file its report by
 915 the deadline established by the department. The report shall
 916 include at least the following components:

917 1. Student achievement performance data, including the
 918 information required for the annual school report and the
 919 education accountability system governed by ss. 1008.31 and
 920 1008.345. Charter schools are subject to the same accountability
 921 requirements as other public schools, including reports of
 922 student achievement information that links baseline student data
 923 to the school's performance projections identified in the
 924 charter. The charter school shall identify reasons for any

925 difference between projected and actual student performance.

926 2. Financial status of the charter school which must
927 include revenues and expenditures at a level of detail that
928 allows for analysis of the school's ability to meet financial
929 obligations and timely repayment of debt.

930 3. Documentation of the facilities in current use and any
931 planned facilities for use by the charter school for instruction
932 of students, administrative functions, or investment purposes.

933 4. Descriptive information about the charter school's
934 personnel, including salary and benefit levels of charter school
935 employees, the proportion of instructional personnel who hold
936 professional or temporary certificates, and the proportion of
937 instructional personnel teaching in-field or out-of-field.

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

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

943 (n)~~(o)~~ The director and a representative of the governing
944 body of a charter school that has received a school grade of "D"
945 under s. 1008.34(2) shall appear before the sponsor or the
946 sponsor's staff at least once a year to present information
947 concerning each contract component having noted deficiencies.
948 The sponsor shall communicate at the meeting, and in writing to
949 the director, the services provided to the school to help the
950 school address its deficiencies.

951 (o)~~(p)~~ Upon notification that a charter school receives a
952 school grade of "D" for 2 consecutive years or a school grade of

953 "F" under s. 1008.34(2), the charter school sponsor or the
954 sponsor's staff shall require the director and a representative
955 of the governing body to submit to the sponsor for approval a
956 school improvement plan to raise student achievement and to
957 implement the plan. The sponsor has the authority to approve a
958 school improvement plan that the charter school will implement
959 in the following school year. The sponsor may also consider the
960 State Board of Education's recommended action pursuant to s.
961 1008.33(1) as part of the school improvement plan. The
962 Department of Education shall offer technical assistance and
963 training to the charter school and its governing body and
964 establish guidelines for developing, submitting, and approving
965 such plans.

966 1. If the charter school fails to improve its student
967 performance from the year immediately prior to the
968 implementation of the school improvement plan, the sponsor shall
969 place the charter school on probation and shall require the
970 charter school governing body to take one of the following
971 corrective actions:

972 a. Contract for the educational services of the charter
973 school;

974 b. Reorganize the school at the end of the school year
975 under a new director or principal who is authorized to hire new
976 staff and implement a plan that addresses the causes of
977 inadequate progress; or

978 c. Reconstitute the charter school.

979 2. A charter school that is placed on probation shall
980 continue the corrective actions required under subparagraph 1.

981 until the charter school improves its student performance from
 982 the year prior to the implementation of the school improvement
 983 plan.

984 3. Notwithstanding any provision of this paragraph, the
 985 sponsor may terminate the charter at any time pursuant to the
 986 provisions of subsection (8).

987 (p) ~~(q)~~ The director and a representative of the governing
 988 body of a graded charter school that has submitted a school
 989 improvement plan or has been placed on probation under paragraph
 990 (o) ~~(p)~~ shall appear before the sponsor or the sponsor's staff
 991 at least once a year to present information regarding the
 992 corrective strategies that are being implemented by the school
 993 pursuant to the school improvement plan. The sponsor shall
 994 communicate at the meeting, and in writing to the director, the
 995 services provided to the school to help the school address its
 996 deficiencies.

997 (10) ELIGIBLE STUDENTS.--

998 (a) A charter school shall be open to any student ~~covered~~
 999 ~~in an interdistrict agreement or~~ residing in the school district
 1000 in which the charter school is located; however, in the case of
 1001 a charter lab school, the charter lab school shall be open to
 1002 any student eligible to attend the lab school as provided in s.
 1003 1002.32 or who resides in the school district in which the
 1004 charter lab school is located. Any ~~eligible~~ student shall be
 1005 allowed interdistrict transfer to attend a charter school when
 1006 based on good cause. Good cause shall include, but not be
 1007 limited to, geographic proximity to a charter school in a
 1008 neighboring school district.

1009 (h) The capacity of the charter school shall be determined
 1010 annually by the governing board, in conjunction with the
 1011 sponsor, of the charter school in consideration of the factors
 1012 identified in this subsection. The calculation under s. 1003.03
 1013 for class size compliance for charter schools shall be the
 1014 average for the applicable grade grouping at the school level
 1015 established at the October student membership survey of the
 1016 district in which the charter school is operated.

1017 (17) FUNDING.--Students enrolled in a charter school,
 1018 regardless of the sponsorship, shall be funded as if they are in
 1019 a basic program or a special program, the same as students
 1020 enrolled in other public schools in the school district. Funding
 1021 for a charter lab school shall be as provided in s. 1002.32.

