

HB 7195

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1                   A bill to be entitled  
2           An act relating to charter schools; creating s. 1002.331,  
3           F.S.; establishing criteria for high-performing charter  
4           schools; authorizing a high-performing charter school to  
5           increase enrollment, expand grade levels served, receive a  
6           15-year charter, and report financial statements on a  
7           quarterly basis; authorizing a high-performing charter  
8           school to apply to establish a charter school that  
9           replicates its educational program; providing application  
10          requirements; limiting the number of charter schools that  
11          may be established; requiring eligibility verification by  
12          the Commissioner of Education; creating s. 1002.332, F.S.;  
13          providing definitions; establishing criteria for high-  
14          performing charter school systems; providing for  
15          eligibility verification by the Commissioner of Education;  
16          authorizing a high-performing charter school system to  
17          apply to establish a charter school that replicates the  
18          educational program of one or more of its existing high-  
19          performing charter schools; providing application  
20          requirements; amending s. 1002.33, F.S.; requiring a  
21          charter school sponsor to allow a charter school applicant  
22          to correct technical deficiencies in its application  
23          before approval or denial; establishing standards for  
24          sponsor review of a charter school application submitted  
25          by a high-performing charter school or high-performing  
26          charter school system; authorizing direct appeal to the  
27          State Board of Education of a denial of an application;  
28          establishing standards for reviewing such an appeal;

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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29 | revising applicant training requirements; requiring  
 30 | inclusion in the charter of procedures relating to high-  
 31 | performing charter schools; revising the procedure for  
 32 | nonrenewal or termination of a charter; authorizing a  
 33 | charter school's governing board to request a hearing  
 34 | regarding charter nonrenewal or termination, including  
 35 | immediate termination; authorizing the sponsor to choose  
 36 | to provide a direct hearing or a hearing before an  
 37 | administrative law judge; authorizing the award of costs  
 38 | and attorney's fees to a charter school governing board if  
 39 | certain criteria are met; authorizing quarterly financial  
 40 | reporting for certain charter schools; establishing  
 41 | additional enrollment preferences; correcting a cross-  
 42 | reference relating to the disclosure of financial  
 43 | interests; requiring the Department of Education to  
 44 | examine certain charter school funding and costs and  
 45 | report its findings to the Governor and the Legislature;  
 46 | providing an effective date.

47 |  
 48 | Be It Enacted by the Legislature of the State of Florida:

49 |  
 50 | Section 1. Section 1002.331, Florida Statutes, is created  
 51 | to read:

52 | 1002.331 High-performing charter schools.—

53 | (1) A charter school is a high-performing charter school  
 54 | if it:

55 | (a) Received at least two school grades of "A" and no  
 56 | school grade below "B," pursuant to s. 1008.34, during each of

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57 | the previous 3 school years.

58 | (b) Received an unqualified opinion on each annual  
59 | financial audit required under s. 218.39 in the most recent 3  
60 | fiscal years for which such audits are available.

61 | (c) Did not receive a financial audit that revealed one or  
62 | more of the financial emergency conditions set forth in s.  
63 | 218.503(1) in the most recent 3 fiscal years for which such  
64 | audits are available.

65 | (2) A high-performing charter school may:

66 | (a) Increase its student enrollment once per school year  
67 | by up to 25 percent more than the capacity determined pursuant  
68 | to s. 1002.33(10) (h).

69 | (b) Expand grade levels within kindergarten through grade  
70 | 12 to add grade levels not already served if any annual  
71 | enrollment increase resulting from grade level expansion is  
72 | within the limit established in paragraph (a).

73 | (c) Submit a quarterly, rather than a monthly, financial  
74 | statement to the sponsor pursuant to s. 1002.33(9) (g).

75 | (d) Be granted a 15-year charter. A 15-year charter is  
76 | subject to annual review by the sponsor and may be terminated  
77 | during its term pursuant to s. 1002.33(8).

78 |  
79 | A high-performing charter school shall notify its sponsor in  
80 | writing by March 1 if it intends to increase enrollment or  
81 | expand grade levels the following school year.

