

By the Committees on Education Pre-K - 12 Appropriations; and  
Education Pre-K - 12; and Senator Gaetz

602-05110-09

2009278c2

1                                   A bill to be entitled  
2           An act relating to charter schools; amending ss.  
3           11.45, 218.39, 218.50, and 218.501, F.S., relating to  
4           audit reports by the Auditor General; conforming  
5           provisions to changes made by the act; amending ss.  
6           218.503 and 218.504, F.S.; providing that a charter  
7           technical career center is subject to certain  
8           requirements in a financial emergency; requiring that  
9           the sponsor be notified of certain conditions;  
10          providing for the development of a financial recovery  
11          plan, which may be approved by the Commissioner of  
12          Education; amending s. 1002.33, F.S.; providing for  
13          duties of a charter school sponsor and governing board  
14          if a charter school or charter technical career center  
15          experiences a deteriorating financial condition or is  
16          in a financial emergency; specifying forms to be used  
17          by a charter school applicant and sponsor; requiring  
18          applicant training and documentation; deleting  
19          requirements relating to auditing and being in a state  
20          of financial emergency; requiring charter schools to  
21          disclose the identity of relatives of charter school  
22          personnel; providing that the immediate termination of  
23          a charter is exempt from requirements for an informal  
24          hearing or for a hearing under ch. 120, F.S.;  
25          providing for the disclosure of the performance of a  
26          charter school that is not given a school grade or  
27          school improvement rating; revising the requirements  
28          for providing certain information to the public;  
29          providing reporting requirements; providing

602-05110-09

2009278c2

30 restrictions for the employment of relatives by  
31 charter school personnel; providing that members of a  
32 charter school governing board are subject to certain  
33 standards of conduct specified in ss. 112.313 and  
34 112.3143, F.S.; amending s. 1002.34, F.S.; providing  
35 additional duties for charter technical career  
36 centers, applicants, sponsors, and governing boards;  
37 requiring the Department of Education to offer or  
38 arrange training and assistance to applicants for a  
39 charter technical career center; requiring that an  
40 applicant participate in the training; creating s.  
41 1002.345, F.S.; establishing criteria and requirements  
42 for charter schools and charter technical career  
43 centers that have a deteriorating financial condition  
44 or are in a state of financial emergency; establishing  
45 requirements for charter schools, charter technical  
46 career centers, governing bodies, and sponsors;  
47 providing for corrective action and financial recovery  
48 plans; providing for duties of auditors, the  
49 Commissioner of Education, and the Department of  
50 Education; requiring the State Board of Education to  
51 adopt rules; providing grounds for termination or  
52 nonrenewal of a charter; providing an effective date.

53  
54 Be It Enacted by the Legislature of the State of Florida:

55  
56 Section 1. Paragraph (e) of subsection (7) and subsection  
57 (8) of section 11.45, Florida Statutes, are amended to read:  
58 11.45 Definitions; duties; authorities; reports; rules.—

602-05110-09

2009278c2

## 59 (7) AUDITOR GENERAL REPORTING REQUIREMENTS.—

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

83 (8) RULES OF THE AUDITOR GENERAL.—The Auditor General, in  
84 consultation with the Board of Accountancy, shall adopt rules  
85 for the form and conduct of all financial audits performed by  
86 independent certified public accountants pursuant to ss.  
87 215.981, 218.39, 1001.453, 1004.28, and 1004.70. The rules for

602-05110-09

2009278c2

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

95 Section 2. Subsection (5) of section 218.39, Florida  
96 Statutes, is amended to read:

97 218.39 Annual financial audit reports.—

98 (5) At the conclusion of the audit, the auditor shall  
99 discuss with the chair of each local governmental entity or the  
100 chair's designee, or with the elected official of each county  
101 agency or with the elected official's designee, or with the  
102 chair of the district school board or the chair's designee, or  
103 with the chair of the board of the charter school or the chair's  
104 designee, or with the chair of the charter technical career  
105 center or the chair's designee, as appropriate, all of the  
106 auditor's comments that will be included in the audit report. If  
107 the officer is not available to discuss the auditor's comments,  
108 their discussion is presumed when the comments are delivered in  
109 writing to his or her office. The auditor shall notify each  
110 member of the governing body of a local governmental entity,  
111 district school board, ~~or~~ charter school, or charter technical  
112 career center for which deteriorating financial conditions exist  
113 that may cause a condition described in s. 218.503(1) to occur  
114 if actions are not taken to address such conditions.

115 Section 3. Section 218.50, Florida Statutes, is amended to  
116 read:

602-05110-09

2009278c2

117 218.50 Short title.—Sections 218.50-218.504 may be cited as  
118 the "Local Governmental Entity, Charter School, Charter  
119 Technical Career Center, and District School Board Financial  
120 Emergencies Act."

121 Section 4. Section 218.501, Florida Statutes, is amended to  
122 read:

123 218.501 Purposes.—The purposes of ss. 218.50-218.504 are:

124 (1) To promote the fiscal responsibility of local  
125 governmental entities, charter schools, charter technical career  
126 centers, and district school boards.

127 (2) To assist local governmental entities, charter schools,  
128 charter technical career centers, and district school boards in  
129 providing essential services without interruption and in meeting  
130 their financial obligations.

131 (3) To assist local governmental entities, charter schools,  
132 charter technical career centers, and district school boards  
133 through the improvement of local financial management  
134 procedures.

135 Section 5. Subsections (1), (2), (3), and (4) of section  
136 218.503, Florida Statutes, are amended to read:

137 218.503 Determination of financial emergency.—

138 (1) Local governmental entities, charter schools, charter  
139 technical career centers, and district school boards shall be  
140 subject to review and oversight by the Governor, the charter  
141 school sponsor, the charter technical career center sponsor, or  
142 the Commissioner of Education, as appropriate, when any one of  
143 the following conditions occurs:

144 (a) Failure within the same fiscal year in which due to pay  
145 short-term loans or failure to make bond debt service or other

602-05110-09

2009278c2

146 long-term debt payments when due, as a result of a lack of  
147 funds.

148 (b) Failure to pay uncontested claims from creditors within  
149 90 days after the claim is presented, as a result of a lack of  
150 funds.

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

- 153 1. Taxes withheld on the income of employees; or
- 154 2. Employer and employee contributions for:
  - 155 a. Federal social security; or
  - 156 b. Any pension, retirement, or benefit plan of an employee.

157 (d) Failure for one pay period to pay, due to lack of  
158 funds:

- 159 1. Wages and salaries owed to employees; or
- 160 2. Retirement benefits owed to former employees.

