

2009278e1

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 that good cause for allowing an
26 interdistrict transfer includes, but is not limited
27 to, geographic proximity to a charter school;
28 providing for charter schools to be included in
29 requests for federal stimulus funds and federal

2009278e1

30 competitive grants; revising provisions relating to
31 certain administrative and educational services
32 provided by sponsors to charter schools; providing for
33 the disclosure of the performance of a charter school
34 that is not given a school grade or school improvement
35 rating; revising the requirements for providing
36 certain information to the public; providing reporting
37 requirements; providing restrictions for the
38 employment of relatives by charter school personnel;
39 providing that members of a charter school governing
40 board are subject to certain standards of conduct
41 specified in ss. 112.313 and 112.3143, F.S.; requiring
42 that the State Board of Education adopt rules to
43 implement a charter model application form, evaluation
44 instrument, and charter and charter renewal formats;
45 amending s. 1002.34, F.S.; providing additional duties
46 for charter technical career centers, applicants,
47 sponsors, and governing boards; requiring the
48 Department of Education to offer or arrange training
49 and assistance to applicants for a charter technical
50 career center; requiring that an applicant participate
51 in the training; requiring that the State Board of
52 Education adopt rules to implement a charter model
53 application form and an evaluation instrument relating
54 to charter technical career centers; creating s.
55 1002.345, F.S.; establishing criteria and requirements
56 for charter schools and charter technical career
57 centers that have a deteriorating financial condition
58 or are in a state of financial emergency; establishing

2009278e1

59 requirements for charter schools, charter technical
60 career centers, governing bodies, and sponsors;
61 providing for corrective action and financial recovery
62 plans; providing for duties of auditors, the
63 Commissioner of Education, and the Department of
64 Education; requiring the State Board of Education to
65 adopt rules; providing grounds for termination or
66 nonrenewal of a charter; providing an effective date.

67
68 Be It Enacted by the Legislature of the State of Florida:

69
70 Section 1. Paragraph (e) of subsection (7) and subsection
71 (8) of section 11.45, Florida Statutes, are amended to read:

72 11.45 Definitions; duties; authorities; reports; rules.—

73 (7) AUDITOR GENERAL REPORTING REQUIREMENTS.—

74 (e) The Auditor General shall notify the Governor or the
75 Commissioner of Education, as appropriate, and the Legislative
76 Auditing Committee of any audit report reviewed by the Auditor
77 General pursuant to paragraph (b) which contains a statement
78 that a local governmental entity, charter school, charter
79 technical career center, or district school board has met one or
80 more of the conditions specified in s. 218.503. If the Auditor
81 General requests a clarification regarding information included
82 in an audit report to determine whether a local governmental
83 entity, charter school, charter technical career center, or
84 district school board has met one or more of the conditions
85 specified in s. 218.503, the requested clarification must be
86 provided within 45 days after the date of the request. If the
87 local governmental entity, charter school, charter technical

2009278e1

88 career center, or district school board does not comply with the
89 Auditor General's request, the Auditor General shall notify the
90 Legislative Auditing Committee. If, after obtaining the
91 requested clarification, the Auditor General determines that the
92 local governmental entity, charter school, charter technical
93 career center, or district school board has met one or more of
94 the conditions specified in s. 218.503, he or she shall notify
95 the Governor or the Commissioner of Education, as appropriate,
96 and the Legislative Auditing Committee.

97 (8) RULES OF THE AUDITOR GENERAL.—The Auditor General, in
98 consultation with the Board of Accountancy, shall adopt rules
99 for the form and conduct of all financial audits performed by
100 independent certified public accountants pursuant to ss.
101 215.981, 218.39, 1001.453, 1004.28, and 1004.70. The rules for
102 audits of local governmental entities, charter schools, charter
103 technical career centers, and district school boards must
104 include, but are not limited to, requirements for the reporting
105 of information necessary to carry out the purposes of the Local
106 Governmental Entity, Charter School, Charter Technical Career
107 Center, and District School Board Financial Emergencies Act as
108 stated in s. 218.501.

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

111 218.39 Annual financial audit reports.—

112 (5) At the conclusion of the audit, the auditor shall
113 discuss with the chair of each local governmental entity or the
114 chair's designee, or with the elected official of each county
115 agency or with the elected official's designee, or with the
116 chair of the district school board or the chair's designee, or

2009278e1

117 with the chair of the board of the charter school or the chair's
118 designee, or with the chair of the charter technical career
119 center or the chair's designee, as appropriate, all of the
120 auditor's comments that will be included in the audit report. If
121 the officer is not available to discuss the auditor's comments,
122 their discussion is presumed when the comments are delivered in
123 writing to his or her office. The auditor shall notify each
124 member of the governing body of a local governmental entity,
125 district school board, ~~or~~ charter school, or charter technical
126 career center for which deteriorating financial conditions exist
127 that may cause a condition described in s. 218.503(1) to occur
128 if actions are not taken to address such conditions.

129 Section 3. Section 218.50, Florida Statutes, is amended to
130 read:

131 218.50 Short title.—Sections 218.50–218.504 may be cited as
132 the "Local Governmental Entity, Charter School, Charter
133 Technical Career Center, and District School Board Financial
134 Emergencies Act."

135 Section 4. Section 218.501, Florida Statutes, is amended to
136 read:

137 218.501 Purposes.—The purposes of ss. 218.50–218.504 are:

138 (1) To promote the fiscal responsibility of local
139 governmental entities, charter schools, charter technical career
140 centers, and district school boards.

141 (2) To assist local governmental entities, charter schools,
142 charter technical career centers, and district school boards in
143 providing essential services without interruption and in meeting
144 their financial obligations.

145 (3) To assist local governmental entities, charter schools,

2009278e1

146 charter technical career centers, and district school boards
147 through the improvement of local financial management
148 procedures.

149 Section 5. Subsections (1), (2), (3), and (4) of section
150 218.503, Florida Statutes, are amended to read:

151 218.503 Determination of financial emergency.—

152 (1) Local governmental entities, charter schools, charter
153 technical career centers, and district school boards shall be
154 subject to review and oversight by the Governor, the charter
155 school sponsor, the charter technical career center sponsor, or
156 the Commissioner of Education, as appropriate, when any one of
157 the following conditions occurs:

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

162 (b) Failure to pay uncontested claims from creditors within
163 90 days after the claim is presented, as a result of a lack of
164 funds.

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

- 167 1. Taxes withheld on the income of employees; or
168 2. Employer and employee contributions for:
169 a. Federal social security; or
170 b. Any pension, retirement, or benefit plan of an employee.

171 (d) Failure for one pay period to pay, due to lack of
172 funds:

- 173 1. Wages and salaries owed to employees; or
174 2. Retirement benefits owed to former employees.

