

LEGISLATIVE ACTION

Senate House

Comm: WD 04/19/2010

The Committee on Education Pre-K - 12 Appropriations (Wise) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause and insert:

Section 1. Present subsections (8) through (26) of section 1002.33, Florida Statutes, are redesignated as subsections (9) through (27), respectively, a new subsection (8) is added to that section, and paragraph (g) of subsection (9) of that section is amended, to read:

1002.33 Charter schools.-

- (9) CHARTER SCHOOL REQUIREMENTS.-
- (g) In order to provide financial information that is

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comparable to that reported for other public schools, charter schools are to maintain all financial records that constitute their accounting system:

- 1. In accordance with the accounts and codes prescribed in the most recent issuance of the publication titled "Financial and Program Cost Accounting and Reporting for Florida Schools";
- 2. At the discretion of the charter school governing board, a charter school may elect to follow generally accepted accounting standards for not-for-profit organizations, but must reformat this information for reporting according to this paragraph.

Charter schools shall provide annual financial report and program cost report information in the state-required formats for inclusion in district reporting in compliance with s. 1011.60(1). Charter schools that are operated by a municipality or are a component unit of a parent nonprofit organization may use the accounting system of the municipality or the parent but must reformat this information for reporting according to this paragraph. A charter school shall provide a quarterly monthly financial statement to the sponsor, unless a deteriorating financial condition has been identified or the charter school is determined to be in a state of financial emergency pursuant to s. 1002.345, in which case the charter school shall provide a monthly financial statement. The monthly financial statement required under this paragraph shall be in a form prescribed by the Department of Education.

(8) HIGH-PERFORMING CHARTER SCHOOLS.—

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- (a) For purposes of this subsection, the term:
- 1. "Entity" means a municipality or other public entity as authorized by law to operate a charter school; a private, notfor-profit, s. 501(c)(3) status corporation; or a private, forprofit corporation.
- 2. "High-performing education service provider" means an entity that:
- a. Operates at least two high-performing charter schools in this state;
- b. Has received a school grade of "A" or "B" during the previous 3 years for at least 75 percent of the charter schools operated by the entity in this state; and
- c. Has not received a school grade of "F" during any of the previous 3 years for any charter school operated by the entity in this state.
- (b) A charter school shall be designated as a highperforming charter school if during each of the previous 3 years the charter school:
 - 1. Received a school grade of "A" or "B";
- 2. Received an unqualified opinion on each financial audit required under s. 218.39; and
- 3. Did not receive a financial audit that revealed one or more of the conditions set forth in s. 218.503(1).
 - (c) A high-performing charter school may:
- 1. Increase the school's student enrollment once per year by up to 25 percent more than the capacity authorized pursuant to paragraph (11)(h).
- 2. Receive charter school capital outlay funds under s. 1013.62. A high-performing charter school is not required to

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comply with s. 1013.62(1)(a)1.-3. but must comply with all other requirements of s. 1013.62 in order to receive charter school capital outlay funds as provided in this subparagraph.

- (d) A high-performing education service provider may submit an application pursuant to subsection (6) to establish and operate a new charter school that will replicate one or more of the provider's existing high-performing charter schools. Upon approval of the application by the sponsor, the new charter school shall be granted an initial charter for a term of 15 years and designated as a high-performing charter school. The 15-year charter is subject to annual review and may be terminated during its term pursuant to subsection (9).
- (e) 1. A charter school that is designated as a highperforming charter school may retain such designation pursuant to:
- a. Paragraph (b) if the school's governing board, by July 1 of each year, demonstrates in writing to the school's sponsor that the charter school continues to meet the requirements of paragraph (b).
- b. Paragraph (d) during the school's initial 3 years of operation if the entity operating the school continues to meet the definition of a high-performing education service provider under subparagraph (a) 2. After the high-performing charter school has operated for 3 years, the school must comply with sub-subparagraph a. in order to retain its designation as a high-performing charter school.
- 2. The high-performing charter school designation shall be removed if the charter school does meet the requirements of subparagraph 1.