161 (e) An unreserved or total fund balance or retained  
162 earnings deficit, or unrestricted or total net assets deficit,  
163 as reported on the balance sheet or statement of net assets on  
164 the general purpose or fund financial statements, for which  
165 sufficient resources of the local governmental entity, charter  
166 school, charter technical career center, or district school  
167 board, as reported on the balance sheet or statement of net  
168 assets on the general purpose or fund financial statements, are  
169 not available to cover the deficit. Resources available to cover  
170 reported deficits include net assets that are not otherwise  
171 restricted by federal, state, or local laws, bond covenants,  
172 contractual agreements, or other legal constraints. Fixed or  
173 capital assets, the disposal of which would impair the ability  
174 of a local governmental entity, charter school, charter

602-05110-09

2009278c2

175 technical career center, or district school board to carry out  
176 its functions, are not considered resources available to cover  
177 reported deficits.

178 (2) A local governmental entity shall notify the Governor  
179 and the Legislative Auditing Committee, a charter school shall  
180 notify the charter school sponsor, the Commissioner of  
181 Education, and the Legislative Auditing Committee, a charter  
182 technical career center shall notify the charter technical  
183 career center sponsor, the Commissioner of Education, and the  
184 Legislative Auditing Committee, and a district school board  
185 shall notify the Commissioner of Education and the Legislative  
186 Auditing Committee, when one or more of the conditions specified  
187 in subsection (1) have occurred or will occur if action is not  
188 taken to assist the local governmental entity, charter school,  
189 charter technical career center, or district school board. In  
190 addition, any state agency must, within 30 days after a  
191 determination that one or more of the conditions specified in  
192 subsection (1) have occurred or will occur if action is not  
193 taken to assist the local governmental entity, charter school,  
194 charter technical career center, or district school board,  
195 notify the Governor, charter school sponsor, charter technical  
196 career center sponsor, or the Commissioner of Education, as  
197 appropriate, and the Legislative Auditing Committee.

198 (3) Upon notification that one or more of the conditions in  
199 subsection (1) have occurred or will occur if action is not  
200 taken to assist the local governmental entity or district school  
201 board ~~exist~~, the Governor or his or her designee shall contact  
202 the local governmental entity or the Commissioner of Education  
203 or his or her designee shall contact the district school board

602-05110-09

2009278c2

204 to determine what actions have been taken by the local  
205 governmental entity or the district school board to resolve or  
206 prevent the condition. The Governor or the Commissioner of  
207 Education, as appropriate, shall determine whether the local  
208 governmental entity or the district school board needs state  
209 assistance to resolve or prevent the condition. If state  
210 assistance is needed, the local governmental entity or district  
211 school board is considered to be in a state of financial  
212 emergency. The Governor or the Commissioner of Education, as  
213 appropriate, has the authority to implement measures as set  
214 forth in ss. 218.50-218.504 to assist the local governmental  
215 entity or district school board in resolving the financial  
216 emergency. Such measures may include, but are not limited to:

217 (a) Requiring approval of the local governmental entity's  
218 budget by the Governor or approval of the district school  
219 board's budget by the Commissioner of Education.

220 (b) Authorizing a state loan to a local governmental entity  
221 and providing for repayment of same.

222 (c) Prohibiting a local governmental entity or district  
223 school board from issuing bonds, notes, certificates of  
224 indebtedness, or any other form of debt until such time as it is  
225 no longer subject to this section.

226 (d) Making such inspections and reviews of records,  
227 information, reports, and assets of the local governmental  
228 entity or district school board. The appropriate local officials  
229 shall cooperate in such inspections and reviews.

230 (e) Consulting with officials and auditors of the local  
231 governmental entity or the district school board and the  
232 appropriate state officials regarding any steps necessary to



602-05110-09

2009278c2

233 bring the books of account, accounting systems, financial  
234 procedures, and reports into compliance with state requirements.

235 (f) Providing technical assistance to the local  
236 governmental entity or the district school board.

237 (g)1. Establishing a financial emergency board to oversee  
238 the activities of the local governmental entity or the district  
239 school board. If a financial emergency board is established for  
240 a local governmental entity, the Governor shall appoint board  
241 members and select a chair. If a financial emergency board is  
242 established for a district school board, the State Board of  
243 Education shall appoint board members and select a chair. The  
244 financial emergency board shall adopt such rules as are  
245 necessary for conducting board business. The board may:

246 a. Make such reviews of records, reports, and assets of the  
247 local governmental entity or the district school board as are  
248 needed.

249 b. Consult with officials and auditors of the local  
250 governmental entity or the district school board and the  
251 appropriate state officials regarding any steps necessary to  
252 bring the books of account, accounting systems, financial  
253 procedures, and reports of the local governmental entity or the  
254 district school board into compliance with state requirements.

255 c. Review the operations, management, efficiency,  
256 productivity, and financing of functions and operations of the  
257 local governmental entity or the district school board.

258 2. The recommendations and reports made by the financial  
259 emergency board must be submitted to the Governor for local  
260 governmental entities or to the Commissioner of Education and  
261 the State Board of Education for district school boards for

602-05110-09

2009278c2

262 appropriate action.

263 (h) Requiring and approving a plan, to be prepared by  
264 officials of the local governmental entity or the district  
265 school board in consultation with the appropriate state  
266 officials, prescribing actions that will cause the local  
267 governmental entity or district school board to no longer be  
268 subject to this section. The plan must include, but need not be  
269 limited to:

270 1. Provision for payment in full of obligations outlined in  
271 subsection (1), designated as priority items, that are currently  
272 due or will come due.

273 2. Establishment of priority budgeting or zero-based  
274 budgeting in order to eliminate items that are not affordable.

275 3. The prohibition of a level of operations which can be  
276 sustained only with nonrecurring revenues.

277 (4) (a) Upon notification that one or more of the conditions  
278 in subsection (1) have occurred or will occur if action is not  
279 taken to assist the charter school exist, the charter school  
280 sponsor or the sponsor's designee and the Commissioner of  
281 Education shall contact the charter school governing body to  
282 determine what actions have been taken by the charter school  
283 governing body to resolve or prevent the condition. The  
284 Commissioner of Education ~~charter school sponsor~~ has the  
285 authority to require and approve a financial recovery plan, to  
286 be prepared by the charter school governing body, prescribing  
287 actions that will resolve or prevent the condition ~~cause the~~  
288 ~~charter school to no longer be subject to this section. The~~  
289 ~~Department of Education shall establish guidelines for~~  
290 ~~developing such plans.~~

602-05110-09

2009278c2

291       (b) Upon notification that one or more of the conditions in  
292 subsection (1) have occurred or will occur if action is not  
293 taken to assist the charter technical career center, the charter  
294 technical career center sponsor or the sponsor's designee and  
295 the Commissioner of Education shall contact the charter  
296 technical career center governing body to determine what actions  
297 have been taken by the governing body to resolve or prevent the  
298 condition. The Commissioner of Education may require and approve  
299 a financial recovery plan, to be prepared by the charter  
300 technical career center governing body, prescribing actions that  
301 will resolve or prevent the condition.