82 | (3) (a) A high-performing charter school may submit an  
83 | application pursuant to s. 1002.33(6) in any school district in  
84 | this state to establish and operate a new charter school that

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85 will substantially replicate its educational program. An  
86 application submitted by a high-performing charter school must  
87 state that the application is being submitted pursuant to this  
88 paragraph and must include the letter provided by the  
89 Commissioner of Education pursuant to subsection (4). If the  
90 sponsor fails to act on the application within 60 days after  
91 receipt, the application is deemed approved and the procedure in  
92 s. 1002.33(6) (h) applies. If the sponsor denies the application,  
93 the high-performing charter school may appeal pursuant to s.  
94 1002.33(6).

95 (b) A high-performing charter school may not establish  
96 more than one charter school under paragraph (a) in any year. A  
97 subsequent application to establish a charter school under  
98 paragraph (a) may not be submitted unless each charter school  
99 established in this manner achieves high-performing charter  
100 school status.

101 (4) The Commissioner of Education, upon request by a  
102 charter school, shall verify that the charter school meets the  
103 criteria in subsection (1) and provide a letter to the charter  
104 school and the sponsor stating that the charter school is a  
105 high-performing charter school pursuant to this section. The  
106 letter shall specify that the charter school may not increase  
107 enrollment or expand grade levels following any school year in  
108 which it receives a school grade of "C" or below. If the charter  
109 school receives a school grade of "C" or below in any 2 years  
110 during the term of a 15-year charter, the term of the charter  
111 shall be modified by the sponsor and the charter school loses

112 its high-performing charter school status until it regains that  
 113 status under subsection (1).

114 Section 2. Section 1002.332, Florida Statutes, is created  
 115 to read:

116 1002.332 High-performing charter school system.-

117 (1) For purposes of this section, the term:

118 (a) "Entity" means a municipality or other public entity  
 119 that is authorized by law to operate a charter school or is a  
 120 private, nonprofit corporation with tax-exempt status under s.  
 121 501(c) (3) of the Internal Revenue Code.

122 (b) "High-performing charter school system" means an  
 123 entity that:

124 1. Operates at least three high-performing charter schools  
 125 in the state.

126 2. Operates a system of charter schools in which, during  
 127 each of the previous 3 school years, at least 50 percent of the  
 128 charter schools received a school grade of "A" and no charter  
 129 school received a school grade below "B," pursuant to s.  
 130 1008.34. If the entity has assumed operation of a public school  
 131 with a school grade of "C" or below, that school's grade shall  
 132 not be considered in determining high-performing charter school  
 133 system status if the school improves by one grade level each  
 134 year until it achieves a grade of "B" or higher.

135 3. Has not received a financial audit that revealed one or  
 136 more of the financial emergency conditions set forth in s.  
 137 218.503(1) for any charter school created or started by the  
 138 entity.

139 (2) (a) The Commissioner of Education, upon request by an

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140 entity, shall verify that the entity meets the criteria in  
141 subsection (1) and provide a letter to the entity certifying  
142 that it is a high-performing charter school system.

143 (b) A high-performing charter school system may submit an  
144 application pursuant to s. 1002.33(6) in any school district in  
145 the state to establish and operate a new charter school that  
146 will substantially replicate the educational program of one or  
147 more of its existing high-performing charter schools. An  
148 application submitted by a high-performing charter school system  
149 must state that the application is being submitted pursuant to  
150 this paragraph and must include the letter provided by the  
151 Commissioner of Education pursuant to paragraph (a). If the  
152 sponsor fails to act on the application within 60 days after  
153 receipt, the application is deemed approved and the procedure in  
154 s. 1002.33(6)(h) applies. If the sponsor denies the application,  
155 the high-performing charter school system may appeal pursuant to  
156 s. 1002.33(6).