2009278e1

175 (e) An unreserved or total fund balance or retained
176 earnings deficit, or unrestricted or total net assets deficit,
177 as reported on the balance sheet or statement of net assets on
178 the general purpose or fund financial statements, for which
179 sufficient resources of the local governmental entity, charter
180 school, charter technical career center, or district school
181 board, as reported on the balance sheet or statement of net
182 assets on the general purpose or fund financial statements, are
183 not available to cover the deficit. Resources available to cover
184 reported deficits include net assets that are not otherwise
185 restricted by federal, state, or local laws, bond covenants,
186 contractual agreements, or other legal constraints. Fixed or
187 capital assets, the disposal of which would impair the ability
188 of a local governmental entity, charter school, charter
189 technical career center, or district school board to carry out
190 its functions, are not considered resources available to cover
191 reported deficits.

192 (2) A local governmental entity shall notify the Governor
193 and the Legislative Auditing Committee, a charter school shall
194 notify the charter school sponsor, the Commissioner of
195 Education, and the Legislative Auditing Committee, a charter
196 technical career center shall notify the charter technical
197 career center sponsor, the Commissioner of Education, and the
198 Legislative Auditing Committee, and a district school board
199 shall notify the Commissioner of Education and the Legislative
200 Auditing Committee, when one or more of the conditions specified
201 in subsection (1) have occurred or will occur if action is not
202 taken to assist the local governmental entity, charter school,
203 charter technical career center, or district school board. In

2009278e1

204 addition, any state agency must, within 30 days after a
205 determination that one or more of the conditions specified in
206 subsection (1) have occurred or will occur if action is not
207 taken to assist the local governmental entity, charter school,
208 charter technical career center, or district school board,
209 notify the Governor, charter school sponsor, charter technical
210 career center sponsor, or the Commissioner of Education, as
211 appropriate, and the Legislative Auditing Committee.

212 (3) Upon notification that one or more of the conditions in
213 subsection (1) have occurred or will occur if action is not
214 taken to assist the local governmental entity or district school
215 board exist, the Governor or his or her designee shall contact
216 the local governmental entity or the Commissioner of Education
217 or his or her designee shall contact the district school board
218 to determine what actions have been taken by the local
219 governmental entity or the district school board to resolve or
220 prevent the condition. The Governor or the Commissioner of
221 Education, as appropriate, shall determine whether the local
222 governmental entity or the district school board needs state
223 assistance to resolve or prevent the condition. If state
224 assistance is needed, the local governmental entity or district
225 school board is considered to be in a state of financial
226 emergency. The Governor or the Commissioner of Education, as
227 appropriate, has the authority to implement measures as set
228 forth in ss. 218.50-218.504 to assist the local governmental
229 entity or district school board in resolving the financial
230 emergency. Such measures may include, but are not limited to:

231 (a) Requiring approval of the local governmental entity's
232 budget by the Governor or approval of the district school

2009278e1

233 board's budget by the Commissioner of Education.

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

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

240 (d) Making such inspections and reviews of records,
241 information, reports, and assets of the local governmental
242 entity or district school board. The appropriate local officials
243 shall cooperate in such inspections and reviews.

244 (e) Consulting with officials and auditors of the local
245 governmental entity or the district school board and the
246 appropriate state officials regarding any steps necessary to
247 bring the books of account, accounting systems, financial
248 procedures, and reports into compliance with state requirements.

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

251 (g)1. Establishing a financial emergency board to oversee
252 the activities of the local governmental entity or the district
253 school board. If a financial emergency board is established for
254 a local governmental entity, the Governor shall appoint board
255 members and select a chair. If a financial emergency board is
256 established for a district school board, the State Board of
257 Education shall appoint board members and select a chair. The
258 financial emergency board shall adopt such rules as are
259 necessary for conducting board business. The board may:

260 a. Make such reviews of records, reports, and assets of the
261 local governmental entity or the district school board as are

2009278e1

262 needed.

263 b. Consult with officials and auditors of the local
264 governmental entity or the district school board and the
265 appropriate state officials regarding any steps necessary to
266 bring the books of account, accounting systems, financial
267 procedures, and reports of the local governmental entity or the
268 district school board into compliance with state requirements.

269 c. Review the operations, management, efficiency,
270 productivity, and financing of functions and operations of the
271 local governmental entity or the district school board.

272 2. The recommendations and reports made by the financial
273 emergency board must be submitted to the Governor for local
274 governmental entities or to the Commissioner of Education and
275 the State Board of Education for district school boards for
276 appropriate action.

277 (h) Requiring and approving a plan, to be prepared by
278 officials of the local governmental entity or the district
279 school board in consultation with the appropriate state
280 officials, prescribing actions that will cause the local
281 governmental entity or district school board to no longer be
282 subject to this section. The plan must include, but need not be
283 limited to:

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

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

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

2009278e1

291 (4) (a) Upon notification that one or more of the conditions
292 in subsection (1) have occurred or will occur if action is not
293 taken to assist the charter school ~~exist~~, the charter school
294 sponsor or the sponsor's designee and the Commissioner of
295 Education shall contact the charter school governing body to
296 determine what actions have been taken by the charter school
297 governing body to resolve or prevent the condition. The
298 Commissioner of Education ~~charter school sponsor~~ has the
299 authority to require and approve a financial recovery plan, to
300 be prepared by the charter school governing body, prescribing
301 actions that will resolve or prevent the condition ~~cause the~~
302 ~~charter school to no longer be subject to this section.~~ The
303 ~~Department of Education shall establish guidelines for~~
304 ~~developing such plans.~~

305 (b) Upon notification that one or more of the conditions in
306 subsection (1) have occurred or will occur if action is not
307 taken to assist the charter technical career center, the charter
308 technical career center sponsor or the sponsor's designee and
309 the Commissioner of Education shall contact the charter
310 technical career center governing body to determine what actions
311 have been taken by the governing body to resolve or prevent the
312 condition. The Commissioner of Education may require and approve
313 a financial recovery plan, to be prepared by the charter
314 technical career center governing body, prescribing actions that
315 will resolve or prevent the condition.

316 (c) The Commissioner of Education shall determine if the
317 charter school or charter technical career center needs a
318 financial recovery plan to resolve the condition. If the
319 Commissioner of Education determines that a financial recovery

2009278e1

320 plan is needed, the charter school or charter technical career
321 center is considered to be in a state of financial emergency.

322
323 The Department of Education, with the involvement of sponsors,
324 charter schools, and charter technical career centers, shall
325 establish guidelines for developing a financial recovery plan.

326 Section 6. Section 218.504, Florida Statutes, is amended to
327 read:

328 218.504 Cessation of state action.—The Governor or the
329 Commissioner of Education, as appropriate, has the authority to
330 terminate all state actions pursuant to ss. 218.50-218.504.
331 Cessation of state action must not occur until the Governor or
332 the Commissioner of Education, as appropriate, has determined
333 that:

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

336 (a) Has established and is operating an effective financial
337 accounting and reporting system.

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

339 (2) None of the conditions outlined in s. 218.503(1)
340 exists.