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

308  
309 The Department of Education, with the involvement of sponsors,  
310 charter schools, and charter technical career centers, shall  
311 establish guidelines for developing a financial recovery plan.

312       Section 6. Section 218.504, Florida Statutes, is amended to  
313 read:

314       218.504 Cessation of state action.—The Governor or the  
315 Commissioner of Education, as appropriate, has the authority to  
316 terminate all state actions pursuant to ss. 218.50-218.504.  
317 Cessation of state action must not occur until the Governor or  
318 the Commissioner of Education, as appropriate, has determined  
319 that:

602-05110-09

2009278c2

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

322 (a) Has established and is operating an effective financial  
323 accounting and reporting system.

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

325 (2) None of the conditions outlined in s. 218.503(1)  
326 exists.

327 Section 7. Paragraph (b) of subsection (5), paragraphs (a),  
328 (b), and (g) of subsection (6), paragraph (a) of subsection (7),  
329 paragraph (d) of subsection (8), paragraphs (g) through (q) of  
330 subsection (9), and subsections (21) and (23) of section  
331 1002.33, Florida Statutes, are amended, present subsection (24)  
332 of that section is redesignated as subsection (26), and new  
333 subsections (24) and (25) are added to that section, to read:

334 1002.33 Charter schools.—

335 (5) SPONSOR; DUTIES.—

336 (b) *Sponsor duties*.—

337 1.a. The sponsor shall monitor and review the charter  
338 school in its progress toward the goals established in the  
339 charter.

340 b. The sponsor shall monitor the revenues and expenditures  
341 of the charter school and perform the duties provided in s.  
342 1002.345.

343 c. The sponsor may approve a charter for a charter school  
344 before the applicant has identified ~~secured~~ space, equipment, or  
345 personnel, if the applicant indicates approval is necessary for  
346 it to raise working funds.

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

602-05110-09

2009278c2

349 charter school.

350 e. The sponsor shall ensure that the charter is innovative  
351 and consistent with the state education goals established by s.  
352 1000.03(5).

353 f. The sponsor shall ensure that the charter school  
354 participates in the state's education accountability system. If  
355 a charter school falls short of performance measures included in  
356 the approved charter, the sponsor shall report such shortcomings  
357 to the Department of Education.

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

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

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

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

370 2. Immunity for the sponsor of a charter school under  
371 subparagraph 1. applies only with respect to acts or omissions  
372 not under the sponsor's direct authority as described in this  
373 section.

374 3. ~~Nothing contained in~~ This paragraph does not waive ~~shall~~  
375 ~~be considered a waiver of sovereign immunity by~~ a district  
376 school board's sovereign immunity ~~board~~.

377 4. A community college may work with the school district or

602-05110-09

2009278c2

378 school districts in its designated service area to develop  
379 charter schools that offer secondary education. These charter  
380 schools must include an option for students to receive an  
381 associate degree upon high school graduation. District school  
382 boards shall cooperate with and assist the community college on  
383 the charter application. Community college applications for  
384 charter schools are not subject to the time deadlines outlined  
385 in subsection (6) and may be approved by the district school  
386 board at any time during the year. Community colleges may ~~shall~~  
387 not report FTE for any students who receive FTE funding through  
388 the Florida Education Finance Program.

389 (6) APPLICATION PROCESS AND REVIEW.—Charter school  
390 applications are subject to the following requirements:

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

394 1. Demonstrates how the school will use the guiding  
395 principles and meet the statutorily defined purpose of a charter  
396 school.

397 2. Provides a detailed curriculum plan that illustrates how  
398 students will be provided services to attain the Sunshine State  
399 Standards.

400 3. Contains goals and objectives for improving student  
401 learning and measuring that improvement. These goals and  
402 objectives must indicate how much academic improvement students  
403 are expected to show each year, how success will be evaluated,  
404 and the specific results to be attained through instruction.

405 4. Describes the reading curriculum and differentiated  
406 strategies that will be used for students reading at grade level

602-05110-09

2009278c2

407 or higher and a separate curriculum and strategies for students  
408 who are reading below grade level. A sponsor shall deny a  
409 charter if the school does not propose a reading curriculum that  
410 is consistent with effective teaching strategies that are  
411 grounded in scientifically based reading research.

412 5. Contains an annual financial plan for each year  
413 requested by the charter for operation of the school for up to 5  
414 years. This plan must contain anticipated fund balances based on  
415 revenue projections, a spending plan based on projected revenues  
416 and expenses, and a description of controls that will safeguard  
417 finances and projected enrollment trends.

418 6. Documents that the applicant has participated in the  
419 training required in subparagraph (g)2. A sponsor may require an  
420 applicant to provide additional information as an addendum to  
421 the charter school application described in this paragraph.

422 (b) A sponsor shall receive and review all applications for  
423 a charter school using an evaluation instrument developed by the  
424 Department of Education. Beginning with the 2007-2008 school  
425 year, a sponsor shall receive and consider charter school  
426 applications received on or before August 1 of each calendar  
427 year for charter schools to be opened at the beginning of the  
428 school district's next school year, or to be opened at a time  
429 agreed to by the applicant and the sponsor. A sponsor may  
430 receive applications later than this date if it chooses. A  
431 sponsor may not charge an applicant for a charter any fee for  
432 the processing or consideration of an application, and a sponsor  
433 may not base its consideration or approval of an application  
434 upon the promise of future payment of any kind.

435 1. In order to facilitate an accurate budget projection

602-05110-09

2009278c2

436 process, a sponsor shall be held harmless for FTE students who  
437 are not included in the FTE projection due to approval of  
438 charter school applications after the FTE projection deadline.  
439 In a further effort to facilitate an accurate budget projection,  
440 within 15 calendar days after receipt of a charter school  
441 application, a sponsor shall report to the Department of  
442 Education the name of the applicant entity, the proposed charter  
443 school location, and its projected FTE.

444 2. In order to ensure fiscal responsibility, an application  
445 for a charter school shall include a full accounting of expected  
446 assets, a projection of expected sources and amounts of income,  
447 including income derived from projected student enrollments and  
448 from community support, and an expense projection that includes  
449 full accounting of the costs of operation, including start-up  
450 costs.