157 Section 3. Paragraphs (b), (c), and (f) of subsection (6),  
158 subsection (7), paragraphs (b), (c), and (d) of subsection (8),  
159 paragraph (g) of subsection (9), paragraph (d) of subsection  
160 (10), and paragraph (b) of subsection (25) of section 1002.33,  
161 Florida Statutes, are amended to read:

162 1002.33 Charter schools.—

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

165 (b) A sponsor shall receive and review all applications  
166 for a charter school using an evaluation instrument developed by  
167 the Department of Education. ~~Beginning with the 2007-2008 school~~

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168 ~~year,~~ A sponsor shall receive and consider charter school  
169 applications received on or before August 1 of each calendar  
170 year for charter schools to be opened at the beginning of the  
171 school district's next school year, or to be opened at a time  
172 agreed to by the applicant and the sponsor. A sponsor may  
173 receive applications later than this date if it chooses. A  
174 sponsor may not charge an applicant for a charter any fee for  
175 the processing or consideration of an application, and a sponsor  
176 may not base its consideration or approval of an application  
177 upon the promise of future payment of any kind.

178 1. In order to facilitate an accurate budget projection  
179 process, a sponsor shall be held harmless for FTE students who  
180 are not included in the FTE projection due to approval of  
181 charter school applications after the FTE projection deadline.  
182 In a further effort to facilitate an accurate budget projection,  
183 within 15 calendar days after receipt of a charter school  
184 application, a sponsor shall report to the Department of  
185 Education the name of the applicant entity, the proposed charter  
186 school location, and its projected FTE.

187 2. In order to ensure fiscal responsibility, an  
188 application for a charter school shall include a full accounting  
189 of expected assets, a projection of expected sources and amounts  
190 of income, including income derived from projected student  
191 enrollments and from community support, and an expense  
192 projection that includes full accounting of the costs of  
193 operation, including start-up costs.

194 3.a. A sponsor shall by a majority vote approve or deny an  
195 application no later than 60 calendar days after the application

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196 is received, unless the sponsor and the applicant mutually agree  
 197 in writing to temporarily postpone the vote to a specific date,  
 198 at which time the sponsor shall by a majority vote approve or  
 199 deny the application. Before approving or denying an  
 200 application, the sponsor must allow the applicant at least 7  
 201 calendar days to correct technical errors, such as typographical  
 202 errors or missing signatures, if the errors are identified by  
 203 the sponsor as cause to deny the application. If the sponsor  
 204 fails to act on the application, an applicant may appeal to the  
 205 State Board of Education as provided in paragraph (c). If an  
 206 application is denied, the sponsor shall, within 10 calendar  
 207 days after such denial, articulate in writing the specific  
 208 reasons, based upon good cause, supporting its denial of the  
 209 charter application and shall provide the letter of denial and  
 210 supporting documentation to the applicant and to the Department  
 211 of Education ~~supporting those reasons.~~

212 b. An application submitted by a high-performing charter  
 213 school identified pursuant to s. 1002.331 or a high-performing  
 214 charter school system identified pursuant to s. 1002.332 may be  
 215 denied by the sponsor only if the sponsor demonstrates clear and  
 216 convincing evidence that:

217 (I) The application does not materially comply with the  
 218 requirements in paragraph (a);

219 (II) The charter school proposed in the application does  
 220 not materially comply with the requirements in paragraphs  
 221 (9) (a) - (f);

222 (III) The proposed charter school's educational program  
 223 does not substantially replicate that of the applicant or one of

224 the applicant's high-performing charter schools;

225 (IV) The applicant has made a material misrepresentation  
 226 or false statement or concealed an essential or material fact  
 227 from any person during the application process; or

228 (V) The proposed charter school's educational program,  
 229 financial management practices, and method of doing business do  
 230 not meet the requirements of this section.

231  
 232 Material noncompliance is a failure to follow requirements or a  
 233 violation of prohibitions applicable to charter school  
 234 applications which is quantitatively or qualitatively  
 235 significant either individually or when aggregated with other  
 236 noncompliance.

237 c. If the sponsor denies an application submitted by a  
 238 high-performing charter school or a high-performing charter  
 239 school system, the sponsor must, within 10 calendar days after  
 240 such denial, state in writing the specific reasons, based upon  
 241 the criteria in sub-subparagraph b., supporting its denial of  
 242 the application and must provide the letter of denial and  
 243 supporting documentation to the applicant and to the Department  
 244 of Education. The applicant may appeal the sponsor's denial of  
 245 the application directly to the State Board of Education for  
 246 review pursuant to sub-subparagraph (c)3.b.