341 Section 7. Paragraph (b) of subsection (5), paragraphs (a),
342 (b), and (g) of subsection (6), paragraph (a) of subsection (7),
343 paragraph (d) of subsection (8), paragraphs (g) through (q) of
344 subsection (9), paragraph (a) of subsection (10), present
345 paragraph (d) of subsection (17) is redesignated as paragraph
346 (e) and a new paragraph (d) is added to that subsection,
347 paragraph (a) of subsection (20), and subsections (21) and (23)
348 of section 1002.33, Florida Statutes, are amended, present

2009278e1

349 subsection (24) of that section is redesignated as subsection
350 (26) and amended, and new subsections (24) and (25) are added to
351 that section, to read:

352 1002.33 Charter schools.—

353 (5) SPONSOR; DUTIES.—

354 (b) *Sponsor duties*.—

355 1.a. The sponsor shall monitor and review the charter
356 school in its progress toward the goals established in the
357 charter.

358 b. The sponsor shall monitor the revenues and expenditures
359 of the charter school and perform the duties provided in s.
360 1002.345.

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

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

368 e. The sponsor shall ensure that the charter is innovative
369 and consistent with the state education goals established by s.
370 1000.03(5).

371 f. The sponsor shall ensure that the charter school
372 participates in the state's education accountability system. If
373 a charter school falls short of performance measures included in
374 the approved charter, the sponsor shall report such shortcomings
375 to the Department of Education.

376 g. The sponsor shall not be liable for civil damages under
377 state law for personal injury, property damage, or death

2009278e1

378 resulting from an act or omission of an officer, employee,
379 agent, or governing body of the charter school.

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

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

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

388 2. Immunity for the sponsor of a charter school under
389 subparagraph 1. applies only with respect to acts or omissions
390 not under the sponsor's direct authority as described in this
391 section.

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

395 4. A community college may work with the school district or
396 school districts in its designated service area to develop
397 charter schools that offer secondary education. These charter
398 schools must include an option for students to receive an
399 associate degree upon high school graduation. District school
400 boards shall cooperate with and assist the community college on
401 the charter application. Community college applications for
402 charter schools are not subject to the time deadlines outlined
403 in subsection (6) and may be approved by the district school
404 board at any time during the year. Community colleges may shall
405 not report FTE for any students who receive FTE funding through
406 the Florida Education Finance Program.

2009278e1

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

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

412 1. Demonstrates how the school will use the guiding
413 principles and meet the statutorily defined purpose of a charter
414 school.

415 2. Provides a detailed curriculum plan that illustrates how
416 students will be provided services to attain the Sunshine State
417 Standards.

418 3. Contains goals and objectives for improving student
419 learning and measuring that improvement. These goals and
420 objectives must indicate how much academic improvement students
421 are expected to show each year, how success will be evaluated,
422 and the specific results to be attained through instruction.

423 4. Describes the reading curriculum and differentiated
424 strategies that will be used for students reading at grade level
425 or higher and a separate curriculum and strategies for students
426 who are reading below grade level. A sponsor shall deny a
427 charter if the school does not propose a reading curriculum that
428 is consistent with effective teaching strategies that are
429 grounded in scientifically based reading research.

430 5. Contains an annual financial plan for each year
431 requested by the charter for operation of the school for up to 5
432 years. This plan must contain anticipated fund balances based on
433 revenue projections, a spending plan based on projected revenues
434 and expenses, and a description of controls that will safeguard
435 finances and projected enrollment trends.

2009278e1

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

440 (b) A sponsor shall receive and review all applications for
441 a charter school using an evaluation instrument developed by the
442 Department of Education. Beginning with the 2007-2008 school
443 year, a sponsor shall receive and consider charter school
444 applications received on or before August 1 of each calendar
445 year for charter schools to be opened at the beginning of the
446 school district's next school year, or to be opened at a time
447 agreed to by the applicant and the sponsor. A sponsor may
448 receive applications later than this date if it chooses. A
449 sponsor may not charge an applicant for a charter any fee for
450 the processing or consideration of an application, and a sponsor
451 may not base its consideration or approval of an application
452 upon the promise of future payment of any kind.

453 1. In order to facilitate an accurate budget projection
454 process, a sponsor shall be held harmless for FTE students who
455 are not included in the FTE projection due to approval of
456 charter school applications after the FTE projection deadline.
457 In a further effort to facilitate an accurate budget projection,
458 within 15 calendar days after receipt of a charter school
459 application, a sponsor shall report to the Department of
460 Education the name of the applicant entity, the proposed charter
461 school location, and its projected FTE.

462 2. In order to ensure fiscal responsibility, an application
463 for a charter school shall include a full accounting of expected
464 assets, a projection of expected sources and amounts of income,

2009278e1

465 including income derived from projected student enrollments and
466 from community support, and an expense projection that includes
467 full accounting of the costs of operation, including start-up
468 costs.

469 3. A sponsor shall by a majority vote approve or deny an
470 application no later than 60 calendar days after the application
471 is received, unless the sponsor and the applicant mutually agree
472 in writing to temporarily postpone the vote to a specific date,
473 at which time the sponsor shall by a majority vote approve or
474 deny the application. If the sponsor fails to act on the
475 application, an applicant may appeal to the State Board of
476 Education as provided in paragraph (c). If an application is
477 denied, the sponsor shall, within 10 calendar days after such
478 denial, articulate in writing the specific reasons, based upon
479 good cause, supporting its denial of the charter application and
480 shall provide the letter of denial and supporting documentation
481 to the applicant and to the Department of Education supporting
482 those reasons.

483 4. For budget projection purposes, the sponsor shall report
484 to the Department of Education the approval or denial of a
485 charter application within 10 calendar days after such approval
486 or denial. In the event of approval, the report to the
487 Department of Education shall include the final projected FTE
488 for the approved charter school.

489 5. Upon approval of a charter application, the initial
490 startup shall commence with the beginning of the public school
491 calendar for the district in which the charter is granted unless
492 the sponsor allows a waiver of this subparagraph ~~provision~~ for
493 good cause.

2009278e1

494 (g)1. The Department of Education shall offer or arrange
495 for training and technical assistance to charter school
496 applicants in developing business plans and estimating costs and
497 income. This assistance shall address estimating startup costs,
498 projecting enrollment, and identifying the types and amounts of
499 state and federal financial assistance the charter school may
500 ~~will~~ be eligible to receive. The department may provide other
501 technical assistance to an applicant upon written request.

502 2. A charter school applicant must participate in the
503 training provided by the Department of Education before filing
504 an application. However, a sponsor may require the charter
505 school applicant to attend training provided by the sponsor in
506 lieu of the department's training if the sponsor's training
507 standards meet or exceed the standards developed by the
508 Department of Education. The training shall include instruction
509 in accurate financial planning and good business practices. If
510 the applicant is a management company or other nonprofit
511 organization, the charter school principal and the chief
512 financial officer or his or her equivalent must also participate
513 in the training.

514 (7) CHARTER.—The major issues involving the operation of a
515 charter school shall be considered in advance and written into
516 the charter. The charter shall be signed by the governing body
517 of the charter school and the sponsor, following a public
518 hearing to ensure community input.

