1 A bill to be entitled 2 An act relating to school choice; amending s. 1002.33, 3 F.S.; providing technical changes relating to 4 requirements for the creation of a virtual charter 5 school; conforming cross-references; revising required 6 contents of charter school applications; conforming 7 provisions regarding the appeal process for denial of 8 a high-performing charter school application; 9 requiring an applicant to provide the sponsor with a 10 copy of the appeal; authorizing a charter school to defer opening; prohibiting a sponsor from requiring 11 12 written notice within a specified period; specifying that the reading curriculum and instructional 13 14 strategies in a charter school's charter satisfy the 15 research-based reading plan requirement and that charter schools are eligible for the research-based 16 reading allocation; revising provisions relating to 17 long-term charters and charter terminations; requiring 18 19 a charter school applicant to provide monthly 20 financial statements before opening; requiring a 21 sponsor to review charter school financial statements 2.2 to identify the existence of certain conditions; 23 providing for the automatic termination of a charter 24 if certain conditions are met; requiring a sponsor to 25 notify certain parties when a charter is terminated 26 for specific reasons; authorizing governing board

Page 1 of 53

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members to participate in public meetings in person or through communications media technology; revising requirements for payments to charter schools; allowing for the use of certain surpluses and assets by specific entities for certain educational purposes; revising criteria for local educational agency status for certain charter school systems; amending s. 1002.331, F.S.; providing an exemption from the replication limitations for high-performing charter school; conforming a cross-reference; deleting obsolete provisions; amending s. 1002.37, F.S.; conforming a cross-reference; amending s. 1002.45, F.S.; conforming a cross-reference; revising conditions for termination of a virtual instruction provider's contract; repealing s. 1002.455, F.S., relating to student eligibility for K-12 virtual instruction; amending s. 1003.498, F.S.; conforming a cross-reference; creating s. 1004.650; establishing the Florida Institute for Charter School Innovation; specifying requirements for the institute; providing for the appointment of a director of the institute; establishing duties of the director; requiring an annual report to the Governor and Legislature and an annual financial report to certain entities; amending s. 1011.62, F.S.; conforming cross-references; amending s. 1011.71, F.S.; providing for the

Page 2 of 53

calculation and payment of capital outlay funding to charter schools; providing that enterprise resource software may be acquired by certain means; amending s. 1012.56, F.S.; specifying that a charter school may develop and operate a professional development certification and education competency program; amending s. 1013.62, F.S.; revising eligibility requirements for charter school capital outlay funding; revising charter school funding allocations; revising the list of approved uses of charter school capital outlay funds; providing an appropriation; providing an effective date.

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

Section 1. Subsection (1), paragraphs (a), (b), and (c) of subsection (6), subsection (7), paragraphs (e), (f), and (g) of subsection (8), paragraphs (g), (n), and (p) of subsection (9), subsection (13), paragraphs (b) and (e) of subsection (17), paragraph (a) of subsection (21), and subsection (25) of section 1002.33, Florida Statutes, are amended, and paragraph (h) is added to subsection (8) of that section, to read:

1002.33 Charter schools.-

(1) AUTHORIZATION.—Charter schools shall be part of the state's program of public education. All charter schools in Florida are public schools. A charter school may be formed by

Page 3 of 53

creating a new school or converting an existing public school to charter status. A charter school may operate a virtual charter school pursuant to s. 1002.45(1)(d) to provide full-time online instruction to eligible students, pursuant to s. 1002.455, in kindergarten through grade 12. An existing A charter school that is seeking to become a virtual charter school must amend its charter or submit a new application pursuant to subsection (6) to become a virtual charter school. A virtual charter school is subject to the requirements of this section; however, a virtual charter school is exempt from subsections (18) and (19), subparagraphs (20)(a)2., 4., 5., and 7., paragraph (20)(c), and s. 1003.03. A public school may not use the term charter in its name unless it has been approved under this section.

- (6) APPLICATION PROCESS AND REVIEW.—Charter school applications are subject to the following requirements:
- (a) A person or entity <u>seeking</u> wishing to open a charter school shall prepare and submit an application on a model application form prepared by the Department of Education which:
- 1. Demonstrates how the school will use the guiding principles and meet the statutorily defined purpose of a charter school.
- 2. Provides a detailed curriculum plan that illustrates how students will be provided services to attain the Sunshine State Standards.
- 3. Contains goals and objectives for improving student learning and measuring that improvement. These goals and

Page 4 of 53

objectives must indicate how much academic improvement students are expected to show each year, how success will be evaluated, and the specific results to be attained through instruction.

- 4. Describes the reading curriculum and differentiated strategies that will be used for students reading at grade level or higher and a separate curriculum and strategies for students who are reading below grade level. A sponsor shall deny an application a charter if the school does not propose a reading curriculum that is consistent with effective teaching strategies that are grounded in scientifically based reading research; however, a sponsor may not require the school to implement the reading curriculum adopted by the school district.
- 5. Contains an annual financial plan for each year requested by the charter for operation of the school for up to 5 years. This plan must contain anticipated fund balances based on revenue projections, a spending plan based on projected revenues and expenses, and a description of controls that will safeguard finances and projected enrollment trends.
- 6. Discloses the name of each applicant, governing board member, and proposed management company, if any; the name and sponsor of any charter school currently or previously operated by each applicant, each governing board member, and the proposed management company; and the academic and financial history of such charter schools, which the sponsor shall consider in deciding whether to approve or deny the application.
 - 7.6. Contains additional information a sponsor may

Page 5 of 53

require, which shall be attached as an addendum to the charter school application described in this paragraph.

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- 8.7. For the establishment of a virtual charter school, documents that the applicant has contracted with a provider of virtual instruction services pursuant to s. 1002.45(1)(d).
- A sponsor shall receive and review all applications for a charter school using the an evaluation instrument developed by the Department of Education. A sponsor shall receive and consider charter school applications received on or before August 1 of each calendar year for charter schools to be opened at the beginning of the school district's next school year, or to be opened at a time agreed to by the applicant and the sponsor. A sponsor may not refuse to receive a charter school application submitted before August 1 and may receive an application submitted later than August 1 if it chooses. In order to facilitate greater collaboration in the application process, an applicant may submit a draft charter school application on or before May 1 with an application fee of \$500. If a draft application is timely submitted, the sponsor shall review and provide feedback as to material deficiencies in the application by July 1. The applicant shall then have until August 1 to resubmit a revised and final application. The sponsor may approve the draft application. Except as provided for a draft application, a sponsor may not charge an applicant for a charter any fee for the processing or consideration of an application, and a sponsor may not base its consideration or

Page 6 of 53

approval of a final application upon the promise of future payment of any kind. Before approving or denying any final application, the sponsor shall allow the applicant, upon receipt of written notification, at least 7 calendar days to make technical or nonsubstantive corrections and clarifications, including, but not limited to, corrections of grammatical, typographical, and like errors or missing signatures, if such errors are identified by the sponsor as cause to deny the final application.