247 4. For budget projection purposes, the sponsor shall  
 248 report to the Department of Education the approval or denial of  
 249 a charter application within 10 calendar days after such  
 250 approval or denial. In the event of approval, the report to the  
 251 Department of Education shall include the final projected FTE

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252 for the approved charter school.

253 5. Upon approval of a charter application, the initial  
254 startup shall commence with the beginning of the public school  
255 calendar for the district in which the charter is granted unless  
256 the sponsor allows a waiver of this subparagraph for good cause.

257 (c)1. An applicant may appeal any denial of that  
258 applicant's application or failure to act on an application to  
259 the State Board of Education no later than 30 calendar days  
260 after receipt of the sponsor's decision or failure to act and  
261 shall notify the sponsor of its appeal. Any response of the  
262 sponsor shall be submitted to the State Board of Education  
263 within 30 calendar days after notification of the appeal. Upon  
264 receipt of notification from the State Board of Education that a  
265 charter school applicant is filing an appeal, the Commissioner  
266 of Education shall convene a meeting of the Charter School  
267 Appeal Commission to study and make recommendations to the State  
268 Board of Education regarding its pending decision about the  
269 appeal. The commission shall forward its recommendation to the  
270 state board no later than 7 calendar days prior to the date on  
271 which the appeal is to be heard.

272 2. The Charter School Appeal Commission may reject an  
273 appeal submission for failure to comply with procedural rules  
274 governing the appeals process. The rejection shall describe the  
275 submission errors. The appellant shall have 15 calendar days  
276 after notice of rejection in which to resubmit an appeal that  
277 meets the requirements set forth in State Board of Education  
278 rule. An application for appeal submitted subsequent to such  
279 rejection is considered timely if the original appeal was filed

280 within 30 calendar days after receipt of notice of the specific  
 281 reasons for the sponsor's denial of the charter application.

282 3.a. The State Board of Education shall by majority vote  
 283 accept or reject the decision of the sponsor no later than 90  
 284 calendar days after an appeal is filed in accordance with State  
 285 Board of Education rule. ~~The Charter School Appeal Commission~~  
 286 ~~may reject an appeal submission for failure to comply with~~  
 287 ~~procedural rules governing the appeals process. The rejection~~  
 288 ~~shall describe the submission errors. The appellant may have up~~  
 289 ~~to 15 calendar days from notice of rejection to resubmit an~~  
 290 ~~appeal that meets requirements of State Board of Education rule.~~  
 291 ~~An application for appeal submitted subsequent to such rejection~~  
 292 ~~shall be considered timely if the original appeal was filed~~  
 293 ~~within 30 calendar days after receipt of notice of the specific~~  
 294 ~~reasons for the sponsor's denial of the charter application. The~~  
 295 State Board of Education shall remand the application to the  
 296 sponsor with its written decision that the sponsor approve or  
 297 deny the application. The sponsor shall implement the decision  
 298 of the State Board of Education. The decision of the State Board  
 299 of Education is not subject to the provisions of the  
 300 Administrative Procedure Act, chapter 120.

301 b. If an appeal concerns an application submitted by a  
 302 high-performing charter school identified pursuant to s.  
 303 1002.331 or a high-performing charter school system identified  
 304 pursuant to s. 1002.332, the State Board of Education shall  
 305 independently review the application to determine whether the  
 306 sponsor has shown clear and convincing evidence that:

307 (I) The application does not materially comply with the

308 requirements in paragraph (a);

309 (II) The charter school proposed in the application does  
 310 not materially comply with the requirements in paragraphs  
 311 (9) (a) - (f);

312 (III) The proposed charter school's educational program  
 313 does not substantially replicate that of the applicant or one of  
 314 the applicant's high-performing charter schools;

315 (IV) The applicant has made a material misrepresentation  
 316 or false statement or concealed an essential or material fact  
 317 from any person during the application process; or

318 (V) The proposed charter school's educational program,  
 319 financial management practices, and method of doing business do  
 320 not meet the requirements of this section.