519 (a) The charter shall address, ~~and~~ criteria for approval of
520 the charter shall be based on:

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

2009278e1

523 2. The focus of the curriculum, the instructional methods
524 to be used, any distinctive instructional techniques to be
525 employed, and identification and acquisition of appropriate
526 technologies needed to improve educational and administrative
527 performance which include a means for promoting safe, ethical,
528 and appropriate uses of technology which comply with legal and
529 professional standards. The charter shall ensure that reading is
530 a primary focus of the curriculum and that resources are
531 provided to identify and provide specialized instruction for
532 students who are reading below grade level. The curriculum and
533 instructional strategies for reading must be consistent with the
534 Sunshine State Standards and grounded in scientifically based
535 reading research.

536 3. The current incoming baseline standard of student
537 academic achievement, the outcomes to be achieved, and the
538 method of measurement that will be used. The criteria listed in
539 this subparagraph shall include a detailed description ~~for each~~
540 ~~of the following:~~

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

543 b. How these baseline rates will be compared to rates of
544 academic progress achieved by these same students while
545 attending the charter school.

546 c. To the extent possible, how these rates of progress will
547 be evaluated and compared with rates of progress of other
548 closely comparable student populations.

549

550 The district school board is required to provide academic
551 student performance data to charter schools for each of their

2009278e1

552 students coming from the district school system, as well as
553 rates of academic progress of comparable student populations in
554 the district school system.

555 4. The methods used to identify the educational strengths
556 and needs of students and how well educational goals and
557 performance standards are met by students attending the charter
558 school. ~~Included in~~ The methods shall provide ~~is~~ a means for the
559 charter school to ensure accountability to its constituents by
560 analyzing student performance data and by evaluating the
561 effectiveness and efficiency of its major educational programs.
562 Students in charter schools shall, at a minimum, participate in
563 the statewide assessment program created under s. 1008.22.

564 5. In secondary charter schools, a method for determining
565 that a student has satisfied the requirements for graduation in
566 s. 1003.43.

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

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

571 8. The ways by which the school will achieve a
572 racial/ethnic balance reflective of the community it serves or
573 within the racial/ethnic range of other public schools in the
574 same school district.

575 9. The financial and administrative management of the
576 school, including a reasonable demonstration of the professional
577 experience or competence of those individuals or organizations
578 applying to operate the charter school or those hired or
579 retained to perform such professional services and the
580 description of clearly delineated responsibilities and the

2009278e1

581 policies and practices needed to effectively manage the charter
582 school. A description of internal audit procedures and
583 establishment of controls to ensure that financial resources are
584 properly managed must be included. Both public sector and
585 private sector professional experience shall be equally valid in
586 such a consideration.

587 10. The asset and liability projections required in the
588 application which are incorporated into the charter and which
589 shall be compared with information provided in the annual report
590 of the charter school. ~~The charter shall ensure that, if a~~
591 ~~charter school internal audit or annual financial audit reveals~~
592 ~~a state of financial emergency as defined in s. 218.503 or~~
593 ~~deficit financial position, the auditors are required to notify~~
594 ~~the charter school governing board, the sponsor, and the~~
595 ~~Department of Education. The internal auditor shall report such~~
596 ~~findings in the form of an exit interview to the principal or~~
597 ~~the principal administrator of the charter school and the chair~~
598 ~~of the governing board within 7 working days after finding the~~
599 ~~state of financial emergency or deficit position. A final report~~
600 ~~shall be provided to the entire governing board, the sponsor,~~
601 ~~and the Department of Education within 14 working days after the~~
602 ~~exit interview. When a charter school is in a state of financial~~
603 ~~emergency, the charter school shall file a detailed financial~~
604 ~~recovery plan with the sponsor. The department, with the~~
605 ~~involvement of both sponsors and charter schools, shall~~
606 ~~establish guidelines for developing such plans.~~

607 11. A description of procedures that identify various risks
608 and provide for a comprehensive approach to reduce the impact of
609 losses; plans to ensure the safety and security of students and

2009278e1

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

615 12. The term of the charter which shall provide for
616 cancellation of the charter if insufficient progress has been
617 made in attaining the student achievement objectives of the
618 charter and if it is not likely that such objectives can be
619 achieved before expiration of the charter. The initial term of a
620 charter shall be for 4 or 5 years. In order to facilitate access
621 to long-term financial resources for charter school
622 construction, charter schools that are operated by a
623 municipality or other public entity as provided by law are
624 eligible for up to a 15-year charter, subject to approval by the
625 district school board. A charter lab school is eligible for a
626 charter for a term of up to 15 years. In addition, to facilitate
627 access to long-term financial resources for charter school
628 construction, charter schools that are operated by a private,
629 not-for-profit, s. 501(c) (3) status corporation are eligible for
630 up to a 15-year charter, subject to approval by the district
631 school board. Such long-term charters remain subject to annual
632 review and may be terminated during the term of the charter, but
633 only according to the provisions set forth in subsection (8).

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

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

638 15. The governance structure of the school, including the

2009278e1

639 status of the charter school as a public or private employer as
640 required in paragraph (12) (i).

641 16. A timetable for implementing the charter which
642 addresses the implementation of each element thereof and the
643 date by which the charter shall be awarded in order to meet this
644 timetable.

645 17. In the case of an existing public school that is being
646 converted to charter status, alternative arrangements for
647 current students who choose not to attend the charter school and
648 for current teachers who choose not to teach in the charter
649 school after conversion in accordance with the existing
650 collective bargaining agreement or district school board rule in
651 the absence of a collective bargaining agreement. However,
652 alternative arrangements shall not be required for current
653 teachers who choose not to teach in a charter lab school, except
654 as authorized by the employment policies of the state university
655 which grants the charter to the lab school.

656 18. Full disclosure of the identity of all relatives
657 employed by the charter school who are related to the charter
658 school owner, president, chairperson of the governing board of
659 directors, superintendent, governing board member, principal,
660 assistant principal, or any other person employed by the charter
661 school who has equivalent decisionmaking authority. For the
662 purpose of this subparagraph, the term "relative" means father,
663 mother, son, daughter, brother, sister, uncle, aunt, first
664 cousin, nephew, niece, husband, wife, father-in-law, mother-in-
665 law, son-in-law, daughter-in-law, brother-in-law, sister-in-law,
666 stepfather, stepmother, stepson, stepdaughter, stepbrother,
667 stepsister, half brother, or half sister.

2009278e1

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

669 (d) A charter may be terminated immediately if the sponsor
670 determines that good cause has been shown or if the health,
671 safety, or welfare of the students is threatened. The sponsor's
672 determination is not subject to an informal hearing under
673 paragraph (b) or pursuant to chapter 120. The sponsor shall
674 notify in writing the charter school's governing body, the
675 charter school principal, and the department if a charter is
676 immediately terminated. The sponsor shall clearly identify the
677 specific issues that resulted in the immediate termination and
678 provide evidence of prior notification of issues resulting in
679 the immediate termination when appropriate. The school district
680 in which the charter school is located shall assume operation of
681 the school under these circumstances. The charter school's
682 governing board may, within 30 days after receiving the
683 sponsor's decision to terminate the charter, appeal the decision
684 pursuant to the procedure established in subsection (6).