- 1. In order to facilitate an accurate budget projection process, a sponsor shall be held harmless for FTE students who are not included in the FTE projection due to approval of charter school applications after the FTE projection deadline. In a further effort to facilitate an accurate budget projection, within 15 calendar days after receipt of a charter school application, a sponsor shall report to the Department of Education the name of the applicant entity, the proposed charter school location, and its projected FTE.
- 2. In order to ensure fiscal responsibility, an application for a charter school shall include a full accounting of expected assets, a projection of expected sources and amounts of income, including income derived from projected student enrollments and from community support, and an expense projection that includes full accounting of the costs of operation, including start-up costs.
 - 3.a. A sponsor shall by a majority vote approve or deny an

Page 7 of 53

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

- b. An application submitted by a high-performing charter school identified pursuant to s. 1002.331 may be denied by the sponsor only if the sponsor demonstrates by clear and convincing evidence that:
- (I) The application does not materially comply with the requirements in paragraph (a);
- (II) The charter school proposed in the application does not materially comply with the requirements in paragraphs (9)(a)-(f);
- (III) The proposed charter school's educational program does not substantially replicate that of the applicant or one of the applicant's high-performing charter schools;
- (IV) The applicant has made a material misrepresentation or false statement or concealed an essential or material fact

Page 8 of 53

209 during the application process; or

(V) The proposed charter school's educational program and financial management practices do not materially comply with the requirements of this section.

- Material noncompliance is a failure to follow requirements or a violation of prohibitions applicable to charter school applications, which failure is quantitatively or qualitatively significant either individually or when aggregated with other noncompliance. An applicant is considered to be replicating a high-performing charter school if the proposed school is substantially similar to at least one of the applicant's high-performing charter schools and the organization or individuals involved in the establishment and operation of the proposed school are significantly involved in the operation of replicated schools.
- c. If the sponsor denies an application submitted by a high-performing charter school, the sponsor must, within 10 calendar days after such denial, state in writing the specific reasons, based upon the criteria in sub-subparagraph b., supporting its denial of the application and must provide the letter of denial and supporting documentation to the applicant and to the Department of Education. The applicant may appeal the sponsor's denial of the application directly to the State Board of Education pursuant to paragraph (c). If an applicant files an appeal, the applicant must provide the sponsor with a copy of

Page 9 of 53

235 the appeal sub-subparagraph (c) 3.b.

- 4. For budget projection purposes, the sponsor shall report to the Department of Education the approval or denial of an a charter application within 10 calendar days after such approval or denial. In the event of approval, the report to the Department of Education shall include the final projected FTE for the approved charter school.
- 5. Upon approval of <u>an</u> a <u>charter</u> application, the initial startup shall commence with the beginning of the public school calendar for the district in which the charter is granted. A <u>charter school</u>, at the school's option, may notify the sponsor of its intent to defer the opening of the school's operations for up to 2 years to provide time for adequate facility <u>planning</u>. The sponsor may not require the charter school to <u>provide</u> written notice of such intent earlier than 15 calendar days before the first day of school <u>unless</u> the sponsor allows a waiver of this subparagraph for good cause.
- (c)1. An applicant may appeal any denial of that applicant's application or failure to act on an application to the State Board of Education no later than 30 calendar days after receipt of the sponsor's decision or failure to act and shall notify the sponsor of its appeal. Any response of the sponsor shall be submitted to the State Board of Education within 30 calendar days after notification of the appeal. Upon receipt of notification from the State Board of Education that a charter school applicant is filing an appeal, the Commissioner

Page 10 of 53

of Education shall convene a meeting of the Charter School Appeal Commission to study and make recommendations to the State Board of Education regarding its pending decision about the appeal. The commission shall forward its recommendation to the state board at least 7 calendar days before the date on which the appeal is to be heard. An appeal regarding the denial of an application submitted by a high-performing charter school pursuant to s. 1002.331 shall be conducted by the State Board of Education in accordance with this paragraph, except that the commission shall not convene to make recommendations regarding the appeal. However, the Commissioner of Education shall review the appeal and make a recommendation to the state board.

- 2. The Charter School Appeal Commission or, in the case of an appeal regarding an application submitted by a high-performing charter school, the State Board of Education may reject an appeal submission for failure to comply with procedural rules governing the appeals process. The rejection shall describe the submission errors. The appellant shall have 15 calendar days after notice of rejection in which to resubmit an appeal that meets the requirements set forth in State Board of Education rule. An appeal submitted subsequent to such rejection is considered timely if the original appeal was filed within 30 calendar days after receipt of notice of the specific reasons for the sponsor's denial of the charter application.
- 3.a. The State Board of Education shall by majority vote accept or reject the decision of the sponsor no later than 90

Page 11 of 53

calendar days after an appeal is filed in accordance with State Board of Education rule. The State Board of Education shall remand the application to the sponsor with its written decision that the sponsor approve or deny the application. The sponsor shall implement the decision of the State Board of Education. The decision of the State Board of Education is not subject to the provisions of the Administrative Procedure Act, chapter 120.

- b. If an appeal concerns an application submitted by a high-performing charter school identified pursuant to s. 1002.331, the State Board of Education shall determine whether the sponsor's denial of the application complies with the requirements in sub-subparagraph (b) 3.b. sponsor has shown, by clear and convincing evidence, that:
- (I) The application does not materially comply with the requirements in paragraph (a);
- (II) The charter school proposed in the application does not materially comply with the requirements in paragraphs

 (9) (a) (f);
- (III) The proposed charter school's educational program
 does not substantially replicate that of the applicant or one of
 the applicant's high-performing charter schools;
- (IV) The applicant has made a material misrepresentation or false statement or concealed an essential or material fact during the application process; or
- (V) The proposed charter school's educational program and financial management practices do not materially comply with the

Page 12 of 53

requirements of this section.

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

- (7) CHARTER.—The major issues involving the operation of a charter school shall be considered in advance and written into the charter. The charter shall be signed by the governing board of the charter school and the sponsor, following a public hearing to ensure community input.
- (a) The charter shall address and criteria for approval of the charter shall be based on:
- 1. The school's mission, the students to be served, and the ages and grades to be included.
- 2. The focus of the curriculum, the instructional methods to be used, any distinctive instructional techniques to be employed, and identification and acquisition of appropriate technologies needed to improve educational and administrative performance which include a means for promoting safe, ethical, and appropriate uses of technology which comply with legal and

Page 13 of 53

339 professional standards.