321  
 322 The State Board of Education shall approve or reject the  
 323 sponsor's denial of an application no later than 90 calendar  
 324 days after an appeal is filed in accordance with State Board of  
 325 Education rule. The State Board of Education shall remand the  
 326 application to the sponsor with its written decision that the  
 327 sponsor approve or deny the application. The sponsor shall  
 328 implement the decision of the State Board of Education. The  
 329 decision of the State Board of Education is not subject to the  
 330 provisions of the Administrative Procedure Act, chapter 120.

331 (f)1. The Department of Education shall offer or arrange  
 332 for training and technical assistance to charter school  
 333 applicants in developing business plans and estimating costs and  
 334 income. This assistance shall address estimating startup costs,  
 335 projecting enrollment, and identifying the types and amounts of

336 state and federal financial assistance the charter school may be  
 337 eligible to receive. The department may provide other technical  
 338 assistance to an applicant upon written request.

339 2. A charter school applicant must participate in the  
 340 training provided by the Department of Education before filing  
 341 an application. However, a sponsor may require the charter  
 342 school applicant to attend training provided by the sponsor in  
 343 lieu of the department's training if the sponsor's training  
 344 standards meet or exceed the standards developed by the  
 345 Department of Education. The training shall include instruction  
 346 in accurate financial planning and good business practices. If  
 347 the applicant is a management company or other nonprofit  
 348 organization with an approved charter school application, the  
 349 charter school principal and the chief financial officer or his  
 350 or her equivalent must ~~also~~ participate in the training before  
 351 the opening of the new charter school.

352 (7) CHARTER.—The major issues involving the operation of a  
 353 charter school shall be considered in advance and written into  
 354 the charter. The charter shall be signed by the governing board  
 355 ~~body~~ of the charter school and the sponsor, following a public  
 356 hearing to ensure community input.

357 (a) The charter shall address and criteria for approval of  
 358 the charter shall be based on:

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

361 2. The focus of the curriculum, the instructional methods  
 362 to be used, any distinctive instructional techniques to be  
 363 employed, and identification and acquisition of appropriate

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364 technologies needed to improve educational and administrative  
365 performance which include a means for promoting safe, ethical,  
366 and appropriate uses of technology which comply with legal and  
367 professional standards. The charter shall ensure that reading is  
368 a primary focus of the curriculum and that resources are  
369 provided to identify and provide specialized instruction for  
370 students who are reading below grade level. The curriculum and  
371 instructional strategies for reading must be consistent with the  
372 Sunshine State Standards and grounded in scientifically based  
373 reading research.

374 3. The current incoming baseline standard of student  
375 academic achievement, the outcomes to be achieved, and the  
376 method of measurement that will be used. The criteria listed in  
377 this subparagraph shall include a detailed description of:

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

380 b. How these baseline rates will be compared to rates of  
381 academic progress achieved by these same students while  
382 attending the charter school.

383 c. To the extent possible, how these rates of progress  
384 will be evaluated and compared with rates of progress of other  
385 closely comparable student populations.

386

387 The district school board is required to provide academic  
388 student performance data to charter schools for each of their  
389 students coming from the district school system, as well as  
390 rates of academic progress of comparable student populations in  
391 the district school system.

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392 4. The methods used to identify the educational strengths  
393 and needs of students and how well educational goals and  
394 performance standards are met by students attending the charter  
395 school. The methods shall provide a means for the charter school  
396 to ensure accountability to its constituents by analyzing  
397 student performance data and by evaluating the effectiveness and  
398 efficiency of its major educational programs. Students in  
399 charter schools shall, at a minimum, participate in the  
400 statewide assessment program created under s. 1008.22.

401 5. In secondary charter schools, a method for determining  
402 that a student has satisfied the requirements for graduation in  
403 s. 1003.43.

404 6. A method for resolving conflicts between the governing  
405 board ~~body~~ of the charter school and the sponsor.

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

408 8. The ways by which the school will achieve a  
409 racial/ethnic balance reflective of the community it serves or  
410 within the racial/ethnic range of other public schools in the  
411 same school district.

412 9. The financial and administrative management of the  
413 school, including a reasonable demonstration of the professional  
414 experience or competence of those individuals or organizations  
415 applying to operate the charter school or those hired or  
416 retained to perform such professional services and the  
417 description of clearly delineated responsibilities and the  
418 policies and practices needed to effectively manage the charter  
419 school. A description of internal audit procedures and

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420 establishment of controls to ensure that financial resources are  
421 properly managed must be included. Both public sector and  
422 private sector professional experience shall be equally valid in  
423 such a consideration.

