

By Senator Bean

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1 A bill to be entitled
2 An act relating to hope operators; amending s. 218.39,
3 F.S.; providing that a hope operator that has not been
4 notified that a financial audit for a fiscal year will
5 be performed by the Auditor General must retain an
6 independent certified public accountant to complete,
7 within 9 months after the end of its fiscal year, an
8 annual financial audit of its accounts, which must be
9 paid from its public funds; requiring an auditor to
10 discuss comments that will be included in the audit
11 report with such hope operator's board chair or the
12 chair's designee; requiring that the auditor notify
13 each member of the hope operator board of specified
14 information; requiring hope operators to file an
15 officer's written statement of explanation or rebuttal
16 concerning an auditor's findings within a certain
17 timeframe; authorizing the Legislative Auditing
18 Committee to require the appearance of the chair of
19 the hope operator or the chair's designee if the
20 committee determines that the written statement is
21 insufficient; requiring each hope operator to file a
22 copy of its audit report with specified entities;
23 amending s. 1002.333, F.S.; revising the definition of
24 the term "persistently low-performing school";
25 authorizing, instead of requiring, a school of hope
26 designated as a local education agency to report
27 students in accordance with procedures and timelines
28 adopted by the Department of Education; requiring hope
29 operators, rather than schools of hope, to provide

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30 school districts with quarterly financial statement
31 summary sheets; revising the manner in which
32 underused, vacant, or surplus facilities owned or
33 operated by school districts are identified;
34 increasing the number of years for which certain funds
35 may be carried forward; amending s. 1012.32, F.S.;;
36 providing an alternate screening method for specified
37 persons employed by certain schools of hope or serving
38 on certain school of hope governing boards; amending
39 s. 1013.62, F.S.; expanding eligibility to receive
40 capital outlay funds to schools of hope operated by a
41 hope operator; providing an effective date.

42
43 Be It Enacted by the Legislature of the State of Florida:

44
45 Section 1. Subsections (1), (5), and (6), paragraph (b) of
46 subsection (8), and subsection (10) of section 218.39, Florida
47 Statutes, are amended to read:

48 218.39 Annual financial audit reports.—

49 (1) If, by the first day in any fiscal year, a local
50 governmental entity, district school board, charter school, hope
51 operator, or charter technical career center has not been
52 notified that a financial audit for that fiscal year will be
53 performed by the Auditor General, each of the following entities
54 shall have an annual financial audit of its accounts and records
55 completed within 9 months after the end of its fiscal year by an
56 independent certified public accountant retained by it and paid
57 from its public funds:

58 (a) Each county.

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59 (b) Any municipality with revenues or the total of
60 expenditures and expenses in excess of \$250,000, as reported on
61 the fund financial statements.

62 (c) Any special district with revenues or the total of
63 expenditures and expenses in excess of \$100,000, as reported on
64 the fund financial statements.

65 (d) Each district school board.

66 (e) Each charter school established under s. 1002.33.

67 (f) Each charter technical center established under s.
68 1002.34.

69 (g) Each municipality with revenues or the total of
70 expenditures and expenses between \$100,000 and \$250,000, as
71 reported on the fund financial statements, which has not been
72 subject to a financial audit pursuant to this subsection for the
73 2 preceding fiscal years.

74 (h) Each special district with revenues or the total of
75 expenditures and expenses between \$50,000 and \$100,000, as
76 reported on the fund financial statement, which has not been
77 subject to a financial audit pursuant to this subsection for the
78 2 preceding fiscal years.

79 (i) Each hope operator operating at least one school of
80 hope in this state.