1022 (b) The basis for the agreement for funding students
 1023 enrolled in a charter school shall be the sum of the school
 1024 district's operating funds from the Florida Education Finance
 1025 Program as provided in s. 1011.62 and the General Appropriations
 1026 Act, including gross state and local funds, discretionary
 1027 lottery funds, and funds from the school district's current
 1028 operating discretionary millage levy; divided by total funded
 1029 weighted full-time equivalent students in the school district;
 1030 multiplied by the weighted full-time equivalent students for the
 1031 charter school. Charter schools whose students or programs meet
 1032 the eligibility criteria in law shall be entitled to their
 1033 proportionate share of categorical program funds included in the
 1034 total funds available in the Florida Education Finance Program
 1035 by the Legislature, including transportation. Total funding for
 1036 each charter school shall be recalculated during the year to

1037 reflect the revised calculations under the Florida Education
 1038 Finance Program by the state and the actual weighted full-time
 1039 equivalent students reported by the charter school during the
 1040 full-time equivalent student survey periods designated by the
 1041 Commissioner of Education. Florida Education Finance Program
 1042 funds for a charter school must be distributed to the charter
 1043 school by the district school board within 10 days after receipt
 1044 from the state.

1045 (c) If the sponsor ~~district school board~~ is providing
 1046 programs or services to students funded by federal funds, any
 1047 eligible students enrolled in charter schools in the school
 1048 district shall be provided federal funds for the same level of
 1049 service provided students in the schools operated by the
 1050 district school board. Pursuant to provisions of 20 U.S.C. 8061
 1051 s. 10306, all charter schools shall receive all federal funding
 1052 for which the school is otherwise eligible, including Title I
 1053 funding and funding under the Individuals with Disabilities
 1054 Education Act, not later than 5 months after the charter school
 1055 first opens and within 5 months after any subsequent expansion
 1056 of enrollment.

1057 (18) FACILITIES.--

1058 (e) If a district school board facility or property is
 1059 available because it is surplus, marked for disposal, or
 1060 otherwise unused, it shall be provided for a charter school's
 1061 use on the same basis as it is made available to other public
 1062 schools in the district. If a school district closes a public
 1063 school, the property and facilities must first be made available
 1064 within 60 days, for lease or purchase, to charter schools within

1065 the district to be used for educational purposes. A charter
 1066 school receiving property from the school district may not sell
 1067 or dispose of such property without written permission of the
 1068 school district. Similarly, for an existing public school
 1069 converting to charter status, no rental or leasing fee for the
 1070 existing facility or for the property normally inventoried to
 1071 the conversion school may be charged by the district school
 1072 board to the parents and teachers organizing the charter school.
 1073 The charter school shall agree to reasonable maintenance
 1074 provisions in order to maintain the facility in a manner similar
 1075 to district school board standards. The Public Education Capital
 1076 Outlay maintenance funds or any other maintenance funds
 1077 generated by the facility operated as a conversion school shall
 1078 remain with the conversion school.

1079 (20) SERVICES.--

1080 (a) A sponsor shall provide certain administrative and
 1081 educational services to charter schools. These services shall
 1082 include contract management services; full-time equivalent and
 1083 data reporting services; exceptional student education
 1084 administration services; services related to eligibility and
 1085 reporting duties required to ensure that school lunch services
 1086 under the federal lunch program, consistent with the needs of
 1087 the charter school, are provided by the school district at the
 1088 request of the charter school, that any funds due the charter
 1089 school under the federal lunch program be paid to the charter
 1090 school as soon as the charter school begins serving food under
 1091 the federal lunch program, and that the charter school is paid
 1092 at the same time and in the same manner under the federal lunch

1093 program as other public schools serviced by the sponsor or
 1094 school district; test administration services, including payment
 1095 of the costs of state-required or district-required student
 1096 assessments; processing of teacher certificate data services;
 1097 and information services, including equal access to student
 1098 information systems that are used by public schools in the
 1099 district in which the charter school is located. Student
 1100 performance data for each student in a charter school,
 1101 including, but not limited to, FCAT scores, standardized test
 1102 scores, previous public school student report cards, and student
 1103 performance measures, shall be provided by the sponsor to a
 1104 charter school in the same manner provided to other public
 1105 schools in the district. A total administrative fee for the
 1106 provision of such services shall be calculated based upon up to
 1107 5 percent of the available funds defined in paragraph (17)(b)
 1108 for all students. However, a sponsor may only withhold up to a
 1109 5-percent administrative fee for enrollment for up to and
 1110 including 500 students. For charter schools with a population of
 1111 501 or more students, the difference between the total
 1112 administrative fee calculation and the amount of the
 1113 administrative fee withheld may only be used for capital outlay
 1114 purposes specified in s. 1013.62(2). Sponsors shall not charge
 1115 charter schools any additional fees or surcharges for
 1116 administrative and educational services in addition to the
 1117 maximum 5-percent administrative fee withheld pursuant to this
 1118 paragraph.

1119 (21) PUBLIC INFORMATION ON CHARTER SCHOOLS.--

1120 (a) The Department of Education shall provide information

1121 to the public, directly and through sponsors, both on how to
1122 form and operate a charter school and on how to enroll in
1123 charter schools once they are created. This information shall
1124 include a standard application format, charter format,
1125 evaluation instrument, and charter renewal format which shall
1126 include the information specified in subsection (7) and shall be
1127 developed by consulting and negotiating with ~~both~~ school
1128 districts, the Florida Schools of Excellence Commission, and
1129 charter schools before implementation. These formats shall be
1130 used as ~~guidelines~~ by charter school sponsors.