424 10. The asset and liability projections required in the  
425 application which are incorporated into the charter and shall be  
426 compared with information provided in the annual report of the  
427 charter school.

428 11. A description of procedures that identify various  
429 risks and provide for a comprehensive approach to reduce the  
430 impact of losses; plans to ensure the safety and security of  
431 students and staff; plans to identify, minimize, and protect  
432 others from violent or disruptive student behavior; and the  
433 manner in which the school will be insured, including whether or  
434 not the school will be required to have liability insurance,  
435 and, if so, the terms and conditions thereof and the amounts of  
436 coverage.

437 12. The term of the charter which shall provide for  
438 cancellation of the charter if insufficient progress has been  
439 made in attaining the student achievement objectives of the  
440 charter and if it is not likely that such objectives can be  
441 achieved before expiration of the charter. The initial term of a  
442 charter shall be for 4 or 5 years. In order to facilitate access  
443 to long-term financial resources for charter school  
444 construction, charter schools that are operated by a  
445 municipality or other public entity as provided by law are  
446 eligible for up to a 15-year charter, subject to approval by the  
447 district school board. A charter lab school is eligible for a

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448 charter for a term of up to 15 years. In addition, to facilitate  
449 access to long-term financial resources for charter school  
450 construction, charter schools that are operated by a private,  
451 not-for-profit, s. 501(c)(3) status corporation are eligible for  
452 up to a 15-year charter, subject to approval by the district  
453 school board. Such long-term charters remain subject to annual  
454 review and may be terminated during the term of the charter, but  
455 only according to the provisions set forth in subsection (8).

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

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

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

463 16. A timetable for implementing the charter which  
464 addresses the implementation of each element thereof and the  
465 date by which the charter shall be awarded in order to meet this  
466 timetable.

467 17. In the case of an existing public school that is being  
468 converted to charter status, alternative arrangements for  
469 current students who choose not to attend the charter school and  
470 for current teachers who choose not to teach in the charter  
471 school after conversion in accordance with the existing  
472 collective bargaining agreement or district school board rule in  
473 the absence of a collective bargaining agreement. However,  
474 alternative arrangements shall not be required for current  
475 teachers who choose not to teach in a charter lab school, except

476 as authorized by the employment policies of the state university  
 477 which grants the charter to the lab school.

478 18. Full disclosure of the identity of all relatives  
 479 employed by the charter school who are related to the charter  
 480 school owner, president, chairperson of the governing board of  
 481 directors, superintendent, governing board member, principal,  
 482 assistant principal, or any other person employed by the charter  
 483 school who has equivalent decisionmaking authority. For the  
 484 purpose of this subparagraph, the term "relative" means father,  
 485 mother, son, daughter, brother, sister, uncle, aunt, first  
 486 cousin, nephew, niece, husband, wife, father-in-law, mother-in-  
 487 law, son-in-law, daughter-in-law, brother-in-law, sister-in-law,  
 488 stepfather, stepmother, stepson, stepdaughter, stepbrother,  
 489 stepsister, half brother, or half sister.

490 19. Implementation of the activities authorized under s.  
 491 1002.331 by the charter school when it satisfies the eligibility  
 492 requirements for a high-performing charter school. A high-  
 493 performing charter school shall notify its sponsor in writing by  
 494 March 1 if it intends to increase enrollment or expand grade  
 495 levels the following school year. The written notice shall  
 496 specify the amount of the enrollment increase and the grade  
 497 levels that will be added, as applicable.

498 (b)1. A charter may be renewed provided that a program  
 499 review demonstrates that the criteria in paragraph (a) have been  
 500 successfully accomplished and that none of the grounds for  
 501 nonrenewal established by paragraph (8) (a) has been documented.  
 502 In order to facilitate long-term financing for charter school  
 503 construction, charter schools operating for a minimum of 3 years

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504 and demonstrating exemplary academic programming and fiscal  
 505 management are eligible for a 15-year charter renewal. Such  
 506 long-term charter is subject to annual review and may be  
 507 terminated during the term of the charter.