- a. The charter shall ensure that reading is a primary focus of the curriculum and that resources are provided to identify and provide specialized instruction for students who are reading below grade level. The curriculum and instructional strategies for reading must be consistent with the Next Generation Sunshine State Standards and grounded in scientifically based reading research. For purposes of determining eligibility for the research-based reading instruction allocation, the reading curriculum and instructional strategies specified in the charter satisfy the research-based reading plan requirement under s. 1011.62(9).
- b. In order to provide students with access to diverse instructional delivery models, to facilitate the integration of technology within traditional classroom instruction, and to provide students with the skills they need to compete in the 21st century economy, the Legislature encourages instructional methods for blended learning courses consisting of both traditional classroom and online instructional techniques. Charter schools may implement blended learning courses which combine traditional classroom instruction and virtual instruction. Students in a blended learning course must be full-time students of the charter school and receive the online instruction in a classroom setting at the charter school. Instructional personnel certified pursuant to s. 1012.55 who provide virtual instruction for blended learning courses may be

Page 14 of 53

employees of the charter school or may be under contract to provide instructional services to charter school students. At a minimum, such instructional personnel must hold an active state or school district adjunct certification under s. 1012.57 for the subject area of the blended learning course. The funding and performance accountability requirements for blended learning courses are the same as those for traditional courses.

- 3. The current incoming baseline standard of student academic achievement, the outcomes to be achieved, and the method of measurement that will be used. The criteria listed in this subparagraph shall include a detailed description of:
- a. How the baseline student academic achievement levels and prior rates of academic progress will be established.
- b. How these baseline rates will be compared to rates of academic progress achieved by these same students while attending the charter school.
- c. To the extent possible, how these rates of progress will be evaluated and compared with rates of progress of other closely comparable student populations.

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

4. The methods used to identify the educational strengths

Page 15 of 53

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

- 5. In secondary charter schools, a method for determining that a student has satisfied the requirements for graduation in s. 1002.3105(5), s. 1003.4281, or s. 1003.4282.
- 6. A method for resolving conflicts between the governing board of the charter school and the sponsor.
- 7. The admissions procedures and dismissal procedures, including the school's code of student conduct.
- 8. The ways by which the school will achieve a racial/ethnic balance reflective of the community it serves or within the racial/ethnic range of other public schools in the same school district.
- 9. The financial and administrative management of the school, including a reasonable demonstration of the professional experience or competence of those individuals or organizations applying to operate the charter school or those hired or retained to perform such professional services and the description of clearly delineated responsibilities and the policies and practices needed to effectively manage the charter

Page 16 of 53

school. A description of internal audit procedures and establishment of controls to ensure that financial resources are properly managed must be included. Both public sector and private sector professional experience shall be equally valid in such a consideration.

- 10. The asset and liability projections required in the application which are incorporated into the charter and shall be compared with information provided in the annual report of the charter school.
- 11. A description of procedures that identify various risks and provide for a comprehensive approach to reduce the impact of losses; plans to ensure the safety and security of students and staff; plans to identify, minimize, and protect others from violent or disruptive student behavior; and the manner in which the school will be insured, including whether or not the school will be required to have liability insurance, and, if so, the terms and conditions thereof and the amounts of coverage.
- 12. The term of the charter which shall provide for cancellation of the charter if insufficient progress has been made in attaining the student achievement objectives of the charter and if it is not likely that such objectives can be achieved before expiration of the charter. The initial term of the a charter is either shall be for 4 or 5 years. In order to facilitate access to long-term financial resources for charter school construction, Charter schools that are operated by a

Page 17 of 53

municipality or other public entity, as provided by law, or a private, not-for-profit, s. 501(c)(3) status corporation are eligible for up to a 15-year charter, subject to approval by the district school board. A charter lab school is also eligible for a charter for a term of up to 15 years. In addition, to facilitate access to long-term financial resources for charter school construction, charter schools that are operated by a private, not-for-profit, s. 501(c)(3) status corporation are eligible for up to a 15-year charter, subject to approval by the district school board. Such long-term charters remain subject to annual review and may be terminated during the term of the charter, but only according to the provisions set forth in subsection (8) or paragraph (9)(n).

- 13. Termination or nonrenewal of the charter pursuant to subsection (8) or paragraph (9)(n).
- 14.13. The facilities to be used and their location. The sponsor may not require a charter school to have a certificate of occupancy or a temporary certificate of occupancy for such a facility earlier than 15 calendar days before the first day of school.
- 15.14. The qualifications to be required of the teachers and the potential strategies used to recruit, hire, train, and retain qualified staff to achieve best value.
- 16.15. The governance structure of the school, including the status of the charter school as a public or private employer as required in paragraph (12)(i).

Page 18 of 53

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

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

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

Page 19 of 53

stepsister, half brother, or half sister.

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

- (b)1. A charter may be renewed provided that a program review demonstrates that the criteria in paragraph (a) have been successfully accomplished and that none of the grounds for nonrenewal established by paragraph (8)(a) has been documented. In order to facilitate long-term financing for charter school construction, Charter schools operating for a minimum of 3 years and demonstrating exemplary academic programming and fiscal management are eligible for a 15-year charter renewal. Such long-term charter is subject to annual review and may be terminated during the term of the charter.
- 2. The 15-year charter renewal that may be granted pursuant to subparagraph 1. shall be granted to a charter school that has received a school grade of "A" or "B" pursuant to s. 1008.34 in 3 of the past 4 years and is not in a state of financial emergency or deficit position as defined by this section. Such long-term charter is subject to annual review and may be terminated during the term of the charter pursuant to

Page 20 of 53

subsection (8).

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(c) A charter may be modified during its initial term or any renewal term upon the recommendation of the sponsor or the charter school's governing board and the approval of both parties to the agreement. Modification may include, but is not limited to, consolidation of multiple charters into a single charter if the charters are operated under the same governing board and physically located on the same campus, regardless of the renewal cycle.

(d) 1. Each charter school's governing board must appoint a representative to facilitate parental involvement, provide access to information, assist parents and others with questions and concerns, and resolve disputes. The representative must reside in the school district in which the charter school is located and may be a governing board member, charter school employee, or individual contracted to represent the governing board. If the governing board oversees multiple charter schools in the same school district, the governing board must appoint a separate individual representative for each charter school in the district. The representative's contact information must be provided annually in writing to parents and posted prominently on the charter school's website if a website is maintained by the school. The sponsor may not require that governing board members reside in the school district in which the charter school is located if the charter school complies with this paragraph.

Page 21 of 53

2. Each charter school's governing board must hold at least two public meetings per school year in the school district. The meetings must be noticed, open, and accessible to the public, and attendees must be provided an opportunity to receive information and provide input regarding the charter school's operations. The appointed representative and charter school principal or director, or his or her equivalent, must be physically present at each meeting.