1131 (b)1. The Department of Education shall report student
1132 assessment data pursuant to s. 1008.34(3)(b) which is reported
1133 to schools that receive a school grade pursuant to s. 1008.34 or
1134 student assessment data pursuant to s. 1008.341(3) which is
1135 reported to alternative schools that receive a school
1136 improvement rating pursuant to s. 1008.341 to each charter
1137 school that:

1138 a. Does not receive a school grade pursuant to s. 1008.34
1139 or a school improvement rating pursuant to s. 1008.341; and

1140 b. Serves at least 10 students who are tested on the
1141 statewide assessment test pursuant to s. 1008.22.

1142 2. The charter school shall report the information in
1143 subparagraph 1. to each parent of a student at the charter
1144 school, the district in which the charter school is located, and
1145 the governing board of the charter school. This paragraph does
1146 not abrogate the provisions of s. 1002.22, relating to student
1147 records, and the requirements of 20 U.S.C. s. 1232g, the Family
1148 Educational Rights and Privacy Act.

1149 3.a. Pursuant to this paragraph, the Department of
 1150 Education shall compare the charter school student performance
 1151 data for each charter school in subparagraph 1. with the student
 1152 performance data in traditional public schools in the district
 1153 in which the charter school is located and other charter schools
 1154 in the state. For charter alternative schools, the department
 1155 shall compare the student performance data described in this
 1156 paragraph with all alternative schools in the state. The
 1157 comparative data shall be provided by the following grade
 1158 groupings:

- 1159 (I) Grades 3 through 5.
- 1160 (II) Grades 6 through 8.
- 1161 (III) Grades 9 through 11.

1162 b. Each charter school shall make the information in this
 1163 paragraph available to the public.

1164 (23) ANALYSIS OF CHARTER SCHOOL PERFORMANCE.--Upon receipt
 1165 of the annual report required by paragraph (9) (k) ~~(9) (1)~~, the
 1166 Department of Education shall provide to the State Board of
 1167 Education, the Commissioner of Education, the Governor, the
 1168 President of the Senate, and the Speaker of the House of
 1169 Representatives an analysis and comparison of the overall
 1170 performance of charter school students, to include all students
 1171 whose scores are counted as part of the statewide assessment
 1172 program, versus comparable public school students in the
 1173 district as determined by the statewide assessment program
 1174 currently administered in the school district, and other
 1175 assessments administered pursuant to s. 1008.22 (3).

1176 (24) RESTRICTION ON EMPLOYMENT OF RELATIVES.--

1177 (a) This subsection applies to charter school personnel in
 1178 a charter school operated by a private entity. Charter school
 1179 personnel in schools operated by a municipality or other public
 1180 entity are subject to s. 112.3135.

1181 (b) As used in this subsection, the term:

1182 1. "Charter school personnel" means a charter school
 1183 owner, president, chair of the governing board of directors,
 1184 superintendent, governing board member, principal, assistant
 1185 principal, or any other person employed by the charter school
 1186 having equivalent decisionmaking authority and in whom is vested
 1187 the authority, or to whom the authority has been delegated, to
 1188 appoint, employ, promote, or advance individuals or to recommend
 1189 individuals for appointment, employment, promotion, or
 1190 advancement in connection with employment in a charter school,
 1191 including the authority as a member of a governing board of a
 1192 charter school to vote on the appointment, employment,
 1193 promotion, or advancement of individuals.

1194 2. "Relative" means father, mother, son, daughter,
 1195 brother, sister, husband, wife, father-in-law, mother-in-law,
 1196 son-in-law, daughter-in-law, brother-in-law, sister-in-law,
 1197 stepfather, stepmother, stepson, stepdaughter, stepbrother,
 1198 stepsister, half brother, or half sister.

1199 3. "Supervise" means the appointment, employment,
 1200 promotion, or advancement of an individual or recommendation of
 1201 the appointment, employment, promotion, or advancement of an
 1202 individual.

1203 (c) Charter school personnel may not supervise a relative
 1204 in the charter school in which the personnel serve unless the

1205 governing board of the charter school unanimously waives this
 1206 provision. Such waiver shall be annually reported by the
 1207 governing board to the charter school's sponsor and shall be
 1208 included in the report under paragraph (9)(k).

1209 (25) STANDARDS OF CONDUCT AND FINANCIAL DISCLOSURE.--

1210 (a) A member of a governing board of a charter school,
 1211 including a charter school operated by a private entity, is
 1212 subject to the provisions of ss. 112.313(2), (3), (7), (12), and
 1213 (15) and 112.3143(3).

1214 (b) A member of a governing board of a charter school
 1215 operated by a municipality or other public entity is subject to
 1216 the provisions of s. 112.3144, relating to the disclosure of
 1217 financial interests.