508 2. The 15-year charter renewal that may be granted  
 509 pursuant to subparagraph 1. shall be granted to a charter school  
 510 that has received a school grade of "A" or "B" pursuant to s.  
 511 1008.34 in 3 of the past 4 years and is not in a state of  
 512 financial emergency or deficit position as defined by this  
 513 section. Such long-term charter is subject to annual review and  
 514 may be terminated during the term of the charter pursuant to  
 515 subsection (8).

516 (c) A charter may be modified during its initial term or  
 517 any renewal term upon the recommendation of the sponsor or the  
 518 charter school governing board and the approval of both parties  
 519 to the agreement. The term of a charter shall be modified to 15  
 520 years if the charter school receives high-performing charter  
 521 school status pursuant to s. 1002.331.

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

523 (b) At least 90 days prior to renewing or terminating a  
 524 charter, the sponsor shall notify the governing board ~~body~~ of  
 525 the school of the proposed action in writing. The notice shall  
 526 state in reasonable detail the grounds for the proposed action  
 527 and stipulate that the school's governing board ~~body~~ may, within  
 528 14 calendar days after receiving the notice, request a ~~an~~  
 529 informal ~~informal~~ hearing. The hearing shall be conducted at the  
 530 sponsor's election in accordance with one of the following  
 531 procedures:

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532        1. A direct hearing conducted by the sponsor within 60  
533 days after receipt of the request for a hearing. The hearing  
534 shall be conducted in accordance with ss. 120.569 and 120.57.  
535 The sponsor shall decide upon nonrenewal or termination by a  
536 majority vote. The sponsor's decision shall be a final order; or

537        2. A hearing conducted by an administrative law judge  
538 assigned by the Division of Administrative Hearings. The hearing  
539 shall be conducted within 60 days after receipt of the request  
540 for a hearing in accordance with chapter 120. The recommendation  
541 of the administrative law judge shall be made to the sponsor. A  
542 majority vote by the sponsor shall be required to sustain or  
543 change the administrative law judge's recommendation. The  
544 determination of the sponsor shall be a final order before the  
545 sponsor. The sponsor shall conduct the informal hearing within  
546 30 calendar days after receiving a written request.

547        (c) The final order shall include the specific reasons for  
548 nonrenewal or termination of the charter and shall be provided  
549 to the charter school governing board and the Department of  
550 Education within 10 calendar days after the final order is  
551 issued. If a charter is not renewed or is terminated pursuant to  
552 paragraph (b), the sponsor shall, within 10 calendar days,  
553 articulate in writing the specific reasons for its nonrenewal or  
554 termination of the charter and must provide the letter of  
555 nonrenewal or termination and documentation supporting the  
556 reasons to the charter school governing body, the charter school  
557 principal, and the Department of Education. The charter school's  
558 governing board body may, within 30 calendar days after  
559 receiving the sponsor's final order ~~written decision to refuse~~

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560 ~~to renew or to terminate the charter,~~ appeal the decision  
561 pursuant to s. 120.68 ~~the procedure established in subsection~~  
562 ~~(6).~~

563 (d) A charter may be terminated immediately if the sponsor  
564 sets forth in writing the particular facts and circumstances  
565 indicating that an immediate and serious danger to ~~determines~~  
566 ~~that good cause has been shown or if the health, safety, or~~  
567 ~~welfare of the charter school's students exists is threatened.~~  
568 The sponsor's determination is ~~not~~ subject to the same  
569 procedures as set forth in paragraphs ~~an informal hearing under~~  
570 ~~paragraph~~ (b) and (c), with the exception that the hearing may  
571 take place after the charter has been terminated or pursuant to  
572 ~~chapter 120.~~ The sponsor shall notify in writing the charter  
573 school's governing board ~~body~~, the charter school principal, and  
574 the department if a charter is ~~immediately~~ terminated  
575 immediately. The sponsor shall clearly identify the specific  
576 issues that resulted in the immediate termination and provide  
577 evidence of prior notification of issues resulting in the  
578 immediate termination when appropriate. Upon receiving written  
579 notice from the sponsor, the charter school's governing board  
580 has 10 calendar days to request a hearing. The hearing in such  
581 cases must be expedited and the final order must be issued  
582 within 60 days after the date upon which the hearing was  
583 requested. The sponsor shall assume operation of the school  
584 throughout the pendency of the hearing under paragraphs (b) and  
585 (c) unless the continued operation of the school would  
586 materially threaten the physical health, safety, or welfare of  
587 the students. Failure by the sponsor to assume and continue

