

FOR CONSIDERATION By the Committee on Education Pre-K - 12

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1 A bill to be entitled

2 An act relating to charter schools; amending ss. 11.45 and
3 218.501, F.S., relating to audit reports by the Auditor
4 General; conforming provisions related to changes in the
5 entities subject to a state of financial emergency;
6 amending s. 218.503, F.S.; providing that charter
7 technical career centers are subject to certain
8 requirements in the event of a financial emergency;
9 requiring that the sponsor be notified of certain
10 conditions; providing for the development of a financial
11 recovery plan; amending s. 1002.33, F.S.; providing for
12 duties of charter school sponsors and governing boards
13 when charter schools and charter technical career centers
14 experience a financial weakness or a financial emergency;
15 specifying forms to be used by charter school applicants
16 and sponsors; requiring applicant training and
17 documentation; deleting the auditing requirements and
18 financial emergency provisions for charter schools;
19 requiring charters schools to disclose the identity of
20 relatives of charter school personnel; providing for a
21 limitation on funding; providing for the disclosure of the
22 performance of charter schools that are not given a school
23 grade or school improvement rating; providing reporting
24 requirements; providing restrictions for the employment of
25 relatives by charter school personnel; providing that
26 members of a charter school governing board are subject to
27 certain standards of conduct specified in ss. 112.313 and
28 112.3143, F.S.; amending s. 1002.335, F.S.; eliminating
29 the requirement for district school boards to annually

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30 seek continued exclusivity from the State Board of
31 Education; providing for challenges to the exclusivity of
32 district school boards; providing a rebuttable presumption
33 for district school boards that are granted exclusivity;
34 specifying additional components of cosponsor agreements;
35 amending s. 1002.34, F.S.; providing additional duties for
36 charter technical career centers, applicants, sponsors,
37 and governing boards; requiring the Department of
38 Education to offer or arrange training and assistance to
39 applicants for a charter technical career center;
40 requiring that an applicant participate in the training;
41 creating s. 1002.345, F.S.; establishing criteria and
42 requirements for charter schools and charter technical
43 career centers that have financial weaknesses or are in a
44 state of financial emergency; establishing requirements
45 for charter schools, charter technical career centers,
46 governing bodies, and sponsors; requiring financial audits
47 of charter schools and charter technical career centers;
48 providing for corrective action and financial recovery
49 plans; providing for duties of auditors, the Commissioner
50 of Education, and the Department of Education; requiring
51 the State Board of Education to adopt rules; providing
52 grounds for termination or nonrenewal of a charter;
53 providing an effective date.

54
55 Be It Enacted by the Legislature of the State of Florida:

56
57 Section 1. Paragraph (e) of subsection (7) and subsection
58 (8) of section 11.45, Florida Statutes, are amended to read:

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59 11.45 Definitions; duties; authorities; reports; rules.--

60 (7) AUDITOR GENERAL REPORTING REQUIREMENTS.--

61 (e) The Auditor General shall notify the Governor or the
62 Commissioner of Education, as appropriate, and the Legislative
63 Auditing Committee of any audit report reviewed by the Auditor
64 General pursuant to paragraph (b) which contains a statement that
65 a local governmental entity, charter school, charter technical
66 career center, or district school board has met one or more of
67 the conditions specified in s. 218.503. If the Auditor General
68 requests a clarification regarding information included in an
69 audit report to determine whether a local governmental entity,
70 charter school, charter technical career center, or district
71 school board has met one or more of the conditions specified in
72 s. 218.503, the requested clarification must be provided within
73 45 days after the date of the request. If the local governmental
74 entity, charter school, charter technical career center, or
75 district school board does not comply with the Auditor General's
76 request, the Auditor General shall notify the Legislative
77 Auditing Committee. If, after obtaining the requested
78 clarification, the Auditor General determines that the local
79 governmental entity, charter school, charter technical career
80 center, or district school board has met one or more of the
81 conditions specified in s. 218.503, he or she shall notify the
82 Governor or the Commissioner of Education, as appropriate, and
83 the Legislative Auditing Committee.

84 (8) RULES OF THE AUDITOR GENERAL.--The Auditor General, in
85 consultation with the Board of Accountancy, shall adopt rules for
86 the form and conduct of all financial audits performed by
87 independent certified public accountants pursuant to ss. 215.981,

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88 | 218.39, 1001.453, 1004.28, and 1004.70. The rules for audits of
89 | local governmental entities, charter schools, charter school
90 | technical career centers, and district school boards must
91 | include, but are not limited to, requirements for the reporting
92 | of information necessary to carry out the purposes of the Local
93 | Governmental Entity, Charter School, Charter Technical Career
94 | Center, and District School Board Financial Emergencies Act as
95 | stated in s. 218.501.

96 | Section 2. Section 218.501, Florida Statutes, is amended to
97 | read:

98 | 218.501 Purposes.--The purposes of ss. 218.50-218.504 are:

99 | (1) To promote the fiscal responsibility of local
100 | governmental entities, charter schools, charter technical career
101 | centers, and district school boards.

102 | (2) To assist local governmental entities, charter schools,
103 | charter technical career centers, and district school boards in
104 | providing essential services without interruption and in meeting
105 | their financial obligations.

106 | (3) To assist local governmental entities, charter schools,
107 | charter technical career centers, and district school boards
108 | through the improvement of local financial management procedures.

109 | Section 3. Subsections (2) and (4) of section 218.503,
110 | Florida Statutes, are amended to read:

111 | 218.503 Determination of financial emergency.--

112 | (2) A local governmental entity shall notify the Governor
113 | and the Legislative Auditing Committee, a charter school shall
114 | notify the charter school sponsor and the Legislative Auditing
115 | Committee, a charter technical career center shall notify the
116 | charter technical career center sponsor and the Legislative

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117 Auditing Committee, and a district school board shall notify the
118 Commissioner of Education and the Legislative Auditing Committee,
119 when one or more of the conditions specified in subsection (1)
120 have occurred or will occur if action is not taken to assist the
121 local governmental entity, charter school, charter school
122 technical career center, or district school board. In addition,
123 any state agency must, within 30 days after a determination that
124 one or more of the conditions specified in subsection (1) have
125 occurred or will occur if action is not taken to assist the local
126 governmental entity, charter school, or charter school technical
127 career center, district school board, notify the Governor,
128 charter school sponsor, charter school technical career center
129 sponsor, or the Commissioner of Education, as appropriate, and
130 the Legislative Auditing Committee.

