

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

29 | revising applicant training requirements; requiring
 30 | inclusion in the charter of procedures related to high-
 31 | performing charter schools; revising the procedure for
 32 | terminating or not renewing a charter; authorizing a
 33 | charter school's governing board to request a hearing
 34 | regarding charter terminations or nonrenewal, including
 35 | emergency terminations; authorizing the sponsor to choose
 36 | whether to provide a direct hearing or a hearing before an
 37 | administrative law judge; authorizing the award of
 38 | attorney fees to a charter school governing board if
 39 | certain criteria are met; authorizing quarterly financial
 40 | reporting for certain charter schools; establishing
 41 | enrollment preferences; correcting a cross-reference
 42 | relating to the disclosure of financial interests;
 43 | requiring the Department of Education to examine certain
 44 | funding and costs; requiring recommendations to the
 45 | Governor and Legislature, if warranted, for improving the
 46 | funding system for charter schools; providing an effective
 47 | date.

48 |

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

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

52 | Section 1002.331 HIGH-PERFORMING CHARTER SCHOOLS.-

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

55 | (a) Receives at least 2 school grades of "A" and no school
 56 | grade below a "B" pursuant to s. 1008.34 during each of the

57 previous three school years.

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

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

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

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

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

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

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

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

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

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

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

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

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

115 Section 1002.332 HIGH-PERFORMING CHARTER SCHOOL SYSTEM.-

116 (1) For purposes of this subsection, the term:

117 (a) "Entity" means a municipality or other public entity
 118 that is authorized by law to operate a charter school, or a
 119 private, not-for-profit, s. 501(c)(3) status corporation.

120 (b) "High-performing charter school system" means an
 121 entity that:

122 1. Operates at least 3 high-performing charter schools in
 123 this state;

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

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

137 (2) (a) The Commissioner of Education, upon request by the
 138 entity, shall verify that the entity meets the criteria in
 139 subsection (1) and provide a letter to the entity certifying
 140 that it is a high-performing charter school system.

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

155 Section 2. Paragraphs (b), (c), and (f) of subsection (6),
 156 paragraphs (a) and (c) of subsection (7), paragraphs (b), (c),
 157 and (d) of subsection (8), paragraph (g) of subsection (9), and
 158 paragraph (d) of subsection (10), and subsection (25) of section
 159 1002.33, Florida Statutes, are amended to read:

160 1002.33 Charter schools.—

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

163 (b) A sponsor shall receive and review all applications
 164 for a charter school using an evaluation instrument developed by
 165 the Department of Education. ~~Beginning with the 2007-2008 school~~
 166 ~~year,~~ A sponsor shall receive and consider charter school
 167 applications received on or before August 1 of each calendar
 168 year for charter schools to be opened at the beginning of the

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169 school district's next school year, or to be opened at a time
170 agreed to by the applicant and the sponsor. A sponsor may
171 receive applications later than this date if it chooses. A
172 sponsor may not charge an applicant for a charter any fee for
173 the processing or consideration of an application, and a sponsor
174 may not base its consideration or approval of an application
175 upon the promise of future payment of any kind.

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

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

192 3.a. A sponsor shall by a majority vote approve or deny an
193 application no later than 60 calendar days after the application
194 is received, unless the sponsor and the applicant mutually agree
195 in writing to temporarily postpone the vote to a specific date,
196 at which time the sponsor shall by a majority vote approve or

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

210 b. An application submitted by a high-performing charter
 211 school identified under s. 1002.331 or a high-performing charter
 212 school system identified under s. 1002.332, may only be denied
 213 if clear and convincing evidence demonstrates that:

214 (I) The application does not materially comply with the
 215 requirements of paragraph (a);

216 (II) The charter school proposed in the application does
 217 not materially comply with the requirements of s. 1002.33(9)(a)-
 218 (f); or

219 (III) The proposed charter school's educational program
 220 does not substantially replicate that of one of the applicant's
 221 high-performing charter schools;

222 (IV) The applicant has made a material misrepresentation
 223 or false statement or concealed any essential or material fact
 224 from any person during the application process; or

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

228
 229 Material noncompliance is a failure to follow requirements or a
 230 violation of prohibitions applicable to charter school
 231 applications that is quantitatively or qualitatively significant
 232 either individually or when aggregated with other noncompliance.

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

243 4. For budget projection purposes, the sponsor shall
 244 report to the Department of Education the approval or denial of
 245 a charter application within 10 calendar days after such
 246 approval or denial. In the event of approval, the report to the
 247 Department of Education shall include the final projected FTE
 248 for the approved charter school.

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

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

268 2. The Charter School Appeal Commission may reject an
269 appeal submission for failure to comply with procedural rules
270 governing the appeals process. The rejection shall describe the
271 submission errors. The appellant may have up to 15 calendar days
272 from notice of rejection to resubmit an appeal that meets the
273 requirements set forth in State Board of Education rule. An
274 application for appeal submitted subsequent to such rejection
275 shall be considered timely if the original appeal was filed
276 within 30 calendar days after receipt of notice of the specific
277 reasons for the sponsor's denial of the charter application.