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- (8) CAUSES FOR NONRENEWAL OR TERMINATION OF CHARTER.-
- When a charter is not renewed or is terminated, or a charter school is closed voluntarily by the operator, the school shall be dissolved under the provisions of law under which the school was organized, and any unencumbered public funds, except for capital outlay funds and federal charter school program grant funds, from the charter school shall revert to the sponsor. Capital outlay funds provided pursuant to s. 1013.62 and federal charter school program grant funds that are unencumbered shall revert to the department to be redistributed among eligible charter schools. In the event a charter school is dissolved or is otherwise terminated, all district school board property and improvements, furnishings, and equipment purchased with public funds shall automatically revert to full ownership by the district school board, subject to complete satisfaction of any lawful liens or encumbrances. Any unencumbered public funds from the charter school, district school board property and improvements, furnishings, and equipment purchased with

Page 22 of 53

public funds, or financial or other records pertaining to the charter school, in the possession of any person, entity, or holding company, other than the charter school, shall be held in trust upon the district school board's request, until any appeal status is resolved.

- charter school is closed voluntarily by the operator, the charter school is responsible for all debts of the charter school. The district may not assume the debt from any contract made between the governing body of the school and a third party, except for a debt that is previously detailed and agreed upon in writing by both the district and the governing body of the school and that may not reasonably be assumed to have been satisfied by the district.
- (g) If a charter is not renewed or is terminated, or a charter school is closed voluntarily by the operator, a student who attended the school may apply to, and shall be enrolled in, another public school. Normal application deadlines shall be disregarded under such circumstances.
- (h) The governing board of a charter school that closes voluntarily shall notify the sponsor and the department in writing within 7 calendar days of its decision to cease operations. The notice shall state the reasons for the closure and acknowledge that the governing board agrees to follow the procedures for dissolution and reversion of public funds pursuant to this subsection and paragraph (9)(o).

Page 23 of 53

(9) CHARTER SCHOOL REQUIREMENTS.-

- (g)1. In order to provide financial information that is comparable to that reported for other public schools, charter schools are to maintain all financial records that constitute their accounting system:
- a. 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"; or
- b. At the discretion of the charter school's 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.
- 2. 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.
- 3. A charter school shall, upon approval of the contract, provide the sponsor with a concise, uniform, monthly financial statement summary sheet that contains a balance sheet and a statement of revenue, expenditures, and changes in fund balance.

Page 24 of 53

The balance sheet and the statement of revenue, expenditures, and changes in fund balance shall be in the governmental funds format prescribed by the Governmental Accounting Standards

Board. A high-performing charter school pursuant to s. 1002.331 may provide a quarterly financial statement in the same format and requirements as the uniform monthly financial statement summary sheet. The sponsor shall review each monthly or quarterly financial statement to identify the existence of any conditions identified in s. 1002.345(1)(a).

- 4. A charter school shall maintain and provide financial information as required in this paragraph. The financial statement required in subparagraph 3. must be in a form prescribed by the Department of Education.
- (n)1. The director and a representative of the governing board of a charter school that has earned a grade of "D" or "F" pursuant to s. 1008.34 shall appear before the sponsor to present information concerning each contract component having noted deficiencies. The director and a representative of the governing board shall submit to the sponsor for approval a school improvement plan to raise student performance. Upon approval by the sponsor, the charter school shall begin implementation of the school improvement plan. The department shall offer technical assistance and training to the charter school and its governing board and establish guidelines for developing, submitting, and approving such plans.
 - 2.a. If a charter school earns three consecutive grades of

Page 25 of 53

"D," two consecutive grades of "D" followed by a grade of "F," or two nonconsecutive grades of "F" within a 3-year period, the charter school governing board shall choose one of the following corrective actions:

(I) Contract for educational services to be provided directly to students, instructional personnel, and school administrators, as prescribed in state board rule;

- (II) Contract with an outside entity that has a demonstrated record of effectiveness to operate the school;
- (III) Reorganize the school under a new director or principal who is authorized to hire new staff; or
 - (IV) Voluntarily close the charter school.
- b. The charter school must implement the corrective action in the school year following receipt of a third consecutive grade of "D," a grade of "F" following two consecutive grades of "D," or a second nonconsecutive grade of "F" within a 3-year period.
- c. The sponsor may annually waive a corrective action if it determines that the charter school is likely to improve a letter grade if additional time is provided to implement the intervention and support strategies prescribed by the school improvement plan. Notwithstanding this sub-subparagraph, a charter school that earns a second consecutive grade of "F" is subject to subparagraph 4.
- d. A charter school is no longer required to implement a corrective action if it improves by at least one letter grade.

Page 26 of 53

However, the charter school must continue to implement strategies identified in the school improvement plan. The sponsor must annually review implementation of the school improvement plan to monitor the school's continued improvement pursuant to subparagraph 5.

- e. A charter school implementing a corrective action that does not improve by at least one letter grade after 2 full school years of implementing the corrective action must select a different corrective action. Implementation of the new corrective action must begin in the school year following the implementation period of the existing corrective action, unless the sponsor determines that the charter school is likely to improve a letter grade if additional time is provided to implement the existing corrective action. Notwithstanding this sub-subparagraph, a charter school that earns a second consecutive grade of "F" while implementing a corrective action is subject to subparagraph 4.
- 3. A charter school with a grade of "D" or "F" that improves by at least one letter grade must continue to implement the strategies identified in the school improvement plan. The sponsor must annually review implementation of the school improvement plan to monitor the school's continued improvement pursuant to subparagraph 5.
- 4. A charter school's charter is automatically terminated if the school earns two consecutive grades of "F" after all school grade appeals are final The sponsor shall terminate a

Page 27 of 53

charter if the charter school earns two consecutive grades of
"F" unless:

- a. The charter school is established to turn around the performance of a district public school pursuant to s. 1008.33(4)(b)3. Such charter schools shall be governed by s. 1008.33;
- b. The charter school serves a student population the majority of which resides in a school zone served by a district public school that earned a grade of "F" in the year before the charter school opened and the charter school earns at least a grade of "D" in its third year of operation. The exception provided under this sub-subparagraph does not apply to a charter school in its fourth year of operation and thereafter; or
- c. The state board grants the charter school a waiver of termination. The charter school must request the waiver within 15 days after the department's official release of school grades. The state board may waive termination if the charter school demonstrates that the Learning Gains of its students on statewide assessments are comparable to or better than the Learning Gains of similarly situated students enrolled in nearby district public schools. The waiver is valid for 1 year and may only be granted once. Charter schools that have been in operation for more than 5 years are not eligible for a waiver under this sub-subparagraph.

The sponsor shall notify the charter school's governing board,

Page 28 of 53

the charter school principal, and the department in writing when a charter is terminated under this subparagraph. A charter terminated under this subparagraph is governed by the requirements of paragraphs (8)(e)-(g) and (9)(o).