451 3. A sponsor shall by a majority vote approve or deny an  
452 application no later than 60 calendar days after the application  
453 is received, unless the sponsor and the applicant mutually agree  
454 in writing to temporarily postpone the vote to a specific date,  
455 at which time the sponsor shall by a majority vote approve or  
456 deny the application. If the sponsor fails to act on the  
457 application, an applicant may appeal to the State Board of  
458 Education as provided in paragraph (c). If an application is  
459 denied, the sponsor shall, within 10 calendar days after such  
460 denial, articulate in writing the specific reasons, based upon  
461 good cause, supporting its denial of the charter application and  
462 shall provide the letter of denial and supporting documentation  
463 to the applicant and to the Department of Education supporting  
464 those reasons.



602-05110-09

2009278c2

465 4. For budget projection purposes, the sponsor shall report  
466 to the Department of Education the approval or denial of a  
467 charter application within 10 calendar days after such approval  
468 or denial. In the event of approval, the report to the  
469 Department of Education shall include the final projected FTE  
470 for the approved charter school.

471 5. Upon approval of a charter application, the initial  
472 startup shall commence with the beginning of the public school  
473 calendar for the district in which the charter is granted unless  
474 the sponsor allows a waiver of this subparagraph ~~provision~~ for  
475 good cause.

476 (g)1. The Department of Education shall offer or arrange  
477 for training and technical assistance to charter school  
478 applicants in developing business plans and estimating costs and  
479 income. This assistance shall address estimating startup costs,  
480 projecting enrollment, and identifying the types and amounts of  
481 state and federal financial assistance the charter school may  
482 ~~will~~ be eligible to receive. The department may provide other  
483 technical assistance to an applicant upon written request.

484 2. A charter school applicant must participate in the  
485 training provided by the Department of Education before filing  
486 an application. However, a sponsor may require the charter  
487 school applicant to attend training provided by the sponsor in  
488 lieu of the department's training if the sponsor's training  
489 standards meet or exceed the standards developed by the  
490 Department of Education. The training shall include instruction  
491 in accurate financial planning and good business practices. If  
492 the applicant is a management company or other nonprofit  
493 organization, the charter school principal and the chief

602-05110-09

2009278c2

494 financial officer or his or her equivalent must also participate  
495 in the training.

496 (7) CHARTER.—The major issues involving the operation of a  
497 charter school shall be considered in advance and written into  
498 the charter. The charter shall be signed by the governing body  
499 of the charter school and the sponsor, following a public  
500 hearing to ensure community input.

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

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

505 2. The focus of the curriculum, the instructional methods  
506 to be used, any distinctive instructional techniques to be  
507 employed, and identification and acquisition of appropriate  
508 technologies needed to improve educational and administrative  
509 performance which include a means for promoting safe, ethical,  
510 and appropriate uses of technology which comply with legal and  
511 professional standards. The charter shall ensure that reading is  
512 a primary focus of the curriculum and that resources are  
513 provided to identify and provide specialized instruction for  
514 students who are reading below grade level. The curriculum and  
515 instructional strategies for reading must be consistent with the  
516 Sunshine State Standards and grounded in scientifically based  
517 reading research.

518 3. The current incoming baseline standard of student  
519 academic achievement, the outcomes to be achieved, and the  
520 method of measurement that will be used. The criteria listed in  
521 this subparagraph shall include a detailed description ~~for each~~  
522 ~~of the following:~~

602-05110-09

2009278c2

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

525 b. How these baseline rates will be compared to rates of  
526 academic progress achieved by these same students while  
527 attending the charter school.

528 c. To the extent possible, how these rates of progress will  
529 be evaluated and compared with rates of progress of other  
530 closely comparable student populations.

531

532 The district school board is required to provide academic  
533 student performance data to charter schools for each of their  
534 students coming from the district school system, as well as  
535 rates of academic progress of comparable student populations in  
536 the district school system.

537 4. The methods used to identify the educational strengths  
538 and needs of students and how well educational goals and  
539 performance standards are met by students attending the charter  
540 school. ~~Included in~~ The methods shall provide ~~is~~ a means for the  
541 charter school to ensure accountability to its constituents by  
542 analyzing student performance data and by evaluating the  
543 effectiveness and efficiency of its major educational programs.  
544 Students in charter schools shall, at a minimum, participate in  
545 the statewide assessment program created under s. 1008.22.

546 5. In secondary charter schools, a method for determining  
547 that a student has satisfied the requirements for graduation in  
548 s. 1003.43.

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

551 7. The admissions procedures and dismissal procedures,

602-05110-09

2009278c2

552 including the school's code of student conduct.

553 8. The ways by which the school will achieve a  
554 racial/ethnic balance reflective of the community it serves or  
555 within the racial/ethnic range of other public schools in the  
556 same school district.

557 9. The financial and administrative management of the  
558 school, including a reasonable demonstration of the professional  
559 experience or competence of those individuals or organizations  
560 applying to operate the charter school or those hired or  
561 retained to perform such professional services and the  
562 description of clearly delineated responsibilities and the  
563 policies and practices needed to effectively manage the charter  
564 school. A description of internal audit procedures and  
565 establishment of controls to ensure that financial resources are  
566 properly managed must be included. Both public sector and  
567 private sector professional experience shall be equally valid in  
568 such a consideration.

569 10. The asset and liability projections required in the  
570 application which are incorporated into the charter and ~~which~~  
571 shall be compared with information provided in the annual report  
572 of the charter school. ~~The charter shall ensure that, if a~~  
573 ~~charter school internal audit or annual financial audit reveals~~  
574 ~~a state of financial emergency as defined in s. 218.503 or~~  
575 ~~deficit financial position, the auditors are required to notify~~  
576 ~~the charter school governing board, the sponsor, and the~~  
577 ~~Department of Education. The internal auditor shall report such~~  
578 ~~findings in the form of an exit interview to the principal or~~  
579 ~~the principal administrator of the charter school and the chair~~  
580 ~~of the governing board within 7 working days after finding the~~

602-05110-09

2009278c2

581 ~~state of financial emergency or deficit position. A final report~~  
582 ~~shall be provided to the entire governing board, the sponsor,~~  
583 ~~and the Department of Education within 14 working days after the~~  
584 ~~exit interview. When a charter school is in a state of financial~~  
585 ~~emergency, the charter school shall file a detailed financial~~  
586 ~~recovery plan with the sponsor. The department, with the~~  
587 ~~involvement of both sponsors and charter schools, shall~~  
588 ~~establish guidelines for developing such plans.~~

589 11. A description of procedures that identify various risks  
590 and provide for a comprehensive approach to reduce the impact of  
591 losses; plans to ensure the safety and security of students and  
592 staff; plans to identify, minimize, and protect others from  
593 violent or disruptive student behavior; and the manner in which  
594 the school will be insured, including whether or not the school  
595 will be required to have liability insurance, and, if so, the  
596 terms and conditions thereof and the amounts of coverage.