81 (5) At the conclusion of the audit, the auditor shall
82 discuss with the chair of the governing body of the local
83 governmental entity or the chair's designee, the elected
84 official of each county agency or the elected official's
85 designee, the chair of the district school board or the chair's
86 designee, the chair of the board of the charter school or the
87 chair's designee, the chair of the board of the hope operator or

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88 the chair's designee, or the chair of the board of the charter
89 technical career center or the chair's designee, as appropriate,
90 all of the auditor's comments that will be included in the audit
91 report. If the officer is not available to discuss the auditor's
92 comments, their discussion is presumed when the comments are
93 delivered in writing to his or her office. The auditor shall
94 notify each member of the governing body of a local governmental
95 entity, district school board, charter school, hope operator, or
96 charter technical career center for which:

97 (a) Deteriorating financial conditions exist that may cause
98 a condition described in s. 218.503(1) to occur if actions are
99 not taken to address such conditions.

100 (b) A fund balance deficit in total or a deficit for that
101 portion of a fund balance not classified as restricted,
102 committed, or nonspendable, or a total or unrestricted net
103 assets deficit, as reported on the fund financial statements of
104 entities required to report under governmental financial
105 reporting standards or on the basic financial statements of
106 entities required to report under not-for-profit financial
107 reporting standards, for which sufficient resources of the local
108 governmental entity, charter school, hope operator, charter
109 technical career center, or district school board, as reported
110 on the fund financial statements, are not available to cover the
111 deficit. Resources available to cover reported deficits include
112 fund balance or net assets that are not otherwise restricted by
113 federal, state, or local laws, bond covenants, contractual
114 agreements, or other legal constraints. Property, plant, and
115 equipment, the disposal of which would impair the ability of a
116 local governmental entity, charter school, hope operator,

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117 charter technical career center, or district school board to
118 carry out its functions, are not considered resources available
119 to cover reported deficits.

120 (6) The officer's written statement of explanation or
121 rebuttal concerning the auditor's findings, including corrective
122 action to be taken, must be filed with the governing body of the
123 local governmental entity, district school board, charter
124 school, hope operator, or charter technical career center within
125 30 days after the delivery of the auditor's findings.

126 (8) The Auditor General shall notify the Legislative
127 Auditing Committee of any audit report prepared pursuant to this
128 section which indicates that an audited entity has failed to
129 take full corrective action in response to a recommendation that
130 was included in the two preceding financial audit reports.

131 (b) If the committee determines that the written statement
132 is not sufficient, it may require the chair of the governing
133 body of the local governmental entity or the chair's designee,
134 the elected official of each county agency or the elected
135 official's designee, the chair of the district school board or
136 the chair's designee, the chair of the board of the charter
137 school or the chair's designee, the chair of the hope operator
138 or the chair's designee, or the chair of the board of the
139 charter technical career center or the chair's designee, as
140 appropriate, to appear before the committee.

141 (10) Each charter school, hope operator who operates a
142 charter school, and charter technical career center must file a
143 copy of its audit report with the sponsoring entity; the local
144 district school board, if not the sponsoring entity; the Auditor
145 General; and with the Department of Education.

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146 Section 2. Paragraph (c) of subsection (1), paragraphs (g)
147 and (h) of subsection (6), paragraph (d) of subsection (7), and
148 paragraph (b) of subsection (10) of section 1002.333, Florida
149 Statutes, are amended to read:

150 1002.333 Persistently low-performing schools.—

151 (1) DEFINITIONS.—As used in this section, the term:

152 (c) "Persistently low-performing school" means a school
153 that has earned three grades lower than a "C," pursuant to s.
154 1008.34, in at least 3 of the previous 5 years that the school
155 received a grade and has not earned a grade of "B" or higher in
156 the most recent 2 school years, and a school that was closed
157 pursuant to s. 1008.33(4) within 2 years after the submission of
158 a notice of intent.

159 (6) STATUTORY AUTHORITY.—

160 (g) Each school of hope that has not been designated as a
161 local education agency shall report its students to the school
162 district as required in s. 1011.62, and in accordance with the
163 definitions in s. 1011.61. The school district shall include
164 each charter school's enrollment in the district's report of
165 student enrollment. A school of hope designated as a local
166 education agency may report its students to the department in
167 accordance with the definitions in s. 1011.61 pursuant to
168 procedures and timelines adopted by the department. All charter
169 schools submitting student record information required by the
170 department shall comply with the department's guidelines for
171 electronic data formats for such data, and all districts shall
172 accept electronic data that complies with the department's
173 electronic format.