131 (4) (a) Upon notification that one or more of the conditions
132 in subsection (1) exist, the charter school sponsor or the
133 sponsor's designee shall contact the charter school governing
134 body to determine what actions have been taken by the charter
135 school governing body to resolve the condition. The charter
136 school sponsor has the authority to require and approve a
137 financial recovery plan, to be prepared by the charter school
138 governing body, prescribing actions that will cause the charter
139 school to no longer be subject to this section. ~~The Department of~~
140 ~~Education shall establish guidelines for developing such plans.~~

141 (b) Upon notification that one or more of the conditions in
142 subsection (1) exist, the charter technical career center sponsor
143 or the sponsor's designee shall contact the charter technical
144 career center governing body to determine what actions have been
145 taken by the charter technical career center governing body to

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146 resolve the condition. The sponsor may require and approve a
147 financial recovery plan, to be prepared by the charter technical
148 career center governing body, prescribing actions that will cause
149 the charter technical career center to no longer be subject to
150 this section.

151

152 The Department of Education, with the involvement of sponsors,
153 charter schools, and charter technical career centers, shall
154 establish guidelines for developing such plans.

155 Section 4. Paragraph (b) of subsection (5), paragraphs (a),
156 (b), and (g) of subsection (6), paragraph (a) of subsection (7),
157 paragraphs (g) through (q) of subsection (9), and subsections
158 (17) and (21) of section 1002.33, Florida Statutes, are amended,
159 present subsection (24) of that section is redesignated as
160 subsection (26), and a new subsection (24) and subsection (25)
161 are added to that section, to read:

162 1002.33 Charter schools.--

163 (5) SPONSOR; DUTIES.--

164 (b) Sponsor duties.--

165 1.a. The sponsor shall monitor and review the charter
166 school in its progress toward the goals established in the
167 charter.

168 b. The sponsor shall monitor the revenues and expenditures
169 of the charter school and perform the duties provided for in s.
170 1002.345.

171 c. The sponsor may approve a charter for a charter school
172 before the applicant has secured space, equipment, or personnel,
173 if the applicant indicates approval is necessary for it to raise
174 working funds.

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175 d. The sponsor's policies shall not apply to a charter
176 school unless mutually agreed to by both the sponsor and the
177 charter school.

178 e. The sponsor shall ensure that the charter is innovative
179 and consistent with the state education goals established by s.
180 1000.03(5).

181 f. The sponsor shall ensure that the charter school
182 participates in the state's education accountability system. If a
183 charter school falls short of performance measures included in
184 the approved charter, the sponsor shall report such shortcomings
185 to the Department of Education.

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

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

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

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

198 2. Immunity for the sponsor of a charter school under
199 subparagraph 1. applies only with respect to acts or omissions
200 not under the sponsor's direct authority as described in this
201 section.

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

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204 4. A community college may work with the school district or
205 school districts in its designated service area to develop
206 charter schools that offer secondary education. These charter
207 schools must include an option for students to receive an
208 associate degree upon high school graduation. District school
209 boards shall cooperate with and assist the community college on
210 the charter application. Community college applications for
211 charter schools are not subject to the time deadlines outlined in
212 subsection (6) and may be approved by the district school board
213 at any time during the year. Community colleges shall not report
214 FTE for any students who receive FTE funding through the Florida
215 Education Finance Program.

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

218 (a) A person or entity wishing to open a charter school
219 shall prepare and submit an application on a form prepared by the
220 Department of Education which ~~that~~:

221 1. Demonstrates how the school will use the guiding
222 principles and meet the statutorily defined purpose of a charter
223 school.

224 2. Provides a detailed curriculum plan that illustrates how
225 students will be provided services to attain the Sunshine State
226 Standards.

227 3. Contains goals and objectives for improving student
228 learning and measuring that improvement. These goals and
229 objectives must indicate how much academic improvement students
230 are expected to show each year, how success will be evaluated,
231 and the specific results to be attained through instruction.

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232 4. Describes the reading curriculum and differentiated
233 strategies that will be used for students reading at grade level
234 or higher and a separate curriculum and strategies for students
235 who are reading below grade level. A sponsor shall deny a charter
236 if the school does not propose a reading curriculum that is
237 consistent with effective teaching strategies that are grounded
238 in scientifically based reading research.

239 5. Contains an annual financial plan for each year
240 requested by the charter for operation of the school for up to 5
241 years. This plan must contain anticipated fund balances based on
242 revenue projections, a spending plan based on projected revenues
243 and expenses, and a description of controls that will safeguard
244 finances and projected enrollment trends.

245 6. Documents that the applicant has participated in the
246 training provided by the Department of Education.

247 (b) A sponsor shall receive and review all applications for
248 a charter school using an evaluation instrument developed by the
249 Department of Education. Beginning with the 2007-2008 school
250 year, a sponsor shall receive and consider charter school
251 applications received on or before August 1 of each calendar year
252 for charter schools to be opened at the beginning of the school
253 district's next school year, or to be opened at a time agreed to
254 by the applicant and the sponsor. A sponsor may receive
255 applications later than this date if it chooses. A sponsor may
256 not charge an applicant for a charter any fee for the processing
257 or consideration of an application, and a sponsor may not base
258 its consideration or approval of an application upon the promise
259 of future payment of any kind.

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260 1. In order to facilitate an accurate budget projection
261 process, a sponsor shall be held harmless for FTE students who
262 are not included in the FTE projection due to approval of charter
263 school applications after the FTE projection deadline. In a
264 further effort to facilitate an accurate budget projection,
265 within 15 calendar days after receipt of a charter school
266 application, a sponsor shall report to the Department of
267 Education the name of the applicant entity, the proposed charter
268 school location, and its projected FTE.

269 2. In order to ensure fiscal responsibility, an application
270 for a charter school shall include a full accounting of expected
271 assets, a projection of expected sources and amounts of income,
272 including income derived from projected student enrollments and
273 from community support, and an expense projection that includes
274 full accounting of the costs of operation, including start-up
275 costs.

276 3. A sponsor shall by a majority vote approve or deny an
277 application no later than 60 calendar days after the application
278 is received, unless the sponsor and the applicant mutually agree
279 in writing to temporarily postpone the vote to a specific date,
280 at which time the sponsor shall by a majority vote approve or
281 deny the application. If the sponsor fails to act on the
282 application, an applicant may appeal to the State Board of
283 Education as provided in paragraph (c). If an application is
284 denied, the sponsor shall, within 10 calendar days, articulate in
285 writing the specific reasons, based upon good cause, supporting
286 its denial of the charter application and shall provide the
287 letter of denial and supporting documentation to the applicant
288 and to the Department of Education supporting those reasons.

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289 4. For budget projection purposes, the sponsor shall report
290 to the Department of Education the approval or denial of a
291 charter application within 10 calendar days after such approval
292 or denial. In the event of approval, the report to the Department
293 of Education shall include the final projected FTE for the
294 approved charter school.