- 5. The director and a representative of the governing board of a graded charter school that has implemented a school improvement plan under this paragraph shall appear before the sponsor at least once a year to present information regarding the progress of intervention and support strategies implemented by the school pursuant to the school improvement plan and corrective actions, if applicable. The sponsor shall communicate at the meeting, and in writing to the director, the services provided to the school to help the school address its deficiencies.
- 6. Notwithstanding any provision of this paragraph except sub-subparagraphs 4.a.-c., the sponsor may terminate the charter at any time pursuant to subsection (8).
- (p) 1. Each charter school shall maintain a website that enables the public to obtain information regarding the school; the school's academic performance; the names of the governing board members; the programs at the school; any management companies, service providers, or education management corporations associated with the school; the school's annual budget and its annual independent fiscal audit; the school's grade pursuant to s. 1008.34; and, on a quarterly basis, the minutes of governing board meetings.

Page 29 of 53

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2. Each charter school's governing board must appoint a representative to facilitate parental involvement, provide access to information, assist parents and others with questions and concerns, and resolve disputes. The representative must reside in the school district in which the charter school is located and may be a governing board member, a charter school employee, or an individual contracted to represent the governing board. If the governing board oversees multiple charter schools in the same school district, the governing board must appoint a separate representative for each charter school in the district. The representative's contact information must be provided annually, in writing to parents and posted prominently on the charter school's website. The sponsor may not require governing board members to reside in the school district in which the charter school is located if the charter school complies with this subparagraph.

3. Each charter school's governing board must hold at least two public meetings per school year in the school district where the charter school is located. The meetings must be noticed, open, and accessible to the public, and attendees must be provided an opportunity to receive information and provide input regarding the charter school's operations. The appointed representative and charter school principal or director, or his or her designee, must be physically present at each meeting.

Members of the governing board may attend in person or by means of communications media technology used in accordance with rules

adopted by the Administration Commission under s. 120.54(5).

- enter into cooperative agreements to form charter school cooperative organizations that may provide the following services to further educational, operational, and administrative initiatives in which the participating charter schools share common interests: charter school planning and development, direct instructional services, and contracts with charter school governing boards to provide personnel administrative services, payroll services, human resource management, evaluation and assessment services, teacher preparation, and professional development.
- (17) FUNDING.—Students enrolled in a charter school, regardless of the sponsorship, shall be funded as if they are in a basic program or a special program, the same as students enrolled in other public schools in the school district. Funding for a charter lab school shall be as provided in s. 1002.32.
- (b) The basis for the agreement for funding students enrolled in a charter school shall be the sum of the school district's operating funds from the Florida Education Finance Program as provided in s. 1011.62 and the General Appropriations Act, including gross state and local funds, discretionary lottery funds, and funds from the school district's current operating discretionary millage levy; divided by total funded weighted full-time equivalent students in the school district; multiplied by the weighted full-time equivalent students for the

Page 31 of 53

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charter school. Charter schools whose students or programs meet the eligibility criteria in law are entitled to their proportionate share of categorical program funds included in the total funds available in the Florida Education Finance Program by the Legislature, including transportation, the research-based reading allocation, and the Florida digital classrooms allocation. Total funding for each charter school shall be recalculated during the year to reflect the revised calculations under the Florida Education Finance Program by the state and the actual weighted full-time equivalent students reported by the charter school during the full-time equivalent student survey periods designated by the Commissioner of Education. Any unrestricted surplus or unrestricted net assets identified in the charter school's annual audit may be used for educational purposes by a not-for-profit or municipal entity organizing or operating the charter school in accordance with the applicable provisions of chapter 617, if the entity is a not-for-profit organization, or the applicable provisions of Title XII, if the entity is a municipality.

(e) District school boards shall make timely and efficient payment and reimbursement to charter schools, including processing paperwork required to access special state and federal funding for which they may be eligible. The district school board may distribute funds to a charter school for up to 3 months based on the projected full-time equivalent student membership of the charter school. Thereafter, the results of

Page 32 of 53

full-time equivalent student membership surveys shall be used in adjusting the amount of funds distributed monthly to the charter school for the remainder of the fiscal year. The payment shall be issued no later than 10 working days after the district school board receives a distribution of state or federal funds. If a warrant for payment is not issued within 10 working days after receipt of funding by the district school board, the school district shall pay to the charter school, in addition to the amount of the scheduled disbursement, interest at a rate of 1 percent per month calculated on a daily basis on the unpaid balance from the expiration of the 10 working days until such time as the warrant is issued. The district school board may not delay payment to a charter school of any portion of the funds provided in paragraph (b) based on the timing of receipt of local funds by the district school board.

- (21) PUBLIC INFORMATION ON CHARTER SCHOOLS.-
- (a) The Department of Education shall provide information to the public, directly and through sponsors, on how to form and operate a charter school and how to enroll in a charter school once it is created. This information shall include a standard model application form, standard charter contract, standard application evaluation instrument, and standard charter renewal contract, which shall include the information specified in subsection (7) and shall be developed by consulting and negotiating with both school districts and charter schools before implementation. The charter and charter renewal contracts

Page 33 of 53

shall be used by charter school sponsors.

- (25) LOCAL EDUCATIONAL AGENCY STATUS FOR CERTAIN CHARTER SCHOOL SYSTEMS.—A charter school system's governing board shall be designated a local educational agency for the purpose of receiving federal funds, the same as though the charter school system were a school district, if the governing board of the charter school system has adopted and filed a resolution with its sponsoring district school board and the Department of Education in which the governing board of the charter school system accepts the full responsibility for all local education agency requirements and the charter schools for which the system's governing board will perform local education agency responsibilities school system meets all of the following:
- (a) Includes both conversion charter schools and nonconversion charter schools;
- (a) (b) Are Has all schools located in the same county;

 (b) (c) Have Has a total enrollment exceeding the total enrollment of at least one school district in the state; and (c) (d) Are governed by Has the system's same governing board; and
- (e) Does not contract with a for-profit service provider for management of school operations.

Such designation does not apply to other provisions unless specifically provided in law.

Section 2. Paragraph (e) of subsection (2) and subsections

Page 34 of 53

(3), (4), and (5) of section 1002.331, Florida Statutes, are amended to read:

1002.331 High-performing charter schools.-

- (2) A high-performing charter school is authorized to:
- (e) Receive a modification of its charter to a term of 15 years or a 15-year charter renewal. The charter may be modified or renewed for a shorter term at the option of the high-performing charter school. The charter must be consistent with s. $\underline{1002.33(7)(a)20.} \, \underline{1002.33(7)(a)19.} \,$ and (10)(h) and (i), is subject to annual review by the sponsor, and may be terminated during its term pursuant to s. $\underline{1002.33(8)}.$

A high-performing charter school shall notify its sponsor in writing by March 1 if it intends to increase enrollment or expand grade levels the following school year. The written notice shall specify the amount of the enrollment increase and the grade levels that will be added, as applicable. If a charter school notifies the sponsor of its intent to expand, the sponsor shall modify the charter within 90 days to include the new enrollment maximum and may not make any other changes. The sponsor may deny a request to increase the enrollment of a high-performing charter school if the commissioner has declassified the charter school as high-performing. If a high-performing charter school requests to consolidate multiple charters, the sponsor shall have 40 days after receipt of that request to provide an initial draft charter to the charter school. The

Page 35 of 53

sponsor and charter school shall have 50 days thereafter to negotiate and notice the charter contract for final approval by the sponsor.