1218 Section 8. Subsection (5), paragraph (a) of subsection
 1219 (7), and paragraph (a) of subsection (11) of section 1002.335,
 1220 Florida Statutes, are amended to read:

1221 1002.335 Florida Schools of Excellence Commission.--

1222 (5) CHARTERING AUTHORITY.--

1223 (a) A charter school applicant may submit an application
 1224 to the commission only if the school district in which the FSE
 1225 charter school is to be located has not retained exclusive
 1226 authority to authorize charter schools as provided in paragraph
 1227 (e). If a district school board has not retained exclusive
 1228 authority to authorize charter schools as provided in paragraph
 1229 (e), the district school board and the commission shall have
 1230 concurrent authority to authorize charter schools and FSE
 1231 charter schools, respectively, to be located within the
 1232 geographic boundaries of the school district. The district

1233 school board shall monitor and oversee all charter schools
 1234 authorized by the district school board pursuant to s. 1002.33.
 1235 The commission shall monitor and oversee all FSE charter schools
 1236 sponsored by the commission pursuant to subsection (4).

1237 (b) Paragraph (e) may not be construed to eliminate the
 1238 ability of a district school board to authorize charter schools
 1239 pursuant to s. 1002.33. A district school board shall retain the
 1240 authority to reauthorize and to oversee any charter school that
 1241 it has authorized, except with respect to any charter school
 1242 that is converted to an FSE charter school under this section.

1243 (c) For fiscal year 2008-2009 and every 4 fiscal years
 1244 thereafter ~~2007-2008 and for each fiscal year thereafter~~, a
 1245 district school board may seek ~~to retain~~ exclusive authority to
 1246 authorize charter schools within the geographic boundaries of
 1247 the school district by presenting to the State Board of
 1248 Education, on or before March 1 of the fiscal year prior to that
 1249 for which the exclusive authority is to apply, a written
 1250 resolution adopted by the district school board indicating the
 1251 intent to seek ~~retain~~ exclusive authority to authorize charter
 1252 schools. ~~A district school board may seek to retain the~~
 1253 ~~exclusive authority to authorize charter schools by presenting~~
 1254 ~~to the state board the written resolution on or before a date 60~~
 1255 ~~days after establishment of the commission.~~ The written
 1256 resolution shall be accompanied by a written description
 1257 addressing the elements described in paragraph (e). The district
 1258 school board shall provide a complete copy of the resolution,
 1259 including the description, to each charter school authorized by
 1260 the district school board on or before the date it submits the

1261 resolution to the state board.

1262 (d) A party may challenge the grant of exclusive authority
 1263 made by the State Board of Education pursuant to paragraph (e)
 1264 by filing with the state board a notice of challenge within 30
 1265 days after the state board grants exclusive authority. The
 1266 notice shall be accompanied by a specific written description of
 1267 the basis for the challenge. The challenging party, at the time
 1268 of filing notice with the state board, shall provide a copy of
 1269 the notice of challenge to the district school board that has
 1270 been granted exclusive authority. The state board shall permit
 1271 the district school board the opportunity to appear and respond
 1272 in writing to the challenge. The state board shall make a
 1273 determination upon the challenge within 60 days after receiving
 1274 the notice of challenge.

1275 (e) The State Board of Education shall grant to a district
 1276 school board exclusive authority to authorize charter schools
 1277 within the geographic boundaries of the school district if the
 1278 state board determines, after adequate notice, in a public
 1279 hearing, and after receiving input from any charter school
 1280 authorized by the district school board, that the district
 1281 school board has provided fair and equitable treatment to its
 1282 charter schools during the 4 years prior to the district school
 1283 board's submission of the resolution described in paragraph (c).
 1284 The state board's review of the resolution shall, at a minimum,
 1285 include consideration of the following:

- 1286 1. Compliance with the provisions of s. 1002.33.
- 1287 2. Compliance with full and accurate accounting practices
 1288 and charges for central administrative overhead costs.

1289 3. Compliance with requirements allowing a charter school,
1290 at its discretion, to purchase certain services or a combination
1291 of services at actual cost to the district.

1292 4. The absence of a district school board moratorium
1293 regarding charter schools or the absence of any districtwide
1294 charter school enrollment limits.

1295 5. Compliance with valid orders of the state board.

1296 6. The provision of assistance to charter schools to meet
1297 their facilities needs by including those needs in local bond
1298 issues or otherwise providing available land and facilities that
1299 are comparable to those provided to other public school students
1300 in the same grade levels within the school district.

1301 7. The distribution to charter schools authorized by the
1302 district school board of a pro rata share of federal and state
1303 grants received by the district school board, except for any
1304 grant received for a particular purpose which, by its express
1305 terms, is intended to benefit a student population not able to
1306 be served by, or a program not able to be offered at, a charter
1307 school that did not receive a proportionate share of such grant
1308 proceeds.

1309 8. The provision of adequate staff and other resources to
1310 serve charter schools authorized by the district school board,
1311 which services are provided by the district school board at a
1312 cost to the charter schools that does not exceed their actual
1313 cost to the district school board.

1314 9. The lack of a policy or practice of imposing individual
1315 charter school enrollment limits, except as otherwise provided
1316 by law.