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

299 (g)1. The Department of Education shall offer or arrange
300 for training and technical assistance to charter school
301 applicants in developing business plans and estimating costs and
302 income. This assistance shall address estimating startup costs,
303 projecting enrollment, and identifying the types and amounts of
304 state and federal financial assistance the charter school will be
305 eligible to receive. The department may provide other technical
306 assistance to an applicant upon written request.

307 2. A charter school applicant must participate in the
308 training provided by the Department of Education prior to filing
309 an application.

310 (7) CHARTER.--The major issues involving the operation of a
311 charter school shall be considered in advance and written into
312 the charter. The charter shall be signed by the governing body of
313 the charter school and the sponsor, following a public hearing to
314 ensure community input.

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

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

319 2. The focus of the curriculum, the instructional methods
320 to be used, any distinctive instructional techniques to be
321 employed, and identification and acquisition of appropriate
322 technologies needed to improve educational and administrative
323 performance which include a means for promoting safe, ethical,
324 and appropriate uses of technology which comply with legal and
325 professional standards. The charter shall ensure that reading is
326 a primary focus of the curriculum and that resources are provided
327 to identify and provide specialized instruction for students who
328 are reading below grade level. The curriculum and instructional
329 strategies for reading must be consistent with the Sunshine State
330 Standards and grounded in scientifically based reading research.

331 3. The current incoming baseline standard of student
332 academic achievement, the outcomes to be achieved, and the method
333 of measurement that will be used. The criteria listed in this
334 subparagraph shall include a detailed description for each of the
335 following:

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

338 b. How these baseline rates will be compared to rates of
339 academic progress achieved by these same students while attending
340 the charter school.

341 c. To the extent possible, how these rates of progress will
342 be evaluated and compared with rates of progress of other closely
343 comparable student populations.

344 The district school board is required to provide academic student
345 performance data to charter schools for each of their students

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346 coming from the district school system, as well as rates of
347 academic progress of comparable student populations in the
348 district school system.

349 4. The methods used to identify the educational strengths
350 and needs of students and how well educational goals and
351 performance standards are met by students attending the charter
352 school. Included in the methods is a means for the charter school
353 to ensure accountability to its constituents by analyzing student
354 performance data and by evaluating the effectiveness and
355 efficiency of its major educational programs. Students in charter
356 schools shall, at a minimum, participate in the statewide
357 assessment program created under s. 1008.22.

358 5. In secondary charter schools, a method for determining
359 that a student has satisfied the requirements for graduation in
360 s. 1003.43.

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

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

365 8. The ways by which the school will achieve a
366 racial/ethnic balance reflective of the community it serves or
367 within the racial/ethnic range of other public schools in the
368 same school district.

369 9. The financial and administrative management of the
370 school, including a reasonable demonstration of the professional
371 experience or competence of those individuals or organizations
372 applying to operate the charter school or those hired or retained
373 to perform such professional services and the description of
374 clearly delineated responsibilities and the policies and

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375 | practices needed to effectively manage the charter school. A
376 | description of internal audit procedures and establishment of
377 | controls to ensure that financial resources are properly managed
378 | must be included. Both public sector and private sector
379 | professional experience shall be equally valid in such a
380 | consideration.

381 | 10. The asset and liability projections required in the
382 | application which are incorporated into the charter and which
383 | shall be compared with information provided in the annual report
384 | of the charter school. ~~The charter shall ensure that, if a~~
385 | ~~charter school internal audit or annual financial audit reveals a~~
386 | ~~state of financial emergency as defined in s. 218.503 or deficit~~
387 | ~~financial position, the auditors are required to notify the~~
388 | ~~charter school governing board, the sponsor, and the Department~~
389 | ~~of Education. The internal auditor shall report such findings in~~
390 | ~~the form of an exit interview to the principal or the principal~~
391 | ~~administrator of the charter school and the chair of the~~
392 | ~~governing board within 7 working days after finding the state of~~
393 | ~~financial emergency or deficit position. A final report shall be~~
394 | ~~provided to the entire governing board, the sponsor, and the~~
395 | ~~Department of Education within 14 working days after the exit~~
396 | ~~interview. When a charter school is in a state of financial~~
397 | ~~emergency, the charter school shall file a detailed financial~~
398 | ~~recovery plan with the sponsor. The department, with the~~
399 | ~~involvement of both sponsors and charter schools, shall establish~~
400 | ~~guidelines for developing such plans.~~

401 | 11. A description of procedures that identify various risks
402 | and provide for a comprehensive approach to reduce the impact of
403 | losses; plans to ensure the safety and security of students and

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404 staff; plans to identify, minimize, and protect others from
405 violent or disruptive student behavior; and the manner in which
406 the school will be insured, including whether or not the school
407 will be required to have liability insurance, and, if so, the
408 terms and conditions thereof and the amounts of coverage.

409 12. The term of the charter which shall provide for
410 cancellation of the charter if insufficient progress has been
411 made in attaining the student achievement objectives of the
412 charter and if it is not likely that such objectives can be
413 achieved before expiration of the charter. The initial term of a
414 charter shall be for 4 or 5 years. In order to facilitate access
415 to long-term financial resources for charter school construction,
416 charter schools that are operated by a municipality or other
417 public entity as provided by law are eligible for up to a 15-year
418 charter, subject to approval by the district school board. A
419 charter lab school is eligible for a charter for a term of up to
420 15 years. In addition, to facilitate access to long-term
421 financial resources for charter school construction, charter
422 schools that are operated by a private, not-for-profit, s.
423 501(c)(3) status corporation are eligible for up to a 15-year
424 charter, subject to approval by the district school board. Such
425 long-term charters remain subject to annual review and may be
426 terminated during the term of the charter, but only according to
427 the provisions set forth in subsection (8).

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

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

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

435 16. A timetable for implementing the charter which
436 addresses the implementation of each element thereof and the date
437 by which the charter shall be awarded in order to meet this
438 timetable.

439 17. In the case of an existing public school being
440 converted to charter status, alternative arrangements for current
441 students who choose not to attend the charter school and for
442 current teachers who choose not to teach in the charter school
443 after conversion in accordance with the existing collective
444 bargaining agreement or district school board rule in the absence
445 of a collective bargaining agreement. However, alternative
446 arrangements shall not be required for current teachers who
447 choose not to teach in a charter lab school, except as authorized
448 by the employment policies of the state university which grants
449 the charter to the lab school.

450 18. Full disclosure of the identity of all relatives
451 employed by the charter school who are related to the charter
452 school owner, president, chairperson of the governing board of
453 directors, superintendent, governing board member, principal,
454 assistant principal, or any other person employed by the charter
455 school having equivalent decisionmaking authority. For the
456 purpose of this subparagraph, the term "relative" means father,
457 mother, son, daughter, brother, sister, uncle, aunt, first
458 cousin, nephew, niece, husband, wife, father-in-law, mother-in-
459 law, son-in-law, daughter-in-law, brother-in-law, sister-in-law,

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460 stepfather, stepmother, stepson, stepdaughter, stepbrother,
461 stepsister, half brother, or half sister.