174 (h) A ~~school of hope~~ operator shall provide the school

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175 district with a concise, uniform, quarterly financial statement
176 summary sheet that contains a balance sheet and a statement of
177 revenue, expenditures, and changes in fund balance. The balance
178 sheet and the statement of revenue, expenditures, and changes in
179 fund balance shall be in the governmental fund format prescribed
180 by the Governmental Accounting Standards Board. Additionally, a
181 ~~school of hope operator~~ shall comply with the annual audit
182 requirement ~~for charter schools~~ in s. 218.39.

183 (7) FACILITIES.—

184 (d) No later than January ~~October~~ 1, the department ~~each~~
185 ~~school district~~ shall annually provide to school districts ~~the~~
186 ~~Department of Education~~ a list of all underused, vacant, or
187 surplus facilities owned or operated by the school district as
188 reported in the Florida Inventory of School Houses. A school
189 district may provide evidence to the department that the list
190 contains errors or omissions within 30 days after receipt of the
191 list. By each April 1, the department shall update and publish a
192 final list of all underused, vacant, or surplus facilities owned
193 or operated by each school district, based upon updated
194 information provided by each school district. A hope operator
195 establishing a school of hope may use an educational facility
196 identified in this paragraph at no cost or at a mutually
197 agreeable cost not to exceed \$600 per student. A hope operator
198 using a facility pursuant to this paragraph may not sell or
199 dispose of such facility without the written permission of the
200 school district. For purposes of this paragraph, the term
201 "underused, vacant, or surplus facility" means an entire
202 facility or portion thereof which is not fully used or is used
203 irregularly or intermittently by the school district for

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204 instructional or program use.

205 (10) SCHOOLS OF HOPE PROGRAM.—The Schools of Hope Program
206 is created within the Department of Education.

207 (b) Notwithstanding s. 216.301 and pursuant to s. 216.351,
208 funds allocated for the purpose of this subsection which are not
209 disbursed by June 30 of the fiscal year in which the funds are
210 allocated may be carried forward for up to 7 ~~5~~ years after the
211 effective date of the original appropriation.

212 Section 3. Subsection (2) of section 1012.32, Florida
213 Statutes, is amended to read:

214 1012.32 Qualifications of personnel.—

215 (2) (a) Instructional and noninstructional personnel who are
216 hired or contracted to fill positions that require direct
217 contact with students in any district school system or
218 university lab school must, upon employment or engagement to
219 provide services, undergo background screening as required under
220 s. 1012.465 or s. 1012.56, whichever is applicable.

221 (b) 1. Instructional and noninstructional personnel who are
222 hired or contracted to fill positions in a ~~any~~ charter school
223 other than a school of hope as defined in s. 1002.333(1)(d)1.,
224 and members of the governing board of such ~~any~~ charter school,
225 in compliance with s. 1002.33(12)(g), ~~must,~~ upon employment,
226 engagement of services, or appointment, shall undergo background
227 screening as required under s. 1012.465 or s. 1012.56, whichever
228 is applicable, by filing with the district school board for the
229 school district in which the charter school is located a
230 complete set of fingerprints taken by an authorized law
231 enforcement agency or an employee of the school or school
232 district who is trained to take fingerprints.

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233 2. Instructional and noninstructional personnel who are
234 hired or contracted to fill positions in a school of hope as
235 defined in s. 1002.333(1)(d)1., and members of the governing
236 board of such school of hope, shall file with the school of hope
237 a complete set of fingerprints taken by an authorized law
238 enforcement agency, by an employee of the school of hope or
239 school district who is trained to take fingerprints, or by any
240 other entity recognized by the Department of Law Enforcement to
241 take fingerprints.