1317 10. The provision of an adequate number of educational
1318 choice programs to serve students exercising their rights to
1319 transfer pursuant to the "No Child Left Behind Act of 2001,"
1320 Pub. L. No. 107-110, and a history of charter school approval
1321 that encourages chartering.

1322 (f) The decision of the State Board of Education to grant
1323 or deny exclusive authority to a district school board pursuant
1324 to paragraph (e) shall be effective for 4 fiscal years, shall
1325 not be subject to the provisions of chapter 120, and shall be a
1326 final action subject to judicial review by the district court of
1327 appeal.

1328 (g) For district school boards that have no discernible
1329 history of authorizing charter schools, the State Board of
1330 Education may not grant exclusive authority unless the district
1331 school board demonstrates that no approvable application has
1332 come before the district school board.

1333 ~~(h) A grant of exclusive authority by the State Board of~~
1334 ~~Education shall continue so long as a district school board~~
1335 ~~continues to comply with this section and has presented a~~
1336 ~~written resolution to the state board as set forth in paragraph~~
1337 ~~(e).~~

1338 (h)(i) Notwithstanding any other provision of this section
1339 to the contrary, a district school board may permit the
1340 establishment of one or more FSE charter schools within the
1341 geographic boundaries of the school district by adopting a
1342 favorable resolution and submitting the resolution to the State
1343 Board of Education. The resolution shall be effective until it
1344 is rescinded by resolution of the district school board.

1345 (7) COSPONSOR AGREEMENT.--

1346 (a) Upon approval of a cosponsor, the commission and the

1347 cosponsor shall enter into an agreement that defines the

1348 cosponsor's rights and obligations and includes the following:

1349 1. An explanation of the personnel, contractual and

1350 interagency relationships, and potential revenue sources

1351 referenced in the application as required in paragraph (6)(c).

1352 2. Incorporation of the requirements of equal access for

1353 all students, including any plans to provide food service or

1354 transportation reasonably necessary to provide access to as many

1355 students as possible.

1356 3. Incorporation of the requirement to serve low-income,

1357 low-performing, gifted, or underserved student populations.

1358 4. An explanation of the academic and financial goals and

1359 expected outcomes for the cosponsor's charter schools and the

1360 method and plans by which they will be measured and achieved as

1361 referenced in the application.

1362 5. The conflict-of-interest policies referenced in the

1363 application.

1364 6. An explanation of the disposition of facilities and

1365 assets upon termination and dissolution of a charter school

1366 approved by the cosponsor.

1367 7.a. A provision requiring the cosponsor to annually

1368 appear before the commission and provide a report as to the

1369 information provided pursuant to s. 1002.33(9) (k) ~~(l)~~ for each of

1370 its charter schools.

1371 b. A provision requiring the cosponsor to perform the

1372 duties provided for in s. 1002.345.

1373 c. A provision requiring the governing board to perform
 1374 the duties provided for in s. 1002.345, including monitoring the
 1375 corrective action plan.

1376 8. A provision requiring that the cosponsor report the
 1377 student enrollment in each of its sponsored charter schools to
 1378 the district school board of the county in which the school is
 1379 located.

1380 9. A provision requiring that the cosponsor work with the
 1381 commission to provide the necessary reports to the State Board
 1382 of Education.

1383 10. Any other reasonable terms deemed appropriate by the
 1384 commission given the unique characteristics of the cosponsor.

1385 (11) APPLICATION OF CHARTER SCHOOL STATUTE.--

1386 (a) The provisions of s. 1002.33(7)-(12), (14), ~~and~~ (16)-
 1387 (19), (21)(b), (24), and (25) shall apply to the commission and
 1388 the cosponsors and charter schools approved pursuant to this
 1389 section.

1390 Section 9. Subsections (4) and (5), paragraphs (d) and (f)
 1391 of subsection (6), subsection (8), paragraph (c) of subsection
 1392 (10), and subsection (13) of section 1002.34, Florida Statutes,
 1393 are amended to read:

1394 1002.34 Charter technical career centers.--

1395 (4) CHARTER.--A sponsor may designate centers as provided
 1396 in this section. An application to establish a center may be
 1397 submitted by a sponsor or another organization that is
 1398 determined, by rule of the State Board of Education, to be
 1399 appropriate. However, an independent school is not eligible for
 1400 status as a center. The charter must be signed by the governing

1401 body of the center and the sponsor, and must be approved by the
1402 district school board and community college board of trustees in
1403 whose geographic region the facility is located. If a charter
1404 technical career center is established by the conversion to
1405 charter status of a public technical center formerly governed by
1406 a district school board, the charter status of that center takes
1407 precedence in any question of governance. The governance of the
1408 center or of any program within the center remains with its
1409 board of directors unless the board agrees to a change in
1410 governance or its charter is revoked as provided in subsection
1411 (15). Such a conversion charter technical career center is not
1412 affected by a change in the governance of public technical
1413 centers or of programs within other centers that are or have
1414 been governed by district school boards. A charter technical
1415 career center, or any program within such a center, that was
1416 governed by a district school board and transferred to a
1417 community college prior to the effective date of this act is not
1418 affected by this provision. An applicant who wishes to establish
1419 a center must submit to the district school board or community
1420 college board of trustees, or a consortium of one or more of
1421 each, an application on a form developed by the Department of
1422 Education that includes:

1423 (a) The name of the proposed center.