685 (9) CHARTER SCHOOL REQUIREMENTS.—

686 ~~(g) A charter school shall provide for an annual financial~~
687 ~~audit in accordance with s. 218.39. Financial audits that reveal~~
688 ~~a state of financial emergency as defined in s. 218.503 and are~~
689 ~~conducted by a certified public accountant or auditor in~~
690 ~~accordance with s. 218.39 shall be provided to the governing~~
691 ~~body of the charter school within 7 working days after finding~~
692 ~~that a state of financial emergency exists. When a charter~~
693 ~~school is found to be in a state of financial emergency by a~~
694 ~~certified public accountant or auditor, the charter school must~~
695 ~~file a detailed financial recovery plan with the sponsor within~~
696 ~~30 days after receipt of the audit.~~

2009278e1

697 (g)~~(h)~~ In order to provide financial information that is
698 comparable to that reported for other public schools, charter
699 schools are to maintain all financial records that ~~which~~
700 constitute their accounting system:

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

705 2. At the discretion of the charter school governing board,
706 a charter school may elect to follow generally accepted
707 accounting standards for not-for-profit organizations, but must
708 reformat this information for reporting according to this
709 paragraph.

710
711 Charter schools shall provide annual financial report and
712 program cost report information in the state-required formats
713 for inclusion in district reporting in compliance with s.
714 1011.60(1). Charter schools that are operated by a municipality
715 or are a component unit of a parent nonprofit organization may
716 use the accounting system of the municipality or the parent but
717 must reformat this information for reporting according to this
718 paragraph. A charter school shall provide a monthly financial
719 statement to the sponsor. The monthly financial statement shall
720 be in a form prescribed by the Department of Education.

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

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

725 (j)~~(k)~~ The governing body of the charter school shall be

2009278e1

726 responsible for:

727 1. Ensuring that the charter school has retained the
728 services of a certified public accountant or auditor for the
729 annual financial audit, pursuant to s. 1002.345(2) ~~paragraph~~
730 ~~(e)~~, who shall submit the report to the governing body.

731 2. Reviewing and approving the audit report, including
732 audit findings and recommendations for the financial recovery
733 plan.

734 3.a. Performing the duties in s. 1002.345, including
735 monitoring a corrective action plan.

736 b. Monitoring a financial recovery plan in order to ensure
737 compliance.

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

741 (k) ~~(l)~~ The governing body of the charter school shall
742 report its progress annually to its sponsor, which shall forward
743 the report to the Commissioner of Education at the same time as
744 other annual school accountability reports. The Department of
745 Education shall develop a uniform, online annual accountability
746 report to be completed by charter schools. This report shall be
747 easy to utilize and contain demographic information, student
748 performance data, and financial accountability information. A
749 charter school shall not be required to provide information and
750 data that is duplicative and already in the possession of the
751 department. The Department of Education shall include in its
752 compilation a notation if a school failed to file its report by
753 the deadline established by the department. The report shall
754 include at least the following components:

2009278e1

755 1. Student achievement performance data, including the
756 information required for the annual school report and the
757 education accountability system governed by ss. 1008.31 and
758 1008.345. Charter schools are subject to the same accountability
759 requirements as other public schools, including reports of
760 student achievement information that links baseline student data
761 to the school's performance projections identified in the
762 charter. The charter school shall identify reasons for any
763 difference between projected and actual student performance.

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

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

771 4. Descriptive information about the charter school's
772 personnel, including salary and benefit levels of charter school
773 employees, the proportion of instructional personnel who hold
774 professional or temporary certificates, and the proportion of
775 instructional personnel teaching in-field or out-of-field.

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

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

781 (n)~~(o)~~ The director and a representative of the governing
782 body of a charter school that has received a school grade of "D"
783 under s. 1008.34(2) shall appear before the sponsor or the

2009278e1

784 sponsor's staff at least once a year to present information
785 concerning each contract component having noted deficiencies.
786 The sponsor shall communicate at the meeting, and in writing to
787 the director, the services provided to the school to help the
788 school address its deficiencies.

789 (o)~~(p)~~ Upon notification that a charter school receives a
790 school grade of "D" for 2 consecutive years or a school grade of
791 "F" under s. 1008.34(2), the charter school sponsor or the
792 sponsor's staff shall require the director and a representative
793 of the governing body to submit to the sponsor for approval a
794 school improvement plan to raise student achievement and to
795 implement the plan. The sponsor has the authority to approve a
796 school improvement plan that the charter school will implement
797 in the following school year. The sponsor may also consider the
798 State Board of Education's recommended action pursuant to s.
799 1008.33(1) as part of the school improvement plan. The
800 Department of Education shall offer technical assistance and
801 training to the charter school and its governing body and
802 establish guidelines for developing, submitting, and approving
803 such plans.

804 1. If the charter school fails to improve its student
805 performance from the year immediately prior to the
806 implementation of the school improvement plan, the sponsor shall
807 place the charter school on probation and shall require the
808 charter school governing body to take one of the following
809 corrective actions:

810 a. Contract for the educational services of the charter
811 school;

812 b. Reorganize the school at the end of the school year

2009278e1

813 under a new director or principal who is authorized to hire new
814 staff and implement a plan that addresses the causes of
815 inadequate progress; or

816 c. Reconstitute the charter school.

817 2. A charter school that is placed on probation shall
818 continue the corrective actions required under subparagraph 1.
819 until the charter school improves its student performance from
820 the year prior to the implementation of the school improvement
821 plan.

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

825 (p) ~~(q)~~ The director and a representative of the governing
826 body of a graded charter school that has submitted a school
827 improvement plan or has been placed on probation under paragraph
828 (o) ~~(p)~~ shall appear before the sponsor or the sponsor's staff
829 at least once a year to present information regarding the
830 corrective strategies that are being implemented by the school
831 pursuant to the school improvement plan. The sponsor shall
832 communicate at the meeting, and in writing to the director, the
833 services provided to the school to help the school address its
834 deficiencies.

835 (10) ELIGIBLE STUDENTS.—

836 (a) A charter school shall be open to any student covered
837 in an interdistrict agreement or residing in the school district
838 in which the charter school is located; however, in the case of
839 a charter lab school, the charter lab school shall be open to
840 any student eligible to attend the lab school as provided in s.
841 1002.32 or who resides in the school district in which the

2009278e1

842 charter lab school is located. Any eligible student shall be
843 allowed interdistrict transfer to attend a charter school when
844 based on good cause. Good cause shall include, but is not
845 limited to, geographic proximity to a charter school in a
846 neighboring school district.

847 (17) FUNDING.—Students enrolled in a charter school,
848 regardless of the sponsorship, shall be funded as if they are in
849 a basic program or a special program, the same as students
850 enrolled in other public schools in the school district. Funding
851 for a charter lab school shall be as provided in s. 1002.32.

852 (d) Charter schools shall be included by the Department of
853 Education and the district school board in requests for federal
854 stimulus funds in the same manner as district school board-
855 operated public schools, including Title I and IDEA funds and
856 shall be entitled to receive such funds. Charter schools are
857 eligible to participate in federal competitive grants that are
858 available as part of the federal stimulus funds.