597 12. The term of the charter which shall provide for  
598 cancellation of the charter if insufficient progress has been  
599 made in attaining the student achievement objectives of the  
600 charter and if it is not likely that such objectives can be  
601 achieved before expiration of the charter. The initial term of a  
602 charter shall be for 4 or 5 years. In order to facilitate access  
603 to long-term financial resources for charter school  
604 construction, charter schools that are operated by a  
605 municipality or other public entity as provided by law are  
606 eligible for up to a 15-year charter, subject to approval by the  
607 district school board. A charter lab school is eligible for a  
608 charter for a term of up to 15 years. In addition, to facilitate  
609 access to long-term financial resources for charter school

602-05110-09

2009278c2

610 construction, charter schools that are operated by a private,  
611 not-for-profit, s. 501(c)(3) status corporation are eligible for  
612 up to a 15-year charter, subject to approval by the district  
613 school board. Such long-term charters remain subject to annual  
614 review and may be terminated during the term of the charter, but  
615 only according to the provisions set forth in subsection (8).

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

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

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

623 16. A timetable for implementing the charter which  
624 addresses the implementation of each element thereof and the  
625 date by which the charter shall be awarded in order to meet this  
626 timetable.

627 17. In the case of an existing public school that is being  
628 converted to charter status, alternative arrangements for  
629 current students who choose not to attend the charter school and  
630 for current teachers who choose not to teach in the charter  
631 school after conversion in accordance with the existing  
632 collective bargaining agreement or district school board rule in  
633 the absence of a collective bargaining agreement. However,  
634 alternative arrangements shall not be required for current  
635 teachers who choose not to teach in a charter lab school, except  
636 as authorized by the employment policies of the state university  
637 which grants the charter to the lab school.

638 18. Full disclosure of the identity of all relatives

602-05110-09

2009278c2

639 employed by the charter school who are related to the charter  
640 school owner, president, chairperson of the governing board of  
641 directors, superintendent, governing board member, principal,  
642 assistant principal, or any other person employed by the charter  
643 school who has equivalent decisionmaking authority. For the  
644 purpose of this subparagraph, the term "relative" means father,  
645 mother, son, daughter, brother, sister, uncle, aunt, first  
646 cousin, nephew, niece, husband, wife, father-in-law, mother-in-  
647 law, son-in-law, daughter-in-law, brother-in-law, sister-in-law,  
648 stepfather, stepmother, stepson, stepdaughter, stepbrother,  
649 stepsister, half brother, or half sister.

650 (8) CAUSES FOR NONRENEWAL OR TERMINATION OF CHARTER.—

651 (d) A charter may be terminated immediately if the sponsor  
652 determines that good cause has been shown or if the health,  
653 safety, or welfare of the students is threatened. The sponsor's  
654 determination is not subject to an informal hearing under  
655 paragraph (b) or pursuant to chapter 120. The sponsor shall  
656 notify in writing the charter school's governing body, the  
657 charter school principal, and the department if a charter is  
658 immediately terminated. The sponsor shall clearly identify the  
659 specific issues that resulted in the immediate termination and  
660 provide evidence of prior notification of issues resulting in  
661 the immediate termination when appropriate. The school district  
662 in which the charter school is located shall assume operation of  
663 the school under these circumstances. The charter school's  
664 governing board may, within 30 days after receiving the  
665 sponsor's decision to terminate the charter, appeal the decision  
666 pursuant to the procedure established in subsection (6).

667 (9) CHARTER SCHOOL REQUIREMENTS.—

602-05110-09

2009278c2

668 ~~(g) A charter school shall provide for an annual financial~~  
669 ~~audit in accordance with s. 218.39. Financial audits that reveal~~  
670 ~~a state of financial emergency as defined in s. 218.503 and are~~  
671 ~~conducted by a certified public accountant or auditor in~~  
672 ~~accordance with s. 218.39 shall be provided to the governing~~  
673 ~~body of the charter school within 7 working days after finding~~  
674 ~~that a state of financial emergency exists. When a charter~~  
675 ~~school is found to be in a state of financial emergency by a~~  
676 ~~certified public accountant or auditor, the charter school must~~  
677 ~~file a detailed financial recovery plan with the sponsor within~~  
678 ~~30 days after receipt of the audit.~~

679 ~~(g)(h)~~ In order to provide financial information that is  
680 comparable to that reported for other public schools, charter  
681 schools are to maintain all financial records that ~~which~~  
682 constitute their accounting system:

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

687 2. At the discretion of the charter school governing board,  
688 a charter school may elect to follow generally accepted  
689 accounting standards for not-for-profit organizations, but must  
690 reformat this information for reporting according to this  
691 paragraph.

692

693 Charter schools shall provide annual financial report and  
694 program cost report information in the state-required formats  
695 for inclusion in district reporting in compliance with s.  
696 1011.60(1). Charter schools that are operated by a municipality



602-05110-09

2009278c2

697 or are a component unit of a parent nonprofit organization may  
698 use the accounting system of the municipality or the parent but  
699 must reformat this information for reporting according to this  
700 paragraph. A charter school shall provide a monthly financial  
701 statement to the sponsor. The monthly financial statement shall  
702 be in a form prescribed by the Department of Education.

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

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

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

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

713 2. Reviewing and approving the audit report, including  
714 audit findings and recommendations for the financial recovery  
715 plan.

716 3.a. Performing the duties in s. 1002.345, including  
717 monitoring a corrective action plan.

718 b. Monitoring a financial recovery plan in order to ensure  
719 compliance.

720 4. Participating in governance training approved by the  
721 department which ~~that~~ must include government in the sunshine,  
722 conflicts of interest, ethics, and financial responsibility.

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

602-05110-09

2009278c2

726 other annual school accountability reports. The Department of  
727 Education shall develop a uniform, online annual accountability  
728 report to be completed by charter schools. This report shall be  
729 easy to utilize and contain demographic information, student  
730 performance data, and financial accountability information. A  
731 charter school shall not be required to provide information and  
732 data that is duplicative and already in the possession of the  
733 department. The Department of Education shall include in its  
734 compilation a notation if a school failed to file its report by  
735 the deadline established by the department. The report shall  
736 include at least the following components:

737 1. Student achievement performance data, including the  
738 information required for the annual school report and the  
739 education accountability system governed by ss. 1008.31 and  
740 1008.345. Charter schools are subject to the same accountability  
741 requirements as other public schools, including reports of  
742 student achievement information that links baseline student data  
743 to the school's performance projections identified in the  
744 charter. The charter school shall identify reasons for any  
745 difference between projected and actual student performance.

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

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

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

602-05110-09

2009278c2

755 employees, the proportion of instructional personnel who hold  
756 professional or temporary certificates, and the proportion of  
757 instructional personnel teaching in-field or out-of-field.