1424 (b) The proposed structure of the center, including a list
1425 of proposed members of the board of directors or a description
1426 of the qualifications for and method of their appointment or
1427 election.

1428 (c) The workforce development goals of the center, the

1429 curriculum to be offered, and the outcomes and the methods of
 1430 assessing the extent to which the outcomes are met.

1431 (d) The admissions policy and criteria for evaluating the
 1432 admission of students.

1433 (e) A description of the staff responsibilities and the
 1434 proposed qualifications of the teaching staff.

1435 (f) A description of the procedures to be implemented to
 1436 ensure significant involvement of representatives of business
 1437 and industry in the operation of the center.

1438 (g) A method for determining whether a student has
 1439 satisfied the requirements for graduation specified in s.
 1440 1003.43 and for completion of a postsecondary certificate or
 1441 degree.

1442 (h) A method for granting secondary and postsecondary
 1443 diplomas, certificates, and degrees.

1444 (i) A description of and address for the physical facility
 1445 in which the center will be located.

1446 (j) A method of resolving conflicts between the governing
 1447 body of the center and the sponsor and between consortium
 1448 members, if applicable.

1449 (k) A method for reporting student data as required by law
 1450 and rule.

1451 (l) The identity of all relatives employed by the charter
 1452 technical career center who are related to the center owner,
 1453 president, chair of the governing board of directors,
 1454 superintendent, governing board member, principal, assistant
 1455 principal, or any other person employed by the center who has
 1456 equivalent decisionmaking authority. As used in this paragraph,

1457 the term "relative" means father, mother, son, daughter,
 1458 brother, sister, husband, wife, father-in-law, mother-in-law,
 1459 son-in-law, daughter-in-law, brother-in-law, sister-in-law,
 1460 stepfather, stepmother, stepson, stepdaughter, stepbrother,
 1461 stepsister, half brother, or half sister.

1462 (m)~~(l)~~ Other information required by the district school
 1463 board or community college board of trustees.

1464
 1465 Students at a center must meet the same testing and academic
 1466 performance standards as those established by law and rule for
 1467 students at public schools and public technical centers. The
 1468 students must also meet any additional assessment indicators
 1469 that are included within the charter approved by the district
 1470 school board or community college board of trustees.

1471 (5) APPLICATION.--An application to establish a center
 1472 must be submitted by February 1 of the year preceding the school
 1473 year in which the center will begin operation. The sponsor must
 1474 review the application using an evaluation instrument developed
 1475 by the Department of Education and make a final decision on
 1476 whether to approve the application and grant the charter by
 1477 March 1, and may condition the granting of a charter on the
 1478 center's taking certain actions or maintaining certain
 1479 conditions. Such actions and conditions must be provided to the
 1480 applicant in writing. The district school board or community
 1481 college board of trustees is not required to issue a charter to
 1482 any person.

1483 (6) SPONSOR.--A district school board or community college
 1484 board of trustees or a consortium of one or more of each may

1485 sponsor a center in the county in which the board has
 1486 jurisdiction.

1487 (d) The Department of Education shall offer or arrange for
 1488 training and technical assistance to applicants in developing
 1489 business plans and estimating costs and income. This assistance
 1490 shall address estimating startup costs, projecting enrollment,
 1491 and identifying the types and amounts of state and federal
 1492 financial assistance the center will be eligible to receive. The
 1493 training shall include instruction in accurate financial
 1494 planning and good business practices ~~may provide technical~~
 1495 ~~assistance to an applicant upon written request.~~

1496 (f) The sponsor shall monitor and review the center's
 1497 progress toward charter goals and shall monitor the center's
 1498 revenues and expenditures. The sponsor shall perform the duties
 1499 provided for in s. 1002.345.

1500 (8) ELIGIBLE STUDENTS.--

1501 (a) A center must be open to all students as space is
 1502 available and may not discriminate in admissions policies or
 1503 practices on the basis of an individual's physical disability or
 1504 proficiency in English or on any other basis that would be
 1505 unlawful if practiced by a public school or a community college.
 1506 A center may establish reasonable criteria by which to evaluate
 1507 prospective students, which criteria must be outlined in the
 1508 charter.

1509 (b) The calculation under s. 1003.03 for class size
 1510 compliance for a center shall be the average for the applicable
 1511 grade grouping at the school level established at the October
 1512 student membership survey of the district in which the center is

1513 operated.

1514 (10) EXEMPTION FROM STATUTES.--

1515 (c) A center must comply with the antidiscrimination
 1516 provisions of s. 1000.05 and the provisions of s. 1002.33(24)
 1517 relating to the employment of relatives.

1518 (13) BOARD OF DIRECTORS AUTHORITY.--The board of directors
 1519 of a center may decide matters relating to the operation of the
 1520 school, including budgeting, curriculum, and operating
 1521 procedures, subject to the center's charter. The board of
 1522 directors is responsible for performing the duties provided for
 1523 in s. 1002.345, including monitoring the corrective action plan.
 1524 The board of directors must comply with the provisions of s.
 1525 1002.33(24) and (25).