859 (e)~~(d)~~ District school boards shall make timely and
860 efficient payment and reimbursement to charter schools,
861 including processing paperwork required to access special state
862 and federal funding for which they may be eligible. The district
863 school board may distribute funds to a charter school for up to
864 3 months based on the projected full-time equivalent student
865 membership of the charter school. Thereafter, the results of
866 full-time equivalent student membership surveys shall be used in
867 adjusting the amount of funds distributed monthly to the charter
868 school for the remainder of the fiscal year. The payment shall
869 be issued no later than 10 working days after the district
870 school board receives a distribution of state or federal funds.

2009278e1

871 If a warrant for payment is not issued within 10 working days
872 after receipt of funding by the district school board, the
873 school district shall pay to the charter school, in addition to
874 the amount of the scheduled disbursement, interest at a rate of
875 1 percent per month calculated on a daily basis on the unpaid
876 balance from the expiration of the 10 working days until such
877 time as the warrant is issued.

878 (20) SERVICES.—

879 (a) A sponsor shall provide certain administrative and
880 educational services to charter schools. These services shall
881 include contract management services; full-time equivalent and
882 data reporting services; exceptional student education
883 administration services; services related to eligibility and
884 reporting duties required to ensure that school lunch services
885 under the federal lunch program, consistent with the needs of
886 the charter school, are provided by the school district at the
887 request of the charter school, that any funds due to the charter
888 school under the federal lunch program be paid to the charter
889 school as soon as the charter school begins serving food under
890 the federal lunch program, and that the charter school is paid
891 at the same time and in the same manner under the federal lunch
892 program as other public schools serviced by the sponsor or the
893 school district; test administration services, including payment
894 of the costs of state-required or district-required student
895 assessments; processing of teacher certificate data services;
896 and information services, including equal access to student
897 information systems that are used by public schools in the
898 district in which the charter school is located. Student
899 performance data for each student in a charter school,

2009278e1

900 including, but not limited to, FCAT scores, standardized test
901 scores, previous public school student report cards, and student
902 performance measures, shall be provided by the sponsor to a
903 charter school in the same manner provided to other public
904 schools in the district. A total administrative fee for the
905 provision of such services shall be calculated based upon up to
906 5 percent of the available funds defined in paragraph (17)(b)
907 for all students. However, a sponsor may only withhold up to a
908 5-percent administrative fee for enrollment for up to and
909 including 500 students. For charter schools with a population of
910 501 or more students, the difference between the total
911 administrative fee calculation and the amount of the
912 administrative fee withheld may only be used for capital outlay
913 purposes specified in s. 1013.62(2). Each charter school shall
914 receive 100 percent of the funds awarded to that school pursuant
915 to s. 1012.225. Sponsors shall not charge charter schools any
916 additional fees or surcharges for administrative and educational
917 services in addition to the maximum 5-percent administrative fee
918 withheld pursuant to this paragraph.

919 (21) PUBLIC INFORMATION ON CHARTER SCHOOLS.—

920 (a) The Department of Education shall provide information
921 to the public, directly and through sponsors, ~~both~~ on how to
922 form and operate a charter school and ~~on~~ how to enroll in a
923 charter school ~~schools~~ once it is ~~they are~~ created. This
924 information shall include a standard application format, charter
925 format, evaluation instrument, and charter renewal format, which
926 shall include the information specified in subsection (7) and
927 shall be developed by consulting and negotiating with both
928 school districts and charter schools before implementation. The

2009278e1

929 charter and charter renewal ~~These~~ formats shall be used ~~as~~
930 ~~guidelines~~ by charter school sponsors.

931 (b)1. The Department of Education shall report student
932 assessment data pursuant to s. 1008.34(3)(c) which is reported
933 to schools that receive a school grade or student assessment
934 data pursuant to s. 1008.341(3) which is reported to alternative
935 schools that receive a school improvement rating to each charter
936 school that:

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

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

941 2. The charter school shall report the information in
942 subparagraph 1. to each parent of a student at the charter
943 school, the parent of a child on a waiting list for the charter
944 school, the district in which the charter school is located, and
945 the governing board of the charter school. This paragraph does
946 not abrogate the provisions of s. 1002.22, relating to student
947 records, or the requirements of 20 U.S.C. s. 1232g, the Family
948 Educational Rights and Privacy Act.

949 3.a. Pursuant to this paragraph, the Department of
950 Education shall compare the charter school student performance
951 data for each charter school in subparagraph 1. with the student
952 performance data in traditional public schools in the district
953 in which the charter school is located and other charter schools
954 in the state. For alternative charter schools, the department
955 shall compare the student performance data described in this
956 paragraph with all alternative schools in the state. The
957 comparative data shall be provided by the following grade

2009278e1

958 groupings:

959 (I) Grades 3 through 5;

960 (II) Grades 6 through 8; and

961 (III) Grades 9 through 11.

962 b. Each charter school shall provide the information
963 specified in this paragraph on its Internet website and also
964 provide notice to the public at large in a manner provided by
965 the rules of the State Board of Education. The State Board of
966 Education shall adopt rules to administer the notice
967 requirements of this subparagraph pursuant to ss. 120.536(1) and
968 120.54. The website shall include, through links or actual
969 content, other information related to school performance.

970 (23) ANALYSIS OF CHARTER SCHOOL PERFORMANCE.—Upon receipt
971 of the annual report required by paragraph (9) (k) ~~(9) (l)~~, the
972 Department of Education shall provide to the State Board of
973 Education, the Commissioner of Education, the Governor, the
974 President of the Senate, and the Speaker of the House of
975 Representatives an analysis and comparison of the overall
976 performance of charter school students, to include all students
977 whose scores are counted as part of the statewide assessment
978 program, versus comparable public school students in the
979 district as determined by the statewide assessment program
980 currently administered in the school district, and other
981 assessments administered pursuant to s. 1008.22 (3).

982 (24) RESTRICTION ON EMPLOYMENT OF RELATIVES.—

983 (a) This subsection applies to charter school personnel in
984 a charter school operated by a private entity. As used in this
985 subsection, the term:

986 1. "Charter school personnel" means a charter school owner,

2009278e1

987 president, chairperson of the governing board of directors,
988 superintendent, governing board member, principal, assistant
989 principal, or any other person employed by the charter school
990 who has equivalent decisionmaking authority and in whom is
991 vested the authority, or to whom the authority has been
992 delegated, to appoint, employ, promote, or advance individuals
993 or to recommend individuals for appointment, employment,
994 promotion, or advancement in connection with employment in a
995 charter school, including the authority as a member of a
996 governing body of a charter school to vote on the appointment,
997 employment, promotion, or advancement of individuals.

998 2. "Relative" means father, mother, son, daughter, brother,
999 sister, uncle, aunt, first cousin, nephew, niece, husband, wife,
1000 father-in-law, mother-in-law, son-in-law, daughter-in-law,
1001 brother-in-law, sister-in-law, stepfather, stepmother, stepson,
1002 stepdaughter, stepbrother, stepsister, half brother, or half
1003 sister.