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

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

763 (n)~~(o)~~ The director and a representative of the governing  
764 body of a charter school that has received a school grade of "D"  
765 under s. 1008.34(2) shall appear before the sponsor or the  
766 sponsor's staff at least once a year to present information  
767 concerning each contract component having noted deficiencies.  
768 The sponsor shall communicate at the meeting, and in writing to  
769 the director, the services provided to the school to help the  
770 school address its deficiencies.

771 (o)~~(p)~~ Upon notification that a charter school receives a  
772 school grade of "D" for 2 consecutive years or a school grade of  
773 "F" under s. 1008.34(2), the charter school sponsor or the  
774 sponsor's staff shall require the director and a representative  
775 of the governing body to submit to the sponsor for approval a  
776 school improvement plan to raise student achievement and to  
777 implement the plan. The sponsor has the authority to approve a  
778 school improvement plan that the charter school will implement  
779 in the following school year. The sponsor may also consider the  
780 State Board of Education's recommended action pursuant to s.  
781 1008.33(1) as part of the school improvement plan. The  
782 Department of Education shall offer technical assistance and  
783 training to the charter school and its governing body and

602-05110-09

2009278c2

784 establish guidelines for developing, submitting, and approving  
785 such plans.

786 1. If the charter school fails to improve its student  
787 performance from the year immediately prior to the  
788 implementation of the school improvement plan, the sponsor shall  
789 place the charter school on probation and shall require the  
790 charter school governing body to take one of the following  
791 corrective actions:

792 a. Contract for the educational services of the charter  
793 school;

794 b. Reorganize the school at the end of the school year  
795 under a new director or principal who is authorized to hire new  
796 staff and implement a plan that addresses the causes of  
797 inadequate progress; or

798 c. Reconstitute the charter school.

799 2. A charter school that is placed on probation shall  
800 continue the corrective actions required under subparagraph 1.  
801 until the charter school improves its student performance from  
802 the year prior to the implementation of the school improvement  
803 plan.

804 3. Notwithstanding any provision of this paragraph, the  
805 sponsor may terminate the charter at any time pursuant to ~~the~~  
806 ~~provisions of~~ subsection (8).

807 (p) ~~(q)~~ The director and a representative of the governing  
808 body of a graded charter school that has submitted a school  
809 improvement plan or has been placed on probation under paragraph  
810 (o) ~~(p)~~ shall appear before the sponsor or the sponsor's staff  
811 at least once a year to present information regarding the  
812 corrective strategies that are being implemented by the school

602-05110-09

2009278c2

813 pursuant to the school improvement plan. The sponsor shall  
814 communicate at the meeting, and in writing to the director, the  
815 services provided to the school to help the school address its  
816 deficiencies.

817 (21) PUBLIC INFORMATION ON CHARTER SCHOOLS.—

818 (a) The Department of Education shall provide information  
819 to the public, directly and through sponsors, ~~both~~ on how to  
820 form and operate a charter school and ~~on~~ how to enroll in a  
821 charter school ~~schools~~ once it is ~~they are~~ created. This  
822 information shall include a standard application format, charter  
823 format, evaluation instrument, and charter renewal format, which  
824 shall include the information specified in subsection (7) and  
825 shall be developed by consulting and negotiating with both  
826 school districts and charter schools before implementation. The  
827 charter and charter renewal ~~These~~ formats shall be used ~~as~~  
828 ~~guidelines~~ by charter school sponsors.

829 (b)1. The Department of Education shall report student  
830 assessment data pursuant to s. 1008.34(3)(c) which is reported  
831 to schools that receive a school grade or student assessment  
832 data pursuant to s. 1008.341(3) which is reported to alternative  
833 schools that receive a school improvement rating to each charter  
834 school that:

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

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

839 2. The charter school shall report the information in  
840 subparagraph 1. to each parent of a student at the charter  
841 school, the parent of a child on a waiting list for the charter

602-05110-09

2009278c2

842 school, the district in which the charter school is located, and  
843 the governing board of the charter school. This paragraph does  
844 not abrogate the provisions of s. 1002.22, relating to student  
845 records, or the requirements of 20 U.S.C. s. 1232g, the Family  
846 Educational Rights and Privacy Act.

847 3.a. Pursuant to this paragraph, the Department of  
848 Education shall compare the charter school student performance  
849 data for each charter school in subparagraph 1. with the student  
850 performance data in traditional public schools in the district  
851 in which the charter school is located and other charter schools  
852 in the state. For alternative charter schools, the department  
853 shall compare the student performance data described in this  
854 paragraph with all alternative schools in the state. The  
855 comparative data shall be provided by the following grade  
856 groupings:

857 (I) Grades 3 through 5;  
858 (II) Grades 6 through 8; and  
859 (III) Grades 9 through 11.

860 b. Each charter school shall provide the information  
861 specified in this paragraph on its Internet website and also  
862 provide notice to the public at large in a manner provided by  
863 the rules of the State Board of Education. The State Board of  
864 Education shall adopt rules to administer the notice  
865 requirements of this subparagraph pursuant to ss. 120.536(1) and  
866 120.54. The website shall include, through links or actual  
867 content, other information related to school performance.

868 (23) ANALYSIS OF CHARTER SCHOOL PERFORMANCE.—Upon receipt  
869 of the annual report required by paragraph (9) (k) ~~(9) (1)~~, the  
870 Department of Education shall provide to the State Board of

602-05110-09

2009278c2

871 Education, the Commissioner of Education, the Governor, the  
872 President of the Senate, and the Speaker of the House of  
873 Representatives an analysis and comparison of the overall  
874 performance of charter school students, to include all students  
875 whose scores are counted as part of the statewide assessment  
876 program, versus comparable public school students in the  
877 district as determined by the statewide assessment program  
878 currently administered in the school district, and other  
879 assessments administered pursuant to s. 1008.22(3).

880 (24) RESTRICTION ON EMPLOYMENT OF RELATIVES.—

881 (a) This subsection applies to charter school personnel in  
882 a charter school operated by a private entity. As used in this  
883 subsection, the term:

884 1. "Charter school personnel" means a charter school owner,  
885 president, chairperson of the governing board of directors,  
886 superintendent, governing board member, principal, assistant  
887 principal, or any other person employed by the charter school  
888 who has equivalent decisionmaking authority and in whom is  
889 vested the authority, or to whom the authority has been  
890 delegated, to appoint, employ, promote, or advance individuals  
891 or to recommend individuals for appointment, employment,  
892 promotion, or advancement in connection with employment in a  
893 charter school, including the authority as a member of a  
894 governing body of a charter school to vote on the appointment,  
895 employment, promotion, or advancement of individuals.