- (3) (a) A high-performing charter school may submit an application pursuant to s. 1002.33(6) in any school district in the state to establish and operate a new charter school that will substantially replicate its educational program. An application submitted by a high-performing charter school must state that the application is being submitted pursuant to this paragraph and must include the verification letter provided by the Commissioner of Education pursuant to subsection (4)(5). If the sponsor fails to act on the application within 60 days after receipt, the application is deemed approved and the procedure in s. 1002.33(6) (h) applies. If the sponsor denies the application, the high-performing charter school may appeal pursuant to s. 1002.33(6).
- (b) A high-performing charter school may not establish more than one charter school within the state under paragraph (a) in any year. A subsequent application to establish a charter school under paragraph (a) may not be submitted unless each charter school established in this manner achieves high-performing charter school status. This paragraph does not apply to charter schools established by a high-performing charter school in the attendance zone of a school identified as in need of intervention and support pursuant to s. 1008.33(3)(b) or to meet capacity needs or needs for innovative school choice

Page 36 of 53

options identified by the district school board.

enrollment or expand grade levels following any school year in which it receives a school grade of "C" or below. If the charter school receives a school grade of "C" or below in any 2 years during the term of the charter awarded under subsection (2), the term of the charter may be modified by the sponsor and the charter school loses its high-performing charter school status until it regains that status under subsection (1).

(4) (5) The Commissioner of Education, upon request by a charter school, shall verify that the charter school meets the criteria in subsection (1) and provide a letter to the charter school and the sponsor stating that the charter school is a high-performing charter school pursuant to this section. The commissioner shall annually determine whether a high-performing charter school under subsection (1) continues to meet the criteria in that subsection. Such high-performing charter school shall maintain its high-performing status unless the commissioner determines that the charter school no longer meets the criteria in subsection (1), at which time the commissioner shall send a letter to the charter school and its sponsor providing notification that the charter school has been declassified of its declassification as a high-performing charter school.

Section 3. Paragraph (a) of subsection (8) of section 1002.37, Florida Statutes, is amended to read:

Page 37 of 53

1002.37 The Florida Virtual School.-

- (8) (a) The Florida Virtual School may provide full-time and part-time instruction for students in kindergarten through grade 12. To receive part-time instruction in kindergarten through grade 5, a student must meet at least one of the eligibility criteria in s. 1002.455(2).
- Section 4. Subsection (5) and paragraphs (c) and (d) of subsection (8) of section 1002.45, Florida Statutes, are amended to read:
 - 1002.45 Virtual instruction programs.
- (5) STUDENT ELIGIBILITY.—Students in kindergarten through grade 12 A student may enroll in a virtual instruction program provided by the school district or by a virtual charter school operated in the district in which he or she resides if the student meets eligibility requirements for virtual instruction pursuant to s. 1002.455.
 - (8) ASSESSMENT AND ACCOUNTABILITY.-
- (c) An approved provider that receives a school grade of "D" or "F" under s. 1008.34 or a school improvement rating of "Unsatisfactory" "Declining" under s. 1008.341 must file a school improvement plan with the department for consultation to determine the causes for low performance and to develop a plan for correction and improvement.
- (d) An approved provider's contract is automatically must be terminated if the provider earns two consecutive school grades of receives a school grade of "D" or "F" under s.

Page 38 of 53

1008.34, receives two consecutive or a school improvement ratings rating of "unsatisfactory" "Declining" under s.

1008.341, for 2 years during any consecutive 4-year period or has violated any qualification requirement pursuant to subsection (2). A provider that has a contract terminated under this paragraph may not be an approved provider for a period of at least 1 year after the date upon which the contract was terminated and until the department determines that the provider is in compliance with subsection (2) and has corrected each cause of the provider's low performance.

Section 5. <u>Section 1002.455</u>, Florida Statutes, is repealed.

Section 6. Subsection (2) of section 1003.498, Florida Statutes, is amended to read:

1003.498 School district virtual course offerings.-

- (2) School districts may offer virtual courses for students enrolled in the school district. These courses must be identified in the course code directory. Students who meet the eligibility requirements of s. 1002.455 may participate in these virtual course offerings.
- (a) Any eligible student who is enrolled in a school district may register and enroll in an online course offered by his or her school district.
- (b)1. Any eligible student who is enrolled in a school district may register and enroll in an online course offered by any other school district in the state. The school district in

Page 39 of 53

which the student completes the course shall report the student's completion of that course for funding pursuant to s. 1011.61(1)(c)1.b.(VI), and the home school district shall not report the student for funding for that course.

- 2. The full-time equivalent student membership calculated under this subsection is subject to the requirements in s. 1011.61(4). The Department of Education shall establish procedures to enable interdistrict coordination for the delivery and funding of this online option.
- Section 7. Section 1004.650, Florida Statutes, is created to read:
 - 1004.650 Florida Institute for Charter School Innovation.—
 - (1) There is established the Florida Institute for Charter School Innovation within the Florida State University. The purposes of the institute are to advance charter school accountability, quality, and innovation; provide support for and technical assistance to charter school applicants and sponsors; provide opportunities for aspiring teachers to experience teaching in schools of choice; and conduct research for the development and promotion of best practices for the authorizing, accountability, financing, management, operation, and instructional practices of charter schools.
 - (2) The institute shall:

- (a) Provide technical assistance and support to charter school applicants and sponsors.
 - (b) Conduct research to inform both policy and practices

Page 40 of 53

related to charter school authorizing, accountability, instructional practices, financing, management, and operations.

- (c) Partner with state-approved teacher preparation programs around the state to provide opportunities for aspiring teachers to experience teaching in schools of choice.
- appoint a director of the institute. The director is responsible for overall management of the institute and for developing and executing the work of the institute consistent with this section. The director may engage individuals in other state universities with accredited colleges of education to participate in the work of the institute.
- (4) By October 1 of each year, the institute shall provide a written report to the Governor, the President of the Senate, and the Speaker of the House of Representatives that outlines its activities in the preceding year, reports significant research findings, details expenditures of state funds, and provides specific recommendations for improving the state's charter school policies and the institute's ability to fulfill its mission.
- (5) Within 180 days after completion of the institute's fiscal year, the institute must provide to the Auditor General, the Board of Governors of the State University System, and the State Board of Education a report on the results of an annual financial audit conducted by an independent certified public accountant in accordance with s. 11.45.