278 3.a. The State Board of Education shall by majority vote
279 accept or reject the decision of the sponsor no later than 90
280 calendar days after an appeal is filed in accordance with State

281 Board of Education rule. ~~The Charter School Appeal Commission~~
 282 ~~may reject an appeal submission for failure to comply with~~
 283 ~~procedural rules governing the appeals process. The rejection~~
 284 ~~shall describe the submission errors. The appellant may have up~~
 285 ~~to 15 calendar days from notice of rejection to resubmit an~~
 286 ~~appeal that meets requirements of State Board of Education rule.~~
 287 ~~An application for appeal submitted subsequent to such rejection~~
 288 ~~shall be considered timely if the original appeal was filed~~
 289 ~~within 30 calendar days after receipt of notice of the specific~~
 290 ~~reasons for the sponsor's denial of the charter application. The~~
 291 State Board of Education shall remand the application to the
 292 sponsor with its written decision that the sponsor approve or
 293 deny the application. The sponsor shall implement the decision
 294 of the State Board of Education. The decision of the State Board
 295 of Education is not subject to the provisions of the
 296 Administrative Procedure Act, chapter 120.

297 b. If the appeal concerns an application submitted by a
 298 high-performing charter school identified under s. 1002.331 or a
 299 high-performing charter school system identified under s.
 300 1002.332, the State Board of Education shall independently
 301 review the application to determine whether clear and convincing
 302 evidence demonstrates that:

303 (I) The application does not materially comply with the
 304 requirements of paragraph (a);

305 (II) The charter school proposed in the application does
 306 not materially comply with the requirements of s. 1002.33(9)(a)-
 307 (f);

308 (III) The proposed charter school's educational program

309 does not substantially replicate that of one of the applicant's
 310 high-performing charter schools;

311 (IV) The applicant has made a material misrepresentation
 312 or false statement or concealed any essential or material fact
 313 from any person during the application process; or

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

317
 318 The State Board of Education shall approve or reject the
 319 sponsor's denial of an application no later than 90 calendar
 320 days after an appeal is filed in accordance with State Board of
 321 Education rule. The State Board of Education shall remand the
 322 application to the sponsor with its written decision that the
 323 sponsor approve or deny the application. The sponsor shall
 324 implement the decision of the State Board of Education. The
 325 decision of the State Board of Education is not subject to the
 326 provisions of the Administrative Procedure Act, chapter 120.

327 (d) The sponsor shall act upon the decision of the State
 328 Board of Education within 30 calendar days after it is received.
 329 The State Board of Education's decision is a final action
 330 subject to judicial review in the district court of appeal.

331 (e)1. A Charter School Appeal Commission is established to
 332 assist the commissioner and the State Board of Education with a
 333 fair and impartial review of appeals by applicants whose charter
 334 applications have been denied, whose charter contracts have not
 335 been renewed, or whose charter contracts have been terminated by
 336 their sponsors.

337 2. The Charter School Appeal Commission may receive copies
 338 of the appeal documents forwarded to the State Board of
 339 Education, review the documents, gather other applicable
 340 information regarding the appeal, and make a written
 341 recommendation to the commissioner. The recommendation must
 342 state whether the appeal should be upheld or denied and include
 343 the reasons for the recommendation being offered. The
 344 commissioner shall forward the recommendation to the State Board
 345 of Education no later than 7 calendar days prior to the date on
 346 which the appeal is to be heard. The state board must consider
 347 the commission's recommendation in making its decision, but is
 348 not bound by the recommendation. The decision of the Charter
 349 School Appeal Commission is not subject to the provisions of the
 350 Administrative Procedure Act, chapter 120.

351 3. The commissioner shall appoint the members of the
 352 Charter School Appeal Commission. Members shall serve without
 353 compensation but may be reimbursed for travel and per diem
 354 expenses in conjunction with their service. One-half of the
 355 members must represent currently operating charter schools, and
 356 one-half of the members must represent sponsors. The
 357 commissioner or a named designee shall chair the Charter School
 358 Appeal Commission.

359 4. The chair shall convene meetings of the commission and
 360 shall ensure that the written recommendations are completed and
 361 forwarded in a timely manner. In cases where the commission
 362 cannot reach a decision, the chair shall make the written
 363 recommendation with justification, noting that the decision was
 364 rendered by the chair.

365 5. Commission members shall thoroughly review the
 366 materials presented to them from the appellant and the sponsor.
 367 The commission may request information to clarify the
 368 documentation presented to it. In the course of its review, the
 369 commission may facilitate the postponement of an appeal in those
 370 cases where additional time and communication may negate the
 371 need for a formal appeal and both parties agree, in writing, to
 372 postpone the appeal to the State Board of