896 2. "Relative" means father, mother, son, daughter, brother,  
897 sister, uncle, aunt, first cousin, nephew, niece, husband, wife,  
898 father-in-law, mother-in-law, son-in-law, daughter-in-law,  
899 brother-in-law, sister-in-law, stepfather, stepmother, stepson,

602-05110-09

2009278c2

900 stepdaughter, stepbrother, stepsister, half brother, or half  
901 sister.

902 (b) Charter school personnel may not appoint, employ,  
903 promote, or advance, or advocate for appointment, employment,  
904 promotion, or advancement, in or to a position in the charter  
905 school in which the personnel are serving or over which the  
906 personnel exercises jurisdiction or control any individual who  
907 is a relative. An individual may not be appointed, employed,  
908 promoted, or advanced in or to a position in a charter school if  
909 such appointment, employment, promotion, or advancement has been  
910 advocated by charter school personnel who serve in or exercise  
911 jurisdiction or control over the charter school and who is a  
912 relative of the individual or if such appointment, employment,  
913 promotion, or advancement is made by the governing board of  
914 which a relative of the individual is a member.

915 (c) The approval of budgets does not constitute  
916 "jurisdiction or control" for the purposes of this subsection.

917  
918 Charter school personnel in schools operated by a municipality  
919 or other public entity are subject to s. 112.3135.

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

921 (a) A member of a governing board of a charter school,  
922 including a charter school operated by a private entity, is  
923 subject to ss. 112.313(2), (3), (7), and (12) and 112.3143(3).

924 (b) A member of a governing board of a charter school  
925 operated by a municipality or other public entity is subject to  
926 s. 112.3144, which relates to the disclosure of financial  
927 interests.

928 Section 8. Subsections (4) and (5), paragraphs (d) and (f)



602-05110-09

2009278c2

929 of subsection (6), paragraph (c) of subsection (10), paragraph  
930 (f) of subsection (11), and subsection (13) of section 1002.34,  
931 Florida Statutes, are amended to read:

932 1002.34 Charter technical career centers.—

933 (4) CHARTER.—A sponsor may designate centers as provided in  
934 this section. An application to establish a center may be  
935 submitted by a sponsor or another organization that is  
936 determined, by rule of the State Board of Education, to be  
937 appropriate. However, an independent school is not eligible for  
938 status as a center. The charter must be signed by the governing  
939 body of the center and the sponsor, and must be approved by the  
940 district school board and community college board of trustees in  
941 whose geographic region the facility is located. If a charter  
942 technical career center is established by the conversion to  
943 charter status of a public technical center formerly governed by  
944 a district school board, the charter status of that center takes  
945 precedence in any question of governance. The governance of the  
946 center or of any program within the center remains with its  
947 board of directors unless the board agrees to a change in  
948 governance or its charter is revoked as provided in subsection  
949 (15). Such a conversion charter technical career center is not  
950 affected by a change in the governance of public technical  
951 centers or of programs within other centers that are or have  
952 been governed by district school boards. A charter technical  
953 career center, or any program within such a center, that was  
954 governed by a district school board and transferred to a  
955 community college prior to the effective date of this act is not  
956 affected by this provision. An applicant who wishes to establish  
957 a center must submit to the district school board or community

602-05110-09

2009278c2

958 college board of trustees, or a consortium of one or more of  
959 each, an application on a form developed by the Department of  
960 Education which ~~that~~ includes:

961 (a) The name of the proposed center.

962 (b) The proposed structure of the center, including a list  
963 of proposed members of the board of directors or a description  
964 of the qualifications for and method of their appointment or  
965 election.

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

969 (d) The admissions policy and criteria for evaluating the  
970 admission of students.

971 (e) A description of the staff responsibilities and the  
972 proposed qualifications of the teaching staff.

973 (f) A description of the procedures to be implemented to  
974 ensure significant involvement of representatives of business  
975 and industry in the operation of the center.

976 (g) A method for determining whether a student has  
977 satisfied the requirements for graduation specified in s.  
978 1003.43 and for completion of a postsecondary certificate or  
979 degree.

980 (h) A method for granting secondary and postsecondary  
981 diplomas, certificates, and degrees.

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

984 (j) A method for ~~of~~ resolving conflicts between the  
985 governing body of the center and the sponsor and between  
986 consortium members, if applicable.

602-05110-09

2009278c2

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

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

991 (m) The identity of all relatives employed by the charter  
992 technical career center who are related to the center owner,  
993 president, chairperson of the governing board of directors,  
994 superintendent, governing board member, principal, assistant  
995 principal, or any other person employed by the center who has  
996 equivalent decisionmaking authority. As used in this paragraph,  
997 the term "relative" means father, mother, son, daughter,  
998 brother, sister, uncle, aunt, first cousin, nephew, niece,  
999 husband, wife, father-in-law, mother-in-law, son-in-law,  
1000 daughter-in-law, brother-in-law, sister-in-law, stepfather,  
1001 stepmother, stepson, stepdaughter, stepbrother, stepsister, half  
1002 brother, or half sister.

1003 (m)~~(l)~~ Other information required by the district school  
1004 board or community college board of trustees.

1005  
1006 Students at a center must meet the same testing and academic  
1007 performance standards as those established by law and rule for  
1008 students at public schools and public technical centers. The  
1009 students must also meet any additional assessment indicators  
1010 that are included within the charter approved by the district  
1011 school board or community college board of trustees.

1012 (5) APPLICATION.—An application to establish a center must  
1013 be submitted by February 1 of the year preceding the school year  
1014 in which the center will begin operation. The sponsor must  
1015 review the application using an evaluation instrument developed

602-05110-09

2009278c2

1016 by the Department of Education and make a final decision on  
1017 whether to approve the application and grant the charter by  
1018 March 1, and may condition the granting of a charter on the  
1019 center's taking certain actions or maintaining certain  
1020 conditions. Such actions and conditions must be provided to the  
1021 applicant in writing. The district school board or community  
1022 college board of trustees is not required to issue a charter to  
1023 any person.

1024 (6) SPONSOR.—A district school board or community college  
1025 board of trustees or a consortium of one or more of each may  
1026 sponsor a center in the county in which the board has  
1027 jurisdiction.

1028 (d) 1. The Department of Education shall offer or arrange  
1029 for training and technical assistance to applicants in  
1030 developing business plans and estimating costs and income. This  
1031 assistance shall address estimating startup costs, projecting  
1032 enrollment, and identifying the types and amounts of state and  
1033 federal financial assistance the center may be eligible to  
1034 receive. The training shall include instruction in accurate  
1035 financial planning and good business practices.

1036 2. An applicant must participate in the training provided  
1037 by the Department of Education before filing an application. The  
1038 Department of Education may provide technical assistance to an  
1039 applicant upon written request.