1004 (b) Charter school personnel may not appoint, employ,
1005 promote, or advance, or advocate for appointment, employment,
1006 promotion, or advancement, in or to a position in the charter
1007 school in which the personnel are serving or over which the
1008 personnel exercises jurisdiction or control any individual who
1009 is a relative. An individual may not be appointed, employed,
1010 promoted, or advanced in or to a position in a charter school if
1011 such appointment, employment, promotion, or advancement has been
1012 advocated by charter school personnel who serve in or exercise
1013 jurisdiction or control over the charter school and who is a
1014 relative of the individual or if such appointment, employment,
1015 promotion, or advancement is made by the governing board of

2009278e1

1016 which a relative of the individual is a member.

1017 (c) The approval of budgets does not constitute
1018 "jurisdiction or control" for the purposes of this subsection.

1019
1020 Charter school personnel in schools operated by a municipality
1021 or other public entity are subject to s. 112.3135.

1022 (25) STANDARDS OF CONDUCT AND FINANCIAL DISCLOSURE.-

1023 (a) A member of a governing board of a charter school,
1024 including a charter school operated by a private entity, is
1025 subject to ss. 112.313(2), (3), (7), and (12) and 112.3143(3).

1026 (b) A member of a governing board of a charter school
1027 operated by a municipality or other public entity is subject to
1028 s. 112.3144, which relates to the disclosure of financial
1029 interests.

1030 (26) ~~(24)~~ RULEMAKING.-The Department of Education, after
1031 consultation with school districts and charter school directors,
1032 shall recommend that the State Board of Education adopt rules to
1033 implement specific subsections of this section. Such rules shall
1034 require minimum paperwork and shall not limit charter school
1035 flexibility authorized by statute. The State Board of Education
1036 shall adopt rules, pursuant to ss. 120.536(1) and 120.54, to
1037 implement a charter model application form, evaluation
1038 instrument, and charter and charter renewal formats in
1039 accordance with this section.

1040 Section 8. Subsections (4) and (5), paragraphs (d) and (f)
1041 of subsection (6), paragraph (c) of subsection (10), paragraph
1042 (f) of subsection (11), and subsections (13) and (18) of section
1043 1002.34, Florida Statutes, are amended to read:

1044 1002.34 Charter technical career centers.-

2009278e1

1045 (4) CHARTER.—A sponsor may designate centers as provided in
1046 this section. An application to establish a center may be
1047 submitted by a sponsor or another organization that is
1048 determined, by rule of the State Board of Education, to be
1049 appropriate. However, an independent school is not eligible for
1050 status as a center. The charter must be signed by the governing
1051 body of the center and the sponsor, and must be approved by the
1052 district school board and community college board of trustees in
1053 whose geographic region the facility is located. If a charter
1054 technical career center is established by the conversion to
1055 charter status of a public technical center formerly governed by
1056 a district school board, the charter status of that center takes
1057 precedence in any question of governance. The governance of the
1058 center or of any program within the center remains with its
1059 board of directors unless the board agrees to a change in
1060 governance or its charter is revoked as provided in subsection
1061 (15). Such a conversion charter technical career center is not
1062 affected by a change in the governance of public technical
1063 centers or of programs within other centers that are or have
1064 been governed by district school boards. A charter technical
1065 career center, or any program within such a center, that was
1066 governed by a district school board and transferred to a
1067 community college prior to the effective date of this act is not
1068 affected by this provision. An applicant who wishes to establish
1069 a center must submit to the district school board or community
1070 college board of trustees, or a consortium of one or more of
1071 each, an application on a form developed by the Department of
1072 Education which ~~that~~ includes:

1073 (a) The name of the proposed center.

2009278e1

1074 (b) The proposed structure of the center, including a list
1075 of proposed members of the board of directors or a description
1076 of the qualifications for and method of their appointment or
1077 election.

1078 (c) The workforce development goals of the center, the
1079 curriculum to be offered, and the outcomes and the methods of
1080 assessing the extent to which the outcomes are met.

1081 (d) The admissions policy and criteria for evaluating the
1082 admission of students.

1083 (e) A description of the staff responsibilities and the
1084 proposed qualifications of the teaching staff.

1085 (f) A description of the procedures to be implemented to
1086 ensure significant involvement of representatives of business
1087 and industry in the operation of the center.

1088 (g) A method for determining whether a student has
1089 satisfied the requirements for graduation specified in s.
1090 1003.43 and for completion of a postsecondary certificate or
1091 degree.

1092 (h) A method for granting secondary and postsecondary
1093 diplomas, certificates, and degrees.

1094 (i) A description of and address for the physical facility
1095 in which the center will be located.

1096 (j) A method for ~~of~~ resolving conflicts between the
1097 governing body of the center and the sponsor and between
1098 consortium members, if applicable.

1099 (k) A method for reporting student data as required by law
1100 and rule.

1101 (l) A statement that the applicant has participated in the
1102 training provided by the Department of Education.

2009278e1

1103 (m) The identity of all relatives employed by the charter
1104 technical career center who are related to the center owner,
1105 president, chairperson of the governing board of directors,
1106 superintendent, governing board member, principal, assistant
1107 principal, or any other person employed by the center who has
1108 equivalent decisionmaking authority. As used in this paragraph,
1109 the term "relative" means father, mother, son, daughter,
1110 brother, sister, uncle, aunt, first cousin, nephew, niece,
1111 husband, wife, father-in-law, mother-in-law, son-in-law,
1112 daughter-in-law, brother-in-law, sister-in-law, stepfather,
1113 stepmother, stepson, stepdaughter, stepbrother, stepsister, half
1114 brother, or half sister.

1115 (m)~~(1)~~ Other information required by the district school
1116 board or community college board of trustees.

1117
1118 Students at a center must meet the same testing and academic
1119 performance standards as those established by law and rule for
1120 students at public schools and public technical centers. The
1121 students must also meet any additional assessment indicators
1122 that are included within the charter approved by the district
1123 school board or community college board of trustees.

1124 (5) APPLICATION.—An application to establish a center must
1125 be submitted by February 1 of the year preceding the school year
1126 in which the center will begin operation. The sponsor must
1127 review the application using an evaluation instrument developed
1128 by the Department of Education and make a final decision on
1129 whether to approve the application and grant the charter by
1130 March 1, and may condition the granting of a charter on the
1131 center's taking certain actions or maintaining certain

2009278e1

1132 conditions. Such actions and conditions must be provided to the
1133 applicant in writing. The district school board or community
1134 college board of trustees is not required to issue a charter to
1135 any person.

1136 (6) SPONSOR.—A district school board or community college
1137 board of trustees or a consortium of one or more of each may
1138 sponsor a center in the county in which the board has
1139 jurisdiction.

1140 (d) 1. The Department of Education shall offer or arrange
1141 for training and technical assistance to applicants in
1142 developing business plans and estimating costs and income. This
1143 assistance shall address estimating startup costs, projecting
1144 enrollment, and identifying the types and amounts of state and
1145 federal financial assistance the center may be eligible to
1146 receive. The training shall include instruction in accurate
1147 financial planning and good business practices.