Page 41 of 53

Section 8. Subsection (11) of section 1011.62, Florida Statutes, is amended to read:

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1011.62 Funds for operation of schools.—If the annual allocation from the Florida Education Finance Program to each district for operation of schools is not determined in the annual appropriations act or the substantive bill implementing the annual appropriations act, it shall be determined as follows:

VIRTUAL EDUCATION CONTRIBUTION.—The Legislature may annually provide in the Florida Education Finance Program a virtual education contribution. The amount of the virtual education contribution shall be the difference between the amount per FTE established in the General Appropriations Act for virtual education and the amount per FTE for each district and the Florida Virtual School, which may be calculated by taking the sum of the base FEFP allocation, the discretionary local effort, the state-funded discretionary contribution, the discretionary millage compression supplement, the research-based reading instruction allocation, and the instructional materials allocation, and then dividing by the total unweighted FTE. This difference shall be multiplied by the virtual education unweighted FTE for programs and options identified in ss. 1002.33(1), 1002.45(1)(b), and $1003.498 ext{ s. } ext{ } ext{$ Florida Virtual School and its franchises to equal the virtual education contribution and shall be included as a separate allocation in the funding formula.

Page 42 of 53

1093 Section 9. Subsection (2) of section 1011.71, Florida Statutes, is amended to read: 1094 1095 1011.71 District school tax.-1096 In addition to the maximum millage levy as provided in 1097 subsection (1), each school board may levy not more than 1.5 1098 mills against the taxable value for school purposes for district 1099 schools, including charter schools. A charter school shall be provided an amount equal to the remaining balance of funding 1100 1101 needed to achieve the amount of the state funding allocation 1102 provided in s. 1013.62 after the amount of state appropriations 1103 is deducted. Annually, by December 30, the department shall 1104 calculate the amount of payments to eligible charter schools 1105 using the certified taxable value and millage rate as provided in the TRIM notice pursuant to s. 200.065 and certify to each 1106 1107 school district the amount the school district must pay to each 1108 charter school based on the remaining balance of funding needed 1109 to achieve the amount of the state funding allocation as provided in s. 1013.62 after the amount of state appropriations 1110 1111 is deducted. School districts shall make payments to charter 1112 schools no later than February 1 of each year, beginning on 1113 February 1, 2016, for the 2015-2016 fiscal year. Revenues 1114 retained by a school district after payments are made to charter 1115 schools may be used by the school district at the discretion of the school board, to fund: 1116 New construction and remodeling projects, as set forth 1117 in s. 1013.64(3)(b) and (6)(b) and included in the district's 1118

Page 43 of 53

educational plant survey pursuant to s. 1013.31, without regard to prioritization, sites and site improvement or expansion to new sites, existing sites, auxiliary facilities, athletic facilities, or ancillary facilities.

- (b) Maintenance, renovation, and repair of existing school plants or of leased facilities to correct deficiencies pursuant to s. 1013.15(2).
- (c) The purchase, lease-purchase, or lease of school buses.
- (d) The purchase, lease-purchase, or lease of new and replacement equipment; computer hardware, including electronic hardware and other hardware devices necessary for gaining access to or enhancing the use of electronic content and resources or to facilitate the access to and the use of a school district's digital classrooms plan pursuant to s. 1011.62, excluding software other than the operating system necessary to operate the hardware or device; and enterprise resource software applications that are classified as capital assets in accordance with definitions of the Governmental Accounting Standards Board, have a useful life of at least 5 years, and are used to support districtwide administration or state-mandated reporting requirements. Enterprise resource software may be acquired by annual license fees, maintenance fees, or lease agreements.
- (e) Payments for educational facilities and sites due under a lease-purchase agreement entered into by a district school board pursuant to s. 1003.02(1)(f) or s. 1013.15(2), not

Page 44 of 53

exceeding, in the aggregate, an amount equal to three-fourths of the proceeds from the millage levied by a district school board pursuant to this subsection. The three-fourths limit is waived for lease-purchase agreements entered into before June 30, 2009, by a district school board pursuant to this paragraph.

- 1150 (f) Payment of loans approved pursuant to ss. 1011.14 and 1151 1011.15.
 - (g) Payment of costs directly related to complying with state and federal environmental statutes, rules, and regulations governing school facilities.
 - (h) Payment of costs of leasing relocatable educational facilities, of renting or leasing educational facilities and sites pursuant to s. 1013.15(2), or of renting or leasing buildings or space within existing buildings pursuant to s. 1013.15(4).
 - (i) Payment of the cost of school buses when a school district contracts with a private entity to provide student transportation services if the district meets the requirements of this paragraph.
 - 1. The district's contract must require that the private entity purchase, lease-purchase, or lease, and operate and maintain, one or more school buses of a specific type and size that meet the requirements of s. 1006.25.
 - 2. Each such school bus must be used for the daily transportation of public school students in the manner required by the school district.

Page 45 of 53

3. Annual payment for each such school bus may not exceed 1172 10 percent of the purchase price of the state pool bid.

- 4. The proposed expenditure of the funds for this purpose must have been included in the district school board's notice of proposed tax for school capital outlay as provided in s. 200.065(10).
- (j) Payment of the cost of the opening day collection for the library media center of a new school.
 - Section 10. Paragraph (b) of subsection (8) of section 1012.56, Florida Statutes, is amended to read:
 - 1012.56 Educator certification requirements.-
 - (8) PROFESSIONAL DEVELOPMENT CERTIFICATION AND EDUCATION COMPETENCY PROGRAM.—
 - (b)1. Each school district must and a private school or state-supported state supported public school, including a charter school, or a private school may develop and maintain a system by which members of the instructional staff may demonstrate mastery of professional preparation and education competence as required by law. Each program must be based on classroom application of the Florida Educator Accomplished Practices and instructional performance and, for public schools, must be aligned with the district's or state-supported public school's evaluation system established approved under s. 1012.34, as applicable.
 - 2. The Commissioner of Education shall determine the continued approval of programs implemented under this paragraph,

Page 46 of 53

based upon the department's review of performance data. The department shall review the performance data as a part of the periodic review of each school district's professional development system required under s. 1012.98.

Section 11. Subsections (1) and (2) of section 1013.62, Florida Statutes, are amended to read:

- 1013.62 Charter schools capital outlay funding.-
- (1) In each year in which funds are appropriated for charter school capital outlay purposes, the Commissioner of Education shall allocate the funds among eligible charter schools.
- (a) To be eligible for a funding allocation, a charter school must:
 - 1.a. Have been in operation for 2 3 or more years;
- b. Have no more than two consecutive school grades lower than "B" unless the school serves a student population at least 50 percent of which is eligible for free or reduced-price meals under the National School Lunch Act Be governed by a governing board established in the state for 3 or more years which operates both charter schools and conversion charter schools within the state;
- c. Have an annual audit that does not reveal any of the financial emergency conditions provided in s. 218.503(1) for the most recent fiscal year for which such audit results are available Be an expanded feeder chain of a charter school within the same school district that is currently receiving charter