462 (9) CHARTER SCHOOL REQUIREMENTS.--

463 ~~(g) A charter school shall provide for an annual financial~~
464 ~~audit in accordance with s. 218.39. Financial audits that reveal~~
465 ~~a state of financial emergency as defined in s. 218.503 and are~~
466 ~~conducted by a certified public accountant or auditor in~~
467 ~~accordance with s. 218.39 shall be provided to the governing body~~
468 ~~of the charter school within 7 working days after finding that a~~
469 ~~state of financial emergency exists. When a charter school is~~
470 ~~found to be in a state of financial emergency by a certified~~
471 ~~public accountant or auditor, the charter school must file a~~
472 ~~detailed financial recovery plan with the sponsor within 30 days~~
473 ~~after receipt of the audit.~~

474 (g)(h) In order to provide financial information that is
475 comparable to that reported for other public schools, charter
476 schools are to maintain all financial records which constitute
477 their accounting system:

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

481 2. At the discretion of the charter school governing board,
482 a charter school may elect to follow generally accepted
483 accounting standards for not-for-profit organizations, but must
484 reformat this information for reporting according to this
485 paragraph.

486

487 Charter schools shall provide annual financial report and program
488 cost report information in the state-required formats for

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489 inclusion in district reporting in compliance with s. 1011.60(1).
490 Charter schools that are operated by a municipality or are a
491 component unit of a parent nonprofit organization may use the
492 accounting system of the municipality or the parent but must
493 reformat this information for reporting according to this
494 paragraph.

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

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

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

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

505 2. Reviewing and approving the audit report, including
506 audit findings and recommendations for the financial recovery
507 plan.

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

510 b. Monitoring a financial recovery plan in order to ensure
511 compliance.

512 4. Participating in governance training approved by the
513 department that must include government in the sunshine,
514 conflicts of interest, ethics, and financial responsibility.

515 (k) ~~(l)~~ The governing body of the charter school shall
516 report its progress annually to its sponsor, which shall forward
517 the report to the Commissioner of Education at the same time as

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518 other annual school accountability reports. The Department of
519 Education shall develop a uniform, online annual accountability
520 report to be completed by charter schools. This report shall be
521 easy to utilize and contain demographic information, student
522 performance data, and financial accountability information. A
523 charter school shall not be required to provide information and
524 data that is duplicative and already in the possession of the
525 department. The Department of Education shall include in its
526 compilation a notation if a school failed to file its report by
527 the deadline established by the department. The report shall
528 include at least the following components:

529 1. Student achievement performance data, including the
530 information required for the annual school report and the
531 education accountability system governed by ss. 1008.31 and
532 1008.345. Charter schools are subject to the same accountability
533 requirements as other public schools, including reports of
534 student achievement information that links baseline student data
535 to the school's performance projections identified in the
536 charter. The charter school shall identify reasons for any
537 difference between projected and actual student performance.

538 2. Financial status of the charter school which must
539 include revenues and expenditures at a level of detail that
540 allows for analysis of the ability to meet financial obligations
541 and timely repayment of debt.

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

545 4. Descriptive information about the charter school's
546 personnel, including salary and benefit levels of charter school

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547 employees, the proportion of instructional personnel who hold
548 professional or temporary certificates, and the proportion of
549 instructional personnel teaching in-field or out-of-field.

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

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

555 (n)~~(o)~~ The director and a representative of the governing
556 body of a charter school that has received a school grade of "D"
557 under s. 1008.34(2) shall appear before the sponsor or the
558 sponsor's staff at least once a year to present information
559 concerning each contract component having noted deficiencies. The
560 sponsor shall communicate at the meeting, and in writing to the
561 director, the services provided to the school to help the school
562 address its deficiencies.

563 (o)~~(p)~~ Upon notification that a charter school receives a
564 school grade of "D" for 2 consecutive years or a school grade of
565 "F" under s. 1008.34(2), the charter school sponsor or the
566 sponsor's staff shall require the director and a representative
567 of the governing body to submit to the sponsor for approval a
568 school improvement plan to raise student achievement and to
569 implement the plan. The sponsor has the authority to approve a
570 school improvement plan that the charter school will implement in
571 the following school year. The sponsor may also consider the
572 State Board of Education's recommended action pursuant to s.
573 1008.33(1) as part of the school improvement plan. The Department
574 of Education shall offer technical assistance and training to the

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575 charter school and its governing body and establish guidelines
576 for developing, submitting, and approving such plans.

577 1. If the charter school fails to improve its student
578 performance from the year immediately prior to the implementation
579 of the school improvement plan, the sponsor shall place the
580 charter school on probation and shall require the charter school
581 governing body to take one of the following corrective actions:

582 a. Contract for the educational services of the charter
583 school;

584 b. Reorganize the school at the end of the school year
585 under a new director or principal who is authorized to hire new
586 staff and implement a plan that addresses the causes of
587 inadequate progress; or

588 c. Reconstitute the charter school.

589 2. A charter school that is placed on probation shall
590 continue the corrective actions required under subparagraph 1.
591 until the charter school improves its student performance from
592 the year prior to the implementation of the school improvement
593 plan.

594 3. Notwithstanding any provision of this paragraph, the
595 sponsor may terminate the charter at any time pursuant to the
596 provisions of subsection (8).

597 (p) ~~(q)~~ The director and a representative of the governing
598 body of a graded charter school that has submitted a school
599 improvement plan or has been placed on probation under paragraph
600 (o) ~~(p)~~ shall appear before the sponsor or the sponsor's staff at
601 least once a year to present information regarding the corrective
602 strategies that are being implemented by the school pursuant to
603 the school improvement plan. The sponsor shall communicate at the

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604 meeting, and in writing to the director, the services provided to
605 the school to help the school address its deficiencies.

606 (17) FUNDING.--Students enrolled in a charter school,
607 regardless of the sponsorship, shall be funded as if they are in
608 a basic program or a special program, the same as students
609 enrolled in other public schools in the school district. Funding
610 for a charter lab school shall be as provided in s. 1002.32.
611 Beginning in the 2010-2011 school year, the maximum number of
612 students eligible to be funded in any classroom of any school
613 shall be the maximum number prescribed in s. 1, Art. IX of the
614 State Constitution. The maximum number of students eligible to be
615 funded in any classroom of any school shall be the maximum number
616 prescribed in s. 1003.03(2).