1526 Section 10. Section 1002.345, Florida Statutes, is created
 1527 to read:

1528 1002.345 Determination of material financial weaknesses
 1529 and financial emergencies for charter schools and charter
 1530 technical career centers.--This section applies to charter
 1531 schools operating pursuant to ss. 1002.33 and 1002.335 and to
 1532 charter technical career centers operating pursuant to s.
 1533 1002.34.

1534 (1) MATERIAL FINANCIAL WEAKNESS; REQUIREMENTS.--

1535 (a) A charter school and a charter technical career center
 1536 shall be subject to an expedited review by the sponsor when any
 1537 one of the following conditions occurs:

1538 1. An end-of-year financial deficit greater than the
 1539 school's combined cash and accounts receivable balances.

1540 2. A substantial decline in student enrollment without a

1541 commensurate percentage reduction in expenses. A substantial
1542 decline is a decline of greater than 25 percent.

1543 3. An outstanding debt in excess of the land, property,
1544 and equipment balances.

1545 4. Failure to meet financial reporting requirements
1546 pursuant to s. 1002.33(9), s. 1002.335(7)(a)7., or s.
1547 1002.34(14).

1548 5. Inadequate financial controls or other adverse
1549 financial conditions not corrected in 120 days as identified
1550 through an annual audit conducted pursuant to s. 218.39.

1551 6. Negative financial findings cited in reports by the
1552 Auditor General or the Office of Program Policy Analysis and
1553 Government Accountability.

1554 (b) A sponsor shall notify the governing board within 7
1555 working days when one or more of the conditions specified in
1556 paragraph (a) occur.

1557 (c) The governing board and the sponsor shall develop a
1558 corrective action plan and file the plan with the Commissioner
1559 of Education and the Florida Schools of Excellence Commission
1560 within 30 working days. If the governing board and the sponsor
1561 are unable to agree on a corrective action plan, the State Board
1562 of Education shall determine the components of the plan. The
1563 governing board shall implement the plan.

1564 (d) The governing board shall include the corrective
1565 action plan and the status of its implementation in the annual
1566 progress report to the sponsor that is required under s.
1567 1002.33(9)(k), s. 1002.335(7)(a)7., or s. 1002.34(14).

1568 (e) If the governing board fails to implement the

1569 corrective action plan within 1 year, the State Board of
 1570 Education shall prescribe any steps necessary for the charter
 1571 school or the charter technical career center to comply with
 1572 state requirements.

1573 (f) The chair of the governing board shall annually appear
 1574 before the State Board of Education and report on the
 1575 implementation of the State Board of Education's requirements.

1576 (2) FINANCIAL EMERGENCY; DEFICIT FUND BALANCE; DEFICIT NET
 1577 ASSETS; REQUIREMENTS.--

1578 (a) A charter school and a charter technical career center
 1579 shall provide for a certified public accountant or auditor to
 1580 conduct an annual financial audit in accordance with s. 218.39.

1581 (b) The charter shall ensure that, if an annual financial
 1582 audit of a charter school or charter technical career center
 1583 reveals that one or more of the conditions in s. 218.503(1) have
 1584 occurred or will occur if action is not taken or if a charter
 1585 school or charter technical career center has a deficit fund
 1586 balance or deficit net assets, the auditor must notify the
 1587 governing board of the charter school or charter technical
 1588 career center, as appropriate, the sponsor, and the Commissioner
 1589 of Education.

1590 (c) When a financial audit conducted by a certified public
 1591 accountant in accordance with s. 218.39 reveals that one or more
 1592 of the conditions in s. 218.503(1) have occurred or will occur
 1593 if action is not taken or when a deficit fund balance or deficit
 1594 net assets exist, the auditor shall notify and provide the
 1595 financial audit to the governing board of the charter school or
 1596 charter technical career center, as appropriate, the sponsor,

1597 and the Commissioner of Education within 7 working days after
 1598 the finding is made.

1599 (3) REPORT.--The Commissioner of Education shall annually
 1600 report to the State Board of Education each charter school and
 1601 charter technical career center that is subject to a financial
 1602 recovery plan or a corrective action plan under this section.

1603 (4) RULES.--The State Board of Education shall adopt rules
 1604 for developing financial recovery and corrective action plans.

1605 (5) TECHNICAL ASSISTANCE.--The Department of Education
 1606 shall provide technical assistance to charter schools, charter
 1607 technical career centers, governing boards, and sponsors in
 1608 developing financial recovery and corrective action plans.

1609 (6) FAILURE TO CORRECT DEFICIENCIES.--The sponsor may
 1610 choose not to renew or may terminate a charter if the charter
 1611 school or charter technical career center fails to correct the
 1612 deficiencies noted in the corrective action plan within 1 year
 1613 or exhibits one or more financial emergency conditions as
 1614 provided in s. 218.503 for 2 consecutive years.