588 operation of the school shall result in the awarding of costs  
 589 and attorney's fees to the charter school if the charter school  
 590 prevails on appeal. The school district in which the charter  
 591 school is located shall assume operation of the school under  
 592 these circumstances. The charter school's governing board may,  
 593 within 30 days after receiving the sponsor's decision to  
 594 terminate the charter, appeal the decision pursuant to the  
 595 procedure established in subsection (6).

596 (9) CHARTER SCHOOL REQUIREMENTS.—

597 (g) In order to provide financial information that is  
 598 comparable to that reported for other public schools, charter  
 599 schools are to maintain all financial records that constitute  
 600 their accounting system:

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

605 2. At the discretion of the charter school governing  
 606 board, a charter school may elect to follow generally accepted  
 607 accounting standards for not-for-profit organizations, but must  
 608 reformat this information for reporting according to this  
 609 paragraph.

610  
 611 Charter schools shall provide annual financial report and  
 612 program cost report information in the state-required formats  
 613 for inclusion in district reporting in compliance with s.  
 614 1011.60(1). Charter schools that are operated by a municipality  
 615 or are a component unit of a parent nonprofit organization may

616 use the accounting system of the municipality or the parent but  
 617 must reformat this information for reporting according to this  
 618 paragraph. A charter school shall provide a monthly financial  
 619 statement to the sponsor unless the charter school is designated  
 620 as a high-performing charter school pursuant to s. 1002.331, in  
 621 which case the high-performing charter school may provide a  
 622 quarterly financial statement. The ~~monthly~~ financial statement  
 623 required under this paragraph shall be in a form prescribed by  
 624 the Department of Education.

625 (10) ELIGIBLE STUDENTS.—

626 (d) A charter school may give enrollment preference to the  
 627 following student populations:

628 1. Students who are siblings of a student enrolled in the  
 629 charter school.

630 2. Students who are the children of a member of the  
 631 governing board of the charter school.

632 3. Students who are the children of an employee of the  
 633 charter school.

634 4. Students who are the children of:

635 a. An employee of the business partner of a charter  
 636 school-in-the-workplace established under paragraph (15)(b) or a  
 637 resident of the municipality in which such charter school is  
 638 located; or

639 b. A resident of a municipality that operates a charter-  
 640 school-in-a-municipality pursuant to paragraph (15)(c).

641 5. Students who have successfully completed a voluntary  
 642 prekindergarten education program under ss. 1002.51-1002.79  
 643 provided by the charter school or the charter school's nonprofit

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644 governing board during the previous year.

645 (25) STANDARDS OF CONDUCT AND FINANCIAL DISCLOSURE.—

646 (b) A member of a governing board of a charter school  
647 operated by a municipality or other public entity is subject to  
648 s. 112.3145 ~~112.3144~~, which relates to the disclosure of  
649 financial interests.

650 Section 4. (1) The Department of Education shall:

651 (a) Identify the school districts that distribute funds  
652 generated by the capital improvement millage authorized under s.  
653 1011.71(2), Florida Statutes, to charter schools and the use of  
654 such funds by the charter schools.

655 (b) Examine the costs associated with supervising charter  
656 schools and determine whether the 5-percent administrative fee  
657 for administrative and educational services for charter schools  
658 covers the costs associated with the provision of the services.

659 (c) Examine the distribution of federal education funding  
660 to eligible students who are enrolled in charter schools,  
661 including, without limitation, funding provided under Title I of  
662 the Elementary and Secondary Education Act and the Individuals  
663 with Disabilities Education Act.

664 (2) The department shall report its findings to the  
665 Governor, the President of the Senate, and the Speaker of the  
666 House of Representatives no later than January 1, 2012.

667 Section 5. This act shall take effect July 1, 2011.