617 (a) Each charter school shall report its student enrollment
618 to the sponsor as required in s. 1011.62, and in accordance with
619 the definitions in s. 1011.61. The sponsor shall include each
620 charter school's enrollment in the district's report of student
621 enrollment. All charter schools submitting student record
622 information required by the Department of Education shall comply
623 with the Department of Education's guidelines for electronic data
624 formats for such data, and all districts shall accept electronic
625 data that complies with the Department of Education's electronic
626 format.

627 (b) The basis for the agreement for funding students
628 enrolled in a charter school shall be the sum of the school
629 district's operating funds from the Florida Education Finance
630 Program as provided in s. 1011.62 and the General Appropriations
631 Act, including gross state and local funds, discretionary lottery
632 funds, and funds from the school district's current operating

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633 discretionary millage levy; divided by total funded weighted
634 full-time equivalent students in the school district; multiplied
635 by the weighted full-time equivalent students for the charter
636 school. Charter schools whose students or programs meet the
637 eligibility criteria in law shall be entitled to their
638 proportionate share of categorical program funds included in the
639 total funds available in the Florida Education Finance Program by
640 the Legislature, including transportation. Total funding for each
641 charter school shall be recalculated during the year to reflect
642 the revised calculations under the Florida Education Finance
643 Program by the state and the actual weighted full-time equivalent
644 students reported by the charter school during the full-time
645 equivalent student survey periods designated by the Commissioner
646 of Education.

647 (c) If the district school board is providing programs or
648 services to students funded by federal funds, any eligible
649 students enrolled in charter schools in the school district shall
650 be provided federal funds for the same level of service provided
651 students in the schools operated by the district school board.
652 Pursuant to provisions of 20 U.S.C. 8061 s. 10306, all charter
653 schools shall receive all federal funding for which the school is
654 otherwise eligible, including Title I funding, not later than 5
655 months after the charter school first opens and within 5 months
656 after any subsequent expansion of enrollment.

657 (d) District school boards shall make timely and efficient
658 payment and reimbursement to charter schools, including
659 processing paperwork required to access special state and federal
660 funding for which they may be eligible. The district school board
661 may distribute funds to a charter school for up to 3 months based

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662 on the projected full-time equivalent student membership of the
663 charter school. Thereafter, the results of full-time equivalent
664 student membership surveys shall be used in adjusting the amount
665 of funds distributed monthly to the charter school for the
666 remainder of the fiscal year. The payment shall be issued no
667 later than 10 working days after the district school board
668 receives a distribution of state or federal funds. If a warrant
669 for payment is not issued within 10 working days after receipt of
670 funding by the district school board, the school district shall
671 pay to the charter school, in addition to the amount of the
672 scheduled disbursement, interest at a rate of 1 percent per month
673 calculated on a daily basis on the unpaid balance from the
674 expiration of the 10 working days until such time as the warrant
675 is issued.

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

677 (a) The Department of Education shall provide information
678 to the public, directly and through sponsors, both on how to form
679 and operate a charter school and on how to enroll in charter
680 schools once they are created. This information shall include a
681 standard application format, charter format, and charter renewal
682 format which shall include the information specified in
683 subsection (7) and shall be developed by consulting and
684 negotiating with both school districts and charter schools before
685 implementation. These formats shall be used ~~as guidelines~~ by
686 charter school sponsors.

687 (b)1. The Department of Education shall report to each
688 charter school that does not receive a school grade pursuant to
689 s. 1008.34 or a school improvement rating pursuant to s. 1008.341
690 the percentage of students who score at grade level or higher on

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691 the statewide assessment test pursuant to s. 1008.22 in reading,
692 mathematics, science, and writing. For students who score in the
693 lowest 25th percentile, the department shall separately report
694 the percentage of students who score at Level 1 or Level 2 on the
695 statewide assessment test pursuant to s. 1008.22 in reading,
696 mathematics, science, and writing. This information shall be
697 provided by the following grade groupings:

- 698 a. Grades 3 through 5;
699 b. Grades 6 through 8; and
700 c. Grades 9 and 10.

701 2. The charter school shall also report the information in
702 subparagraph 1. to each parent of a student at the charter
703 school, the parent of a child on a waiting list for the charter
704 school, the district in which the charter school is located, and
705 the governing board of the charter school. This paragraph does
706 not abrogate the provisions of s. 1002.22, relating to student
707 records, and the requirements of 20 U.S.C. s. 1232g, the Family
708 Educational Rights and Privacy Act.

709 3.a. Pursuant to this paragraph, the Department of
710 Education shall compare the charter school student performance
711 data for each charter school in subparagraph 1. with the student
712 performance data in traditional public schools in the district in
713 which the charter school is located and other charter schools in
714 the state. For charter alternative charter schools, the
715 department shall compare the student performance data described
716 in this paragraph with all alternative schools in the state. The
717 comparative data shall be provided by the grade groupings in
718 subparagraph 1.

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719 b. Each charter school shall provide the information in
720 this paragraph on its Internet website and also provide notice to
721 the public in a manner that notifies the community at large, as
722 provided by rules of the State Board of Education. The State
723 Board of Education shall adopt rules to administer the notice
724 requirements of this subparagraph pursuant to ss. 120.536(1) and
725 120.54. The website shall include, through links or actual
726 content, other information related to school performance.

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

728 (a) This section applies to charter school personnel in a
729 charter school operated by a private entity. As used in this
730 subsection, the term:

731 1. "Charter school personnel" means a charter school owner,
732 president, chairperson of the governing board of directors,
733 superintendent, governing board member, principal, assistant
734 principal, or any other person employed by the charter school
735 having equivalent decisionmaking authority and in whom is vested
736 the authority, or to whom the authority has been delegated, to
737 appoint, employ, promote, or advance individuals or to recommend
738 individuals for appointment, employment, promotion, or
739 advancement in connection with employment in a charter school,
740 including the authority as a member of a governing body of a
741 charter school to vote on the appointment, employment, promotion,
742 or advancement of individuals.

743 2. "Relative" means father, mother, son, daughter, brother,
744 sister, uncle, aunt, first cousin, nephew, niece, husband, wife,
745 father-in-law, mother-in-law, son-in-law, daughter-in-law,
746 brother-in-law, sister-in-law, stepfather, stepmother, stepson,

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747 stepdaughter, stepbrother, stepsister, half brother, or half
748 sister.

749 (b) Charter school personnel may not appoint, employ,
750 promote, or advance, or advocate for appointment, employment,
751 promotion, or advancement, in or to a position in the charter
752 school in which the personnel are serving or over which the
753 personnel exercises jurisdiction or control any individual who is
754 a relative. An individual may not be appointed, employed,
755 promoted, or advanced in or to a position in a charter school if
756 such appointment, employment, promotion, or advancement has been
757 advocated by a member of the charter school's personnel who
758 serves in or exercises jurisdiction or control over the charter
759 school and who is a relative of the individual or if such
760 appointment, employment, promotion, or advancement is made by the
761 governing board of which a relative of the individual is a
762 member.