242 (c) Instructional and noninstructional personnel who are
243 hired or contracted to fill positions that require direct
244 contact with students in an alternative school that operates
245 under contract with a district school system must, upon
246 employment or engagement to provide services, undergo background
247 screening as required under s. 1012.465 or s. 1012.56, whichever
248 is applicable, by filing with the district school board for the
249 school district to which the alternative school is under
250 contract a complete set of fingerprints taken by an authorized
251 law enforcement agency or an employee of the school or school
252 district who is trained to take fingerprints.

253 (d) Student teachers and persons participating in a field
254 experience pursuant to s. 1004.04(5) or s. 1004.85 in any
255 district school system, lab school, or charter school must, upon
256 engagement to provide services, undergo background screening as
257 required under s. 1012.56.

258
259 Required fingerprints must ~~Fingerprints shall~~ be submitted to
260 the Department of Law Enforcement for statewide criminal and
261 juvenile records checks and to the Federal Bureau of

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262 Investigation for federal criminal records checks. A person
263 subject to this subsection who is found ineligible for
264 employment under s. 1012.315, or otherwise found through
265 background screening to have been convicted of any crime
266 involving moral turpitude as defined by rule of the State Board
267 of Education, shall not be employed, engaged to provide
268 services, or serve in any position that requires direct contact
269 with students. Probationary persons subject to this subsection
270 terminated because of their criminal record have the right to
271 appeal such decisions. The cost of the background screening may
272 be borne by the district school board, the charter school, the
273 employee, the contractor, or a person subject to this
274 subsection. A district school board shall reimburse a charter
275 school the cost of background screening if it does not notify
276 the charter school of the eligibility of a governing board
277 member or instructional or noninstructional personnel within the
278 earlier of 14 days after receipt of the background screening
279 results from the Florida Department of Law Enforcement or 30
280 days of submission of fingerprints by the governing board member
281 or instructional or noninstructional personnel.

282 Section 4. Paragraph (a) of subsection (1) of section
283 1013.62, Florida Statutes, is amended to read:

284 1013.62 Charter schools capital outlay funding.—

285 (1) For the 2020-2021 fiscal year, charter school capital
286 outlay funding shall consist of state funds appropriated in the
287 2020-2021 General Appropriations Act. Beginning in fiscal year
288 2021-2022, charter school capital outlay funding shall consist
289 of state funds when such funds are appropriated in the General
290 Appropriations Act and revenue resulting from the discretionary

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291 millage authorized in s. 1011.71(2) if the amount of state funds
292 appropriated for charter school capital outlay in any fiscal
293 year is less than the average charter school capital outlay
294 funds per unweighted full-time equivalent student for the 2018-
295 2019 fiscal year, multiplied by the estimated number of charter
296 school students for the applicable fiscal year, and adjusted by
297 changes in the Consumer Price Index issued by the United States
298 Department of Labor from the previous fiscal year. Nothing in
299 this subsection prohibits a school district from distributing to
300 charter schools funds resulting from the discretionary millage
301 authorized in s. 1011.71(2).

302 (a) To be eligible to receive capital outlay funds, a
303 charter school must:

304 1.a. Have been in operation for 2 or more years;

305 b. Be governed by a governing board established in the
306 state for 2 or more years which operates both charter schools
307 and conversion charter schools within the state;

308 c. Be an expanded feeder chain of a charter school within
309 the same school district that is currently receiving charter
310 school capital outlay funds;

311 d. Have been accredited by a regional accrediting
312 association as defined by State Board of Education rule; ~~or~~

313 e. Serve students in facilities that are provided by a
314 business partner for a charter school-in-the-workplace pursuant
315 to s. 1002.33(15)(b); or

316 f. Be operated by a hope operator pursuant to s. 1002.333.

317 2. Have an annual audit that does not reveal any of the
318 financial emergency conditions provided in s. 218.503(1) for the
319 most recent fiscal year for which such audit results are

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320 available.

321 3. Have satisfactory student achievement based on state
322 accountability standards applicable to the charter school.

323 4. Have received final approval from its sponsor pursuant
324 to s. 1002.33 for operation during that fiscal year.

325 5. Serve students in facilities that are not provided by
326 the charter school's sponsor.

327 Section 5. This act shall take effect July 1, 2021.