1615 Section 11. Subsection (2) of section 1011.71, Florida
 1616 Statutes, is amended to read:

1617 1011.71 District school tax.--

1618 (2) In addition to the maximum millage levy as provided in
 1619 subsection (1), each school board may levy not more than 2 mills
 1620 against the taxable value for school purposes for district
 1621 schools, including charter schools. Each school board shall
 1622 determine an equitable amount of revenue generated under this
 1623 subsection which shall be shared with the charter schools
 1624 located within its district. Revenue under this subsection may

1625 be used ~~at the discretion of the school board,~~ to fund:

1626 (a) New construction and remodeling projects, as set forth

1627 in s. 1013.64(3)(b) and (6)(b) and included in the district's

1628 educational plant survey pursuant to s. 1013.31, without regard

1629 to prioritization, sites and site improvement or expansion to

1630 new sites, existing sites, auxiliary facilities, athletic

1631 facilities, or ancillary facilities.

1632 (b) Maintenance, renovation, and repair of existing school

1633 plants or of leased facilities to correct deficiencies pursuant

1634 to s. 1013.15(2).

1635 (c) The purchase, lease-purchase, or lease of school

1636 buses.

1637 (d) The purchase, lease-purchase, or lease of new and

1638 replacement equipment.

1639 (e) Payments for educational facilities and sites due

1640 under a lease-purchase agreement entered into by a district

1641 school board pursuant to s. 1003.02(1)(f) or s. 1013.15(2), not

1642 exceeding, in the aggregate, an amount equal to three-fourths of

1643 the proceeds from the millage levied by a district school board

1644 pursuant to this subsection.

1645 (f) Payment of loans approved pursuant to ss. 1011.14 and

1646 1011.15.

1647 (g) Payment of costs directly related to complying with

1648 state and federal environmental statutes, rules, and regulations

1649 governing school facilities.

1650 (h) Payment of costs of leasing relocatable educational

1651 facilities, of renting or leasing educational facilities and

1652 sites pursuant to s. 1013.15(2), or of renting or leasing

1653 buildings or space within existing buildings pursuant to s.
 1654 1013.15(4).

1655 (i) Payment of the cost of school buses when a school
 1656 district contracts with a private entity to provide student
 1657 transportation services if the district meets the requirements
 1658 of this paragraph.

1659 1. The district's contract must require that the private
 1660 entity purchase, lease-purchase, or lease, and operate and
 1661 maintain, one or more school buses of a specific type and size
 1662 that meet the requirements of s. 1006.25.

1663 2. Each such school bus must be used for the daily
 1664 transportation of public school students in the manner required
 1665 by the school district.

1666 3. Annual payment for each such school bus may not exceed
 1667 10 percent of the purchase price of the state pool bid.

1668 4. The proposed expenditure of the funds for this purpose
 1669 must have been included in the district school board's notice of
 1670 proposed tax for school capital outlay as provided in s.
 1671 200.065(10).

1672 (j) Payment of the cost of the opening day collection for
 1673 the library media center of a new school.

1674 Section 12. Paragraph (f) is added to subsection (2) of
 1675 section 1013.62, Florida Statutes, to read:

1676 1013.62 Charter schools capital outlay funding.--

1677 (2) A charter school's governing body may use charter
 1678 school capital outlay funds for the following purposes:

1679 (f) Any of the purposes set forth in s. 1011.71(2).

1680

1681 Conversion charter schools may use capital outlay funds received
 1682 through the reduction in the administrative fee provided in s.
 1683 1002.33(20) for renovation, repair, and maintenance of school
 1684 facilities that are owned by the sponsor.

1685 Section 13. Subsection (1) of section 1013.735, Florida
 1686 Statutes, is amended to read:

1687 1013.735 Classrooms for Kids Program.--

1688 (1) ALLOCATION.--The department shall allocate funds
 1689 appropriated for the Classrooms for Kids Program. It is the
 1690 intent of the Legislature that this program be administered as
 1691 nearly as practicable in the same manner as the capital outlay
 1692 program authorized under s. 9(a), Art. XII of the State
 1693 Constitution. Each district school board's share of the annual
 1694 appropriation for the Classrooms for Kids Program must be
 1695 calculated according to the following formula:

1696 (a) Twenty-five percent of the appropriation shall be
 1697 prorated to the districts based on each district's percentage of
 1698 K-12 base capital outlay full-time equivalent membership,
 1699 including charter school full-time equivalent membership. Each
 1700 district shall provide each charter school within the district
 1701 with its proportionate share of funds under this paragraph.

1702 (b) Sixty-five ~~and 65~~ percent of the appropriation shall
 1703 be based on each district's percentage of K-12 growth capital
 1704 outlay full-time equivalent membership as specified for the
 1705 allocation of funds from the Public Education Capital Outlay and
 1706 Debt Service Trust Fund by s. 1013.64(3).

1707 (c) ~~(b)~~ Ten percent of the appropriation must be allocated
 1708 among district school boards according to the allocation formula

CS/CS for HB 1259 & HB 1301

2008

1709 | in s. 1013.64(1)(a), excluding adult vocational technical
1710 | facilities.

1711 | Section 14. This act shall take effect July 1, 2008.