763 (c) Mere approval of budgets does not constitute
764 "jurisdiction or control" for the purposes of this subsection.
765 Charter school personnel in schools operated by a municipality or
766 other public entity are subject to the provisions of s. 112.3135.

767 (25) (a) A member of a governing board of a charter school,
768 including a charter school operated by a private entity, is
769 subject to the provisions of ss. 112.313(2), (3), (7), and (12)
770 and 112.3143(3).

771 (b) A member of a governing board of a charter school
772 operated by a municipality or other public entity is subject to
773 the provisions of s. 112.3144, relating to the disclosure of
774 financial interests.

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775 Section 5. Subsection (5), paragraph (a) of subsection (7),
776 paragraph (a) of subsection (11), and subsection (12) of section
777 1002.335, Florida Statutes, are amended to read:

778 1002.335 Florida Schools of Excellence Commission.--

779 (5) CHARTERING AUTHORITY.--

780 (a) A charter school applicant may submit an application to
781 the commission only if the school district in which the FSE
782 charter school is to be located has not retained exclusive
783 authority to authorize charter schools as provided in paragraph
784 (e). If a district school board has not retained exclusive
785 authority to authorize charter schools as provided in paragraph
786 (e), the district school board and the commission shall have
787 concurrent authority to authorize charter schools and FSE charter
788 schools, respectively, to be located within the geographic
789 boundaries of the school district. The district school board
790 shall monitor and oversee all charter schools authorized by the
791 district school board pursuant to s. 1002.33. The commission
792 shall monitor and oversee all FSE charter schools sponsored by
793 the commission pursuant to subsection (4).

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

800 (c) For fiscal year 2007-2008 and for each fiscal year
801 thereafter, a district school board may seek ~~to retain~~ exclusive
802 authority to authorize charter schools within the geographic
803 boundaries of the school district by presenting to the State

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804 Board of Education, on or before March 1 of the fiscal year prior
805 to that for which the exclusive authority is to apply, a written
806 resolution adopted by the district school board indicating the
807 intent to seek ~~retain~~ exclusive authority to authorize charter
808 schools. A district school board may seek ~~to retain~~ the exclusive
809 authority to authorize charter schools by presenting to the state
810 board the written resolution on or before a date 60 days after
811 establishment of the commission. The written resolution shall be
812 accompanied by a written description addressing the elements
813 described in paragraph (e). The district school board shall
814 provide a complete copy of the resolution, including the
815 description, to each charter school authorized by the district
816 school board on or before the date it submits the resolution to
817 the state board.

818 (d) A party may challenge the grant of exclusive authority
819 made by the State Board of Education pursuant to paragraph (e) by
820 filing with the state board a notice of challenge within 30 days
821 after the state board grants initial exclusive authority. The
822 notice shall be accompanied by a specific written description of
823 the basis for the challenge. The challenging party, at the time
824 of filing notice with the state board, shall provide a copy of
825 the notice of challenge to the district school board that has
826 been granted exclusive authority. The state board shall permit
827 the district school board the opportunity to appear and respond
828 in writing to the challenge. The state board shall make a
829 determination upon the challenge within 60 days after receiving
830 the notice of challenge.

831 (e) The State Board of Education shall grant to a district
832 school board exclusive authority to authorize charter schools

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833 within the geographic boundaries of the school district if the
834 state board determines, after adequate notice, in a public
835 hearing, and after receiving input from any charter school
836 authorized by the district school board, that the district school
837 board has provided fair and equitable treatment to its charter
838 schools during the 4 years prior to the district school board's
839 submission of the resolution described in paragraph (c). The
840 state board's review of the resolution shall, at a minimum,
841 include consideration of the following:

842 1. Compliance with the provisions of s. 1002.33.
843 2. Compliance with full and accurate accounting practices
844 and charges for central administrative overhead costs.

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

848 4. The absence of a district school board moratorium
849 regarding charter schools or the absence of any districtwide
850 charter school enrollment limits.

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

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

857 7. The distribution to charter schools authorized by the
858 district school board of a pro rata share of federal and state
859 grants received by the district school board, except for any
860 grant received for a particular purpose which, by its express
861 terms, is intended to benefit a student population not able to be

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862 served by, or a program not able to be offered at, a charter
863 school that did not receive a proportionate share of such grant
864 proceeds.

865 8. The provision of adequate staff and other resources to
866 serve charter schools authorized by the district school board,
867 which services are provided by the district school board at a
868 cost to the charter schools that does not exceed their actual
869 cost to the district school board.

870 9. The lack of a policy or practice of imposing individual
871 charter school enrollment limits, except as otherwise provided by
872 law.

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

878 (f) The decision of the State Board of Education pursuant
879 to paragraph (e) shall not be subject to the provisions of
880 chapter 120 and shall be a final action subject to judicial
881 review by the district court of appeal.

882 (g) For district school boards that have no discernible
883 history of authorizing charter schools, the State Board of
884 Education may not grant exclusive authority unless the district
885 school board demonstrates that no approvable application has come
886 before the district school board.

887 (h)1. A grant of exclusive authority by the State Board of
888 Education shall continue so long as a district school board
889 continues to comply with this section ~~and has presented a written~~
890 ~~resolution to the state board as set forth in paragraph (e).~~ For

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891 purposes of this paragraph, there is established a rebuttable
892 presumption that a district school board that has been granted
893 exclusivity is acting in good faith in its capacity to review
894 applications.

895 2. A party may challenge the grant of exclusive authority
896 made by the State Board of Education pursuant to this paragraph
897 by filing with the state board a notice of challenge. The notice
898 shall be accompanied by a specific written description of the
899 basis for the challenge. The challenging party, at the time of
900 filing notice with the state board, shall provide a copy of the
901 notice of challenge to the district school board that has been
902 granted exclusive authority. The State Board of Education shall
903 permit the district school board the opportunity to appear and
904 respond in writing to the challenge. The state board shall make a
905 determination upon the challenge within 60 days after receiving
906 the notice of challenge.

907 (i) Notwithstanding any other provision of this section to
908 the contrary, a district school board may permit the
909 establishment of one or more FSE charter schools within the
910 geographic boundaries of the school district by adopting a
911 favorable resolution and submitting the resolution to the State
912 Board of Education. The resolution shall be effective until it is
913 rescinded by resolution of the district school board.