Page 47 of 53

1223	school capital outlay funds;
1224	d. Have received final approval from its sponsor pursuant
1225	to s. 1002.33 for operation during that fiscal year; and
1226	e. Serve students in facilities that are not provided by
1227	the charter school's sponsor; or
1228	d. Have been accredited by the Commission on Schools of
1229	the Southern Association of Colleges and Schools; or
1230	e. Serve students in facilities that are provided by a
1231	business partner for a charter school-in-the-workplace pursuant
1232	to s. 1002.33(15)(b).
1233	2.a. Be part of a high-performing charter school system
1234	pursuant to s. 1002.332; Have financial stability for future
1235	operation as a charter school.
1236	3. Have satisfactory student achievement based on state
1237	accountability standards applicable to the charter school.
1238	$\underline{\text{b.4.}}$ Have received final approval from its sponsor
1239	pursuant to s. 1002.33 for operation during that fiscal year:
1240	and.
1241	$\underline{\text{c.5.}}$ Serve students in facilities that are not provided by
1242	the charter school's sponsor.
1243	(b) The first priority for charter school capital outlay
1244	funding is to allocate to charter schools that received funding
1245	in the 2005-2006 fiscal year an allocation of the same amount
1246	per capital outlay full-time equivalent student, up to the
1247	lesser of the actual number of capital outlay full-time
1248	equivalent students in the current year, or the capital outlay

Page 48 of 53

After calculating the first priority, the second priority is to allocate excess funds remaining in the appropriation in an amount equal to the per capital outlay full-time equivalent student amount in the first priority calculation to eligible charter schools not included in the first priority calculation with growth greater than the 2005-2006 capital outlay full-time equivalent students. After calculating the first and second priorities, excess funds remaining in the appropriation must be allocated to all eligible charter schools.

(b) (e) A charter school's allocation may not exceed onefortieth one-fifteenth of the cost per student station specified
in s. 1013.64(6)(b) or the amount of revenue per fixed capital
outlay full-time equivalent student generated by the school
district's levy of 1.5 mills pursuant to s. 1011.71(2),
whichever is less. Before releasing capital outlay funds to a
school district on behalf of the charter school, the Department
of Education must ensure that the district school board and the
charter school governing board enter into a written agreement
that provides for the reversion of any unencumbered funds and
all equipment and property purchased with public education funds
to the ownership of the district school board, as provided for
in subsection (3) if the school terminates operations. Any funds
recovered by the state shall be deposited in the General Revenue
Fund.

Page 49 of 53

(c) (d) A charter school is not eligible for a funding allocation if it was created by the conversion of a public school and operates in facilities provided by the charter school's sponsor for a nominal fee, or at no charge, or if it is directly or indirectly operated by the school district.

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(d) (e) Unless otherwise provided in the General Appropriations Act, the state funding allocation for each eligible charter school shall be is determined by multiplying the school's projected student enrollment by one-fortieth onefifteenth of the cost-per-student station specified in s. 1013.64(6)(b) for an elementary, middle, or high school, as appropriate. If the funds appropriated are not sufficient, the charter school shall receive funding to achieve one-fortieth of the cost per student station or the amount of revenue per fixed capital outlay full-time equivalent student generated by the school district's levy of 1.5 mills pursuant to s. 1011.71(2), whichever is less, from the revenues generated by the school district levy of ad valorem property taxes the commissioner shall prorate the available funds among eligible charter schools. However, A charter school or charter lab school may not receive state charter school capital outlay funds or local ad valorem capital outlay funds greater than the one-fortieth onefifteenth cost per student station formula if the charter school's combination of state charter school capital outlay funds, capital outlay funds calculated through the reduction in the administrative fee provided in s. 1002.33(20), and capital

Page 50 of 53

outlay funds allowed in s. 1002.32(9)(e) and (h) exceeds the one-fortieth one-fifteenth cost per student station formula.

- (e)(f) Funds shall be distributed on the basis of the capital outlay full-time equivalent membership by grade level, which is calculated by averaging the results of the second and third enrollment surveys. The Department of Education shall distribute capital outlay funds monthly, beginning in the first quarter of the fiscal year, based on one-twelfth of the amount the department reasonably expects the charter school to receive during that fiscal year. The commissioner shall adjust subsequent distributions as necessary to reflect each charter school's actual student enrollment as reflected in the second and third enrollment surveys. The commissioner shall establish the intervals and procedures for determining the projected and actual student enrollment of eligible charter schools.
- (2) A charter school's governing body may use charter school capital outlay funds received pursuant to this section and s. 1011.71(2) for the following purposes:
 - (a) Purchase of real property.
 - (b) Construction of school facilities.
- (c) Purchase, lease-purchase, or lease of permanent or relocatable school facilities.
- (d) Purchase of vehicles to transport students to and from the charter school.
- (e) Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through

Page 51 of 53

a lease-purchase or long-term lease of 5 years or longer.

(f) Effective July 1, 2008, purchase, lease-purchase, or lease of new and replacement equipment, and enterprise resource software applications that are classified as capital assets in accordance with definitions of the Governmental Accounting Standards Board, have a useful life of at least 5 years, and are used to support schoolwide administration or state-mandated reporting requirements.

- $\underline{\text{(f)}}$ Payment of the cost of premiums for property and casualty insurance necessary to insure the school facilities.
- (g) (h) Purchase, lease-purchase, or lease of driver's education vehicles; motor vehicles used for the maintenance or operation of plants and equipment; security vehicles; or vehicles used in storing or distributing materials and equipment.
- (h) The purchase, lease-purchase, or lease of new and replacement equipment; computer hardware, including electronic hardware and other hardware devices necessary for gaining access to or enhancing the use of electronic content and resources or to facilitate the access to and the use of a charter school's digital classrooms plan pursuant to s. 1011.62, excluding software other than the operating system necessary to operate the hardware or device; and enterprise resource software applications that are classified as capital assets in accordance with definitions of the Governmental Accounting Standards Board, have a useful life of at least 5 years, and are used to support

Page 52 of 53

1353	schoolwide administration or state-mandated reporting
1354	requirements. Enterprise resource software may be acquired by
1355	annual license fees, maintenance fees, or lease agreement.
1356	(i) Payment of the cost of the opening day collection for
1357	the library media center of a new school.
1358	
1359	Conversion charter schools may use capital outlay funds received
1360	through the reduction in the administrative fee provided in s.
1361	1002.33(20) for renovation, repair, and maintenance of school
1362	facilities that are owned by the sponsor.
1363	Section 12. For the 2015-2016 fiscal year, the sum of
1364	\$2,374,420 in recurring funds is appropriated from the General
1365	Revenue Fund to the Florida Education Finance Program to fund
1366	student enrollment associated with the repeal by this act of s.
1367	1002.455, Florida Statutes. For the 2015-2016 fiscal year, the
1368	sum of \$1 million in recurring funds is appropriated from the
1369	General Revenue Fund to the Florida State University to create
1370	and implement the Florida Institute for Charter School
1371	Innovation.

Page 53 of 53

Section 13. This act shall take effect July 1, 2015.

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

1372