1040 (f) The sponsor shall monitor and review the center's  
1041 progress toward charter goals and shall monitor the center's  
1042 revenues and expenditures. The sponsor shall perform the duties  
1043 provided in s. 1002.345.

1044 (10) EXEMPTION FROM STATUTES.—

602-05110-09

2009278c2

1045 (c) A center must comply with the antidiscrimination  
1046 provisions ~~in~~ of s. 1000.05 and the provisions in s. 1002.33(24)  
1047 which relate to the employment of relatives.

1048 (11) FUNDING.—

1049 (f) A center shall provide for an annual financial audit in  
1050 accordance with s. 218.39. A center shall provide a monthly  
1051 financial statement to the sponsor. The monthly financial  
1052 statement shall be in a form prescribed by the Department of  
1053 Education.

1054 (13) BOARD OF DIRECTORS AUTHORITY.—The board of directors  
1055 of a center may decide matters relating to the operation of the  
1056 school, including budgeting, curriculum, and operating  
1057 procedures, subject to the center's charter. The board of  
1058 directors is responsible for performing the duties provided in  
1059 s. 1002.345, including monitoring the corrective action plan.  
1060 The board of directors must comply with s. 1002.33(25).

1061 Section 9. Section 1002.345, Florida Statutes, is created  
1062 to read:

1063 1002.345 Determination of deteriorating financial  
1064 conditions and financial emergencies for charter schools and  
1065 charter technical career centers.—This section applies to  
1066 charter schools operating pursuant to s. 1002.33 and to charter  
1067 technical career centers operating pursuant to s. 1002.34.

1068 (1) EXPEDITED REVIEW; REQUIREMENTS.—

1069 (a) A charter school or a charter technical career center  
1070 is subject to an expedited review by the sponsor if one of the  
1071 following occurs:

- 1072 1. Failure to provide for an audit required by s. 218.39.
- 1073 2. Failure to comply with reporting requirements pursuant

602-05110-09

2009278c2

1074 to s. 1002.33(9) or s. 1002.34(11)(f) or (14).

1075 3. A deteriorating financial condition identified through  
1076 an annual audit pursuant to s. 218.39(5) or a monthly financial  
1077 statement pursuant to s. 1002.33(9)(g) or s. 1002.34(11)(f).  
1078 "Deteriorating financial condition" means a circumstance that  
1079 significantly impairs the ability of a charter school or a  
1080 charter technical career center to generate enough revenues to  
1081 meet its expenditures without causing the occurrence of a  
1082 condition described in s. 218.503(1).

1083 4. Notification pursuant to s. 218.503(2) that one or more  
1084 of the conditions specified in s. 218.503(1) have occurred or  
1085 will occur if action is not taken to assist the charter school  
1086 or charter technical career center.

1087 (b) A sponsor shall notify the governing board within 7  
1088 business days after one or more of the conditions specified in  
1089 paragraph (a) occur.

1090 (c) The governing board and the sponsor shall develop a  
1091 corrective action plan and file the plan with the Commissioner  
1092 of Education within 30 business days after notification is  
1093 received as provided in paragraph (b). If the governing board  
1094 and the sponsor are unable to agree on a corrective action plan,  
1095 the Commissioner of Education shall determine the components of  
1096 the plan. The governing board shall implement such plan.

1097 (d) The governing board shall include the corrective action  
1098 plan and the status of its implementation in the annual progress  
1099 report to the sponsor which is required pursuant to s.  
1100 1002.33(9)(k) or s. 1002.34(14).

1101 (e) If the governing board fails to implement the  
1102 corrective action plan within 1 year after one or more of the

602-05110-09

2009278c2

1103 conditions specified in paragraph (a) occur, the State Board of  
1104 Education shall prescribe any steps necessary for the charter  
1105 school or the charter technical career center to comply with  
1106 state requirements.

1107 (f) The chair of the governing board shall annually appear  
1108 before the State Board of Education and report on the  
1109 implementation of the State Board of Education's requirements  
1110 referenced in paragraph (e).

1111 (2) FINANCIAL EMERGENCY; REQUIREMENTS.—

1112 (a)1. If a financial audit conducted by a certified public  
1113 accountant in accordance with s. 218.39 reveals that one or more  
1114 of the conditions in s. 218.503(1) have occurred or will occur  
1115 if action is not taken to assist the charter school or charter  
1116 technical career center, the auditor shall notify the governing  
1117 board of the charter school or charter technical career center,  
1118 as appropriate, the sponsor, and the Commissioner of Education  
1119 within 7 business days after the finding is made.

1120 2. If the charter school or charter technical career center  
1121 is found to be in a state of financial emergency pursuant to s.  
1122 218.503(4), the charter school or charter technical career  
1123 center shall file a financial recovery plan pursuant to s.  
1124 218.503 with the sponsor and the Commissioner of Education  
1125 within 30 days after being notified by the Commissioner of  
1126 Education that a financial recovery plan is needed.

1127 (b) The governing board shall include the financial  
1128 recovery plan and the status of its implementation in the annual  
1129 progress report to the sponsor which is required under s.  
1130 1002.33(9)(k) or s. 1002.34(14).

1131 (3) REPORT.—The Commissioner of Education shall annually

602-05110-09

2009278c2

1132 report to the State Board of Education each charter school and  
1133 charter technical career center that is subject to a financial  
1134 recovery plan or a corrective action plan under this section.

1135 (4) RULES.—The State Board of Education shall adopt rules  
1136 pursuant to ss. 120.536(1) and 120.54 for developing financial  
1137 recovery and corrective action plans, defining a deteriorating  
1138 financial condition pursuant to subparagraph (1)(a)3., and  
1139 establishing procedures for determining a deteriorating  
1140 financial condition pursuant to subparagraph (1)(a)3. and s.  
1141 218.39(5). In adopting the rules, the State Board of Education  
1142 may obtain technical assistance from the Auditor General.

1143 (5) TECHNICAL ASSISTANCE.—The Department of Education shall  
1144 provide technical assistance to charter schools, charter  
1145 technical career centers, governing boards, and sponsors in  
1146 developing financial recovery and corrective action plans.

1147 (6) FAILURE TO CORRECT DEFICIENCIES.—The sponsor may decide  
1148 not to renew or may terminate a charter if the charter school or  
1149 charter technical career center fails to correct the  
1150 deficiencies noted in the corrective action plan within 1 year  
1151 after being notified of the deficiencies or exhibits one or more  
1152 financial emergency conditions specified in s. 218.503 for 2  
1153 consecutive years. This subsection does not affect a sponsor's  
1154 authority to terminate or not renew a charter pursuant to s.  
1155 1002.33(8).

1156 Section 10. This act shall take effect July 1, 2009.