914 (7) COSPONSOR AGREEMENT.--

915 (a) Upon approval of a cosponsor, the commission and the
916 cosponsor shall enter into an agreement that defines the
917 cosponsor's rights and obligations and includes the following:

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- 918 1. An explanation of the personnel, contractual and
919 interagency relationships, and potential revenue sources
920 referenced in the application as required in paragraph (6) (c).
- 921 2. Incorporation of the requirements of equal access for
922 all students, including any plans to provide food service or
923 transportation reasonably necessary to provide access to as many
924 students as possible.
- 925 3. Incorporation of the requirement to serve low-income,
926 low-performing, gifted, or underserved student populations.
- 927 4. An explanation of the academic and financial goals and
928 expected outcomes for the cosponsor's charter schools and the
929 method and plans by which they will be measured and achieved as
930 referenced in the application.
- 931 5. The conflict-of-interest policies referenced in the
932 application.
- 933 6. An explanation of the disposition of facilities and
934 assets upon termination and dissolution of a charter school
935 approved by the cosponsor.
- 936 7.a. A provision requiring the cosponsor to annually appear
937 before the commission and provide a report as to the information
938 provided pursuant to s. 1002.33(9)(1) for each of its charter
939 schools.
- 940 b. A provision requiring the cosponsor to perform the
941 duties provided for in s. 1002.345.
- 942 c. A provision requiring the governing board to perform the
943 duties provided for in s. 1002.345, including monitoring the
944 corrective action plan.
- 945 8. A provision requiring that the cosponsor report the
946 student enrollment in each of its sponsored charter schools to

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947 the district school board of the county in which the school is
948 located.

949 9. A provision requiring that the cosponsor work with the
950 commission to provide the necessary reports to the State Board of
951 Education.

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

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

955 (a) The provisions of s. 1002.33(7)-(12), (14), ~~and~~ (16)-
956 (19), (21)(b), (24), and (25) shall apply to the commission and
957 the cosponsors and charter schools approved pursuant to this
958 section.

959 (12) ACCESS TO INFORMATION.--The commission shall provide
960 maximum access to information to all parents in the state. It
961 shall maintain information systems, including, but not limited
962 to, a user-friendly Internet website, that will provide
963 information and data necessary for parents to make informed
964 decisions, including a link to the information provided in s.
965 1002.33(21)(b)3.b. At a minimum, the commission must provide
966 parents with information on its accountability standards, links
967 to schools of excellence throughout the state, and public
968 education programs available in the state.

969 Section 6. Subsections (4) and (5), paragraphs (d) and (f)
970 of subsection (6), paragraph (c) of subsection (10), subsection
971 (13) of section 1002.34, Florida Statutes, are amended to read:

972 1002.34 Charter technical career centers.--

973 (4) CHARTER.--A sponsor may designate centers as provided
974 in this section. An application to establish a center may be
975 submitted by a sponsor or another organization that is

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976 determined, by rule of the State Board of Education, to be
977 appropriate. However, an independent school is not eligible for
978 status as a center. The charter must be signed by the governing
979 body of the center and the sponsor, and must be approved by the
980 district school board and community college board of trustees in
981 whose geographic region the facility is located. If a charter
982 technical career center is established by the conversion to
983 charter status of a public technical center formerly governed by
984 a district school board, the charter status of that center takes
985 precedence in any question of governance. The governance of the
986 center or of any program within the center remains with its board
987 of directors unless the board agrees to a change in governance or
988 its charter is revoked as provided in subsection (15). Such a
989 conversion charter technical career center is not affected by a
990 change in the governance of public technical centers or of
991 programs within other centers that are or have been governed by
992 district school boards. A charter technical career center, or any
993 program within such a center, that was governed by a district
994 school board and transferred to a community college prior to the
995 effective date of this act is not affected by this provision. An
996 applicant who wishes to establish a center must submit to the
997 district school board or community college board of trustees, or
998 a consortium of one or more of each, an application on a form
999 developed by the Department of Education which ~~that~~ includes:

1000 (a) The name of the proposed center.

1001 (b) The proposed structure of the center, including a list
1002 of proposed members of the board of directors or a description of
1003 the qualifications for and method of their appointment or
1004 election.

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1005 (c) The workforce development goals of the center, the
1006 curriculum to be offered, and the outcomes and the methods of
1007 assessing the extent to which the outcomes are met.

1008 (d) The admissions policy and criteria for evaluating the
1009 admission of students.

1010 (e) A description of the staff responsibilities and the
1011 proposed qualifications of the teaching staff.

1012 (f) A description of the procedures to be implemented to
1013 ensure significant involvement of representatives of business and
1014 industry in the operation of the center.

1015 (g) A method for determining whether a student has
1016 satisfied the requirements for graduation specified in s. 1003.43
1017 and for completion of a postsecondary certificate or degree.

1018 (h) A method for granting secondary and postsecondary
1019 diplomas, certificates, and degrees.

1020 (i) A description of and address for the physical facility
1021 in which the center will be located.

1022 (j) A method of resolving conflicts between the governing
1023 body of the center and the sponsor and between consortium
1024 members, if applicable.

1025 (k) A method for reporting student data as required by law
1026 and rule.

1027 (l) A statement that the applicant has participated in the
1028 training provided by the Department of Education.

1029 (m) The identity of all relatives employed by the charter
1030 technical career center who are related to the center owner,
1031 president, chairperson of the governing board of directors,
1032 superintendent, governing board member, principal, assistant
1033 principal, or any other person employed by the center who has

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1034 equivalent decisionmaking authority. As used in this paragraph,
1035 the term "relative" means father, mother, son, daughter, brother,
1036 sister, uncle, aunt, first cousin, nephew, niece, husband, wife,
1037 father-in-law, mother-in-law, son-in-law, daughter-in-law,
1038 brother-in-law, sister-in-law, stepfather, stepmother, stepson,
1039 stepdaughter, stepbrother, stepsister, half brother, or half
1040 sister.

1041 (m)~~(l)~~ Other information required by the district school
1042 board or community college board of trustees.

1043
1044 Students at a center must meet the same testing and academic
1045 performance standards as those established by law and rule for
1046 students at public schools and public technical centers. The
1047 students must also meet any additional assessment indicators that
1048 are included within the charter approved by the district school
1049 board or community college board of trustees.

1050 (5) APPLICATION.--An application to establish a center must
1051 be submitted by February 1 of the year preceding the school year
1052 in which the center will begin operation. The sponsor must review
1053 the application using an evaluation instrument developed by the
1054 Department of Education and make a final decision on whether to
1055 approve the application and grant the charter by March 1, and may
1056 condition the granting of a charter on the center's taking
1057 certain actions or maintaining certain conditions. Such actions
1058 and conditions must be provided to the applicant in writing. The
1059 district school board or community college board of trustees is
1060 not required to issue a charter to any person.

1061 (6) SPONSOR.--A district school board or community college
1062 board of trustees or a consortium of one or more of each may

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1063 sponsor a center in the county in which the board has
1064 jurisdiction.