1148 2. An applicant must participate in the training provided
1149 by the Department of Education before filing an application. The
1150 Department of Education may provide technical assistance to an
1151 applicant upon written request.

1152 (f) The sponsor shall monitor and review the center's
1153 progress toward charter goals and shall monitor the center's
1154 revenues and expenditures. The sponsor shall perform the duties
1155 provided in s. 1002.345.

1156 (10) EXEMPTION FROM STATUTES.—

1157 (c) A center must comply with the antidiscrimination
1158 provisions in ~~of~~ s. 1000.05 and the provisions in s. 1002.33(24)
1159 which relate to the employment of relatives.

1160 (11) FUNDING.—

2009278e1

1161 (f) A center shall provide for an annual financial audit in
1162 accordance with s. 218.39. A center shall provide a monthly
1163 financial statement to the sponsor. The monthly financial
1164 statement shall be in a form prescribed by the Department of
1165 Education.

1166 (13) BOARD OF DIRECTORS AUTHORITY.—The board of directors
1167 of a center may decide matters relating to the operation of the
1168 school, including budgeting, curriculum, and operating
1169 procedures, subject to the center's charter. The board of
1170 directors is responsible for performing the duties provided in
1171 s. 1002.345, including monitoring the corrective action plan.
1172 The board of directors must comply with s. 1002.33(25).

1173 (18) RULES.—The State Board of Education shall adopt rules,
1174 pursuant to ss. 120.536(1) and 120.54 ~~chapter 120~~, relating to
1175 the implementation of charter technical career centers,
1176 including rules to implement a charter model application form
1177 and an evaluation instrument in accordance with this section.

1178 Section 9. Section 1002.345, Florida Statutes, is created
1179 to read:

1180 1002.345 Determination of deteriorating financial
1181 conditions and financial emergencies for charter schools and
1182 charter technical career centers.—This section applies to
1183 charter schools operating pursuant to s. 1002.33 and to charter
1184 technical career centers operating pursuant to s. 1002.34.

1185 (1) EXPEDITED REVIEW; REQUIREMENTS.—

1186 (a) A charter school or a charter technical career center
1187 is subject to an expedited review by the sponsor if one of the
1188 following occurs:

1189 1. Failure to provide for an audit required by s. 218.39.

2009278e1

1190 2. Failure to comply with reporting requirements pursuant
1191 to s. 1002.33(9) or s. 1002.34(11) (f) or (14).

1192 3. A deteriorating financial condition identified through
1193 an annual audit pursuant to s. 218.39(5) or a monthly financial
1194 statement pursuant to s. 1002.33(9) (g) or s. 1002.34(11) (f).
1195 "Deteriorating financial condition" means a circumstance that
1196 significantly impairs the ability of a charter school or a
1197 charter technical career center to generate enough revenues to
1198 meet its expenditures without causing the occurrence of a
1199 condition described in s. 218.503(1).

1200 4. Notification pursuant to s. 218.503(2) that one or more
1201 of the conditions specified in s. 218.503(1) have occurred or
1202 will occur if action is not taken to assist the charter school
1203 or charter technical career center.

1204 (b) A sponsor shall notify the governing board within 7
1205 business days after one or more of the conditions specified in
1206 paragraph (a) occur.

1207 (c) The governing board and the sponsor shall develop a
1208 corrective action plan and file the plan with the Commissioner
1209 of Education within 30 business days after notification is
1210 received as provided in paragraph (b). If the governing board
1211 and the sponsor are unable to agree on a corrective action plan,
1212 the Commissioner of Education shall determine the components of
1213 the plan. The governing board shall implement such plan.

1214 (d) The governing board shall include the corrective action
1215 plan and the status of its implementation in the annual progress
1216 report to the sponsor which is required pursuant to s.
1217 1002.33(9) (k) or s. 1002.34(14).

1218 (e) If the governing board fails to implement the

2009278e1

1219 corrective action plan within 1 year after one or more of the
1220 conditions specified in paragraph (a) occur, the State Board of
1221 Education shall prescribe any steps necessary for the charter
1222 school or the charter technical career center to comply with
1223 state requirements.

1224 (f) The chair of the governing board shall annually appear
1225 before the State Board of Education and report on the
1226 implementation of the State Board of Education's requirements
1227 referenced in paragraph (e).

1228 (2) FINANCIAL EMERGENCY; REQUIREMENTS.—

1229 (a)1. If a financial audit conducted by a certified public
1230 accountant in accordance with s. 218.39 reveals that one or more
1231 of the conditions in s. 218.503(1) have occurred or will occur
1232 if action is not taken to assist the charter school or charter
1233 technical career center, the auditor shall notify the governing
1234 board of the charter school or charter technical career center,
1235 as appropriate, the sponsor, and the Commissioner of Education
1236 within 7 business days after the finding is made.

1237 2. If the charter school or charter technical career center
1238 is found to be in a state of financial emergency pursuant to s.
1239 218.503(4), the charter school or charter technical career
1240 center shall file a financial recovery plan pursuant to s.
1241 218.503 with the sponsor and the Commissioner of Education
1242 within 30 days after being notified by the Commissioner of
1243 Education that a financial recovery plan is needed.

1244 (b) The governing board shall include the financial
1245 recovery plan and the status of its implementation in the annual
1246 progress report to the sponsor which is required under s.
1247 1002.33(9)(k) or s. 1002.34(14).

2009278e1

1248 (3) REPORT.—The Commissioner of Education shall annually
1249 report to the State Board of Education each charter school and
1250 charter technical career center that is subject to a financial
1251 recovery plan or a corrective action plan under this section.

1252 (4) RULES.—The State Board of Education shall adopt rules
1253 pursuant to ss. 120.536(1) and 120.54 for developing financial
1254 recovery and corrective action plans, defining a deteriorating
1255 financial condition pursuant to subparagraph (1)(a)3., and
1256 establishing procedures for determining a deteriorating
1257 financial condition pursuant to subparagraph (1)(a)3. and s.
1258 218.39(5). In adopting the rules, the State Board of Education
1259 may obtain technical assistance from the Auditor General.

1260 (5) TECHNICAL ASSISTANCE.—The Department of Education shall
1261 provide technical assistance to charter schools, charter
1262 technical career centers, governing boards, and sponsors in
1263 developing financial recovery and corrective action plans.

1264 (6) FAILURE TO CORRECT DEFICIENCIES.—The sponsor may decide
1265 not to renew or may terminate a charter if the charter school or
1266 charter technical career center fails to correct the
1267 deficiencies noted in the corrective action plan within 1 year
1268 after being notified of the deficiencies or exhibits one or more
1269 financial emergency conditions specified in s. 218.503 for 2
1270 consecutive years. This subsection does not affect a sponsor's
1271 authority to terminate or not renew a charter pursuant to s.
1272 1002.33(8).

1273 Section 10. This act shall take effect July 1, 2009.