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Section 2. Section 1002.46, Florida Statutes, is created to read:

1002.46 Charter virtual school.-

- (1) ESTABLISHMENT.—A charter virtual school shall be part of the state's program of public education.
- (2) VIRTUAL INSTRUCTION.—A provider of virtual instruction that has been approved by the Department of Education pursuant to s. 1002.45 and that has a charter school agreement approved by a district school board pursuant to s. 1002.33 may be established as a charter virtual school as provided in this section and may provide virtual instruction to students who reside in the district in which the charter is granted.
- (3) PROGRAM REQUIREMENTS.—A charter virtual school must meet the requirements of program definitions, provider qualifications, virtual instruction, contract requirements, student participation, and assessment and accountability as provided in s. 1002.45(1)(a) and (b), (2), (3), (4), (6), and (8).
- (4) STUDENT ELGIBILITY.—A charter virtual school may enroll a student who resides in the school district in which the charter is granted and meets the requirements of s. 1002.45(5)(a), (b), or (c).
- (5) FUNDING.—Funding for a charter virtual school shall be through the Florida Education Finance Program as follows:
- (a) A full-time equivalent student shall be reported as required under s. 1011.61(1)(c)1.b.(III) or (IV).
- (b) A charter virtual school shall report its full-time equivalent students to the school district in which the charter is granted in the manner prescribed by the Department of



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- (c) School districts shall report charter virtual school full-time equivalent students to the Department of Education in the manner prescribed by the department and the eligible FTE shall be funded through the Florida Education Finance Program.
- (d) For each eligible full-time equivalent student reported by a charter virtual school and funded in the Florida Education Finance Program, the school district shall receive an annual allocation for operation which is equivalent to the funds per unweighted student as provided to the Florida Virtual School. This amount shall be included in the basic amount to be included for operation under the Florida Education Finance Program for each district; however, these payments and full-time equivalent students may not be used for any other calculation under the Florida Education Finance Program. The school district may retain an administrative fee pursuant to s. 1002.33(20)(a) prior to the distribution of funds to the charter virtual school.
- (6) EXCEPTIONS.—A charter virtual school is not required to meet the educational facilities or student transportation requirements for charter schools under s. 1002.33.
- Section 3. The Office of Program Policy Analysis and Government Accountability (OPPAGA) shall conduct a study comparing the funding of charter schools with traditional public schools and shall:
- (1) Identify the school districts that distribute funds generated by the capital improvement millage authorized pursuant to s. 1011.71(2), Florida Statutes, to charter schools and the use of such funds by the charter schools.
 - (2) Determine the amount of funds that would be available



to charter schools if school districts equitably distribute to district schools, including charter schools, funds generated by the capital improvement millage authorized pursuant to s. 1011.71(2), Florida Statutes.

(3) Examine the costs associated with supervising charter schools and determine if the 5 percent administrative fee for administrative and educational services for charter schools covers the costs associated with the provision of the services.

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OPPAGA shall make recommendations, if warranted, for improving the accountability and equity of the funding system for charter schools based on the findings of the study. The results of the study shall be provided to the Governor, the President of the Senate, and the Speaker of the House of Representatives no later than January 1, 2011.

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Section 4. This act shall take effect July 1, 2010.

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======= T I T L E A M E N D M E N T ========= And the title is amended as follows:

177 Delete everything before the enacting clause 178 and insert:

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A bill to be entitled An act relating to charter schools; amending s. 1002.33, F.S.; requiring that each charter school provide a quarterly financial statement to the sponsor or a monthly financial statement if a deteriorating financial condition has been identified or the charter school is determined to be in a state of financial emergency; providing for the designation of certain

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charter schools as high-performing; creating s. 1002.46, F.S.; providing for the establishment of charter virtual schools; providing requirements for participation in the program; providing requirements for student eligibility; providing for funding; providing exceptions from certain requirements; requiring that the Office of Program Policy Analysis and Government Accountability conduct a study comparing the funding of charter schools and public schools and make recommendations; requiring that such study be provided to the Governor and Legislature by a specified date; providing an effective date.