1065 (d)1. The Department of Education shall offer or arrange
1066 for training and technical assistance to applicants in developing
1067 business plans and estimating costs and income. This assistance
1068 shall address estimating startup costs, projecting enrollment,
1069 and identifying the types and amounts of state and federal
1070 financial assistance the center will be eligible to receive.

1071 2. An applicant must participate in the training provided
1072 by the Department of Education prior to filing an application.
1073 The Department of Education may provide technical assistance to
1074 an applicant upon written request.

1075 (f) The sponsor shall monitor and review the center's
1076 progress toward charter goals and shall monitor the center's
1077 revenues and expenditures. The sponsor shall perform the duties
1078 provided for in s. 1002.345.

1079 (10) EXEMPTION FROM STATUTES.--

1080 (c) A center must comply with the antidiscrimination
1081 provisions of s. 1000.05 and the provisions of s. 1002.33(24),
1082 relating to the employment of relatives.

1083 (13) BOARD OF DIRECTORS AUTHORITY.--The board of directors
1084 of a center may decide matters relating to the operation of the
1085 school, including budgeting, curriculum, and operating
1086 procedures, subject to the center's charter. The board of
1087 directors is responsible for performing the duties provided for
1088 in s. 1002.345, including monitoring the corrective action plan.
1089 The board of directors must comply with the provisions of s.
1090 1002.33(25).

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1091 Section 7. Section 1002.345, Florida Statutes, is created
1092 to read:

1093 1002.345 Determination of financial weaknesses and
1094 financial emergencies for charter schools and charter technical
1095 career centers.--This section applies to charter schools
1096 operating pursuant to ss. 1002.33 and 1002.335, and to charter
1097 technical career centers operating pursuant to s. 1002.34.

1098 (1) FINANCIAL WEAKNESS; REQUIREMENTS.--

1099 (a) A charter school and a charter technical career center
1100 shall be subject to an expedited review by the sponsor when any
1101 one of the following conditions occurs:

1102 1. An end-of-year financial deficit.

1103 2. A substantial decline in student enrollment without a
1104 commensurate reduction in expenses.

1105 3. Insufficient revenues to pay current operating expenses.

1106 4. Insufficient revenues to pay long-term expenses.

1107 5. Disproportionate administrative expenses.

1108 6. Excessive debt.

1109 7. Excessive expenditures.

1110 8. Inadequate fund balances or reserves.

1111 9. Failure to meet financial reporting requirements
1112 pursuant to s. 1002.33(9), s. 1002.335(7)(a)7., or s.
1113 1002.34(14).

1114 10. Weak financial controls or other adverse financial
1115 conditions identified through an internal audit or annual audit
1116 conducted pursuant to s. 218.39.

1117 11. Negative financial findings cited in reports by the
1118 Auditor General or the Office of Program Policy Analysis and
1119 Government Accountability.

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1120 (b) A sponsor shall notify the governing board within 7
1121 working days when one or more of the conditions specified in
1122 paragraph (a) occur.

1123 (c) The governing board and the sponsor shall develop a
1124 corrective action plan and file the plan with the Commissioner of
1125 Education within 30 working days. If the governing board and the
1126 sponsor are unable to agree on a corrective action plan, the
1127 State Board of Education shall determine the components of the
1128 plan. The governing board shall implement the plan.

1129 (d) The governing board shall include the corrective action
1130 plan and the status of its implementation in the annual progress
1131 report to the sponsor that is required under s. 1002.33(9)(1), s.
1132 1002.335(7)(a)7., or s. 1002.34(14).

1133 (e) If the governing board fails to implement the
1134 corrective action plan within 1 year, the State Board of
1135 Education shall prescribe any steps necessary for the charter
1136 school or the charter technical career center to comply with
1137 state requirements.

1138 (f) The chair of the governing board shall annually appear
1139 before the State Board of Education and report on the
1140 implementation of the State Board of Education's requirements.

1141 (2) FINANCIAL EMERGENCY; REQUIREMENTS.--

1142 (a) A charter school and a charter technical career center
1143 shall provide for a certified public accountant or auditor to
1144 conduct an annual financial audit in accordance with s. 218.39.

1145 (b) The charter shall ensure that, if a charter school or
1146 charter technical career center internal audit or annual
1147 financial audit reveals a state of financial emergency as defined
1148 in s. 218.503 or has a deficit fund balance or deficit net

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1149 assets, the auditor notifies the governing board of the charter
1150 school or charter technical career center, as appropriate, the
1151 sponsor, and the Department of Education.

1152 (c) When a charter school or a charter technical career
1153 center is found by a certified public accountant or auditor to be
1154 in a state of financial emergency as defined in s. 218.503 or has
1155 a deficit fund balance or deficit net assets, the auditor shall
1156 notify and provide the financial audit to the governing board of
1157 the charter school or charter technical career center, as
1158 appropriate, the sponsor, and the Department of Education, within
1159 7 working days after the finding is made.

1160 1. The internal auditor shall:

1161 a. Report the findings in the form of an exit interview
1162 with the principal or the principal administrator of the charter
1163 school or the director of the charter technical career center, as
1164 appropriate, and the chair of the governing board, within 7
1165 working days after the finding is made.

1166 b. Provide a final report to all members of the governing
1167 board, the sponsor, and the Department of Education within 14
1168 working days after the exit interview.

1169 2. The charter school or charter technical career center
1170 shall file a detailed financial recovery plan as provided for in
1171 s. 218.503 with the sponsor within 30 days after receipt of the
1172 audit.

1173 (d) The sponsor shall file a copy of the financial recovery
1174 plan with the Commissioner of Education.

1175 (e) The governing board shall include the financial
1176 recovery plan and the status of its implementation in the annual

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1177 progress report to the sponsor which is required under s. s.
1178 1002.33(9)(1), s 1002.335(7)(a)7., or s 1002.34(14).

1179 (3) REPORT.--The Commissioner of Education shall annually
1180 report to the State Board of Education each charter school and
1181 charter technical career center that is subject to a financial
1182 recovery plan or a corrective action plan under this section.

1183 (4) RULES.--The State Board of Education shall adopt rules
1184 pursuant to ss. 120.536(1) and 120.54 for developing financial
1185 recovery and corrective action plans.

1186 (5) TECHNICAL ASSISTANCE.--The Department of Education
1187 shall provide technical assistance to charter schools, charter
1188 technical career centers, governing boards, and sponsors in
1189 developing financial recovery and corrective action plans.

1190 (6) FAILURE TO CORRECT DEFICIENCIES.--The sponsor may
1191 choose not to renew or may terminate a charter if the charter
1192 school or charter technical career center fails to correct the
1193 deficiencies in the corrective action plan within 1 year or
1194 exhibits one or more financial emergency conditions as provided
1195 in s. 218.503 for 2 consecutive years.

1196 Section 8. This act shall take effect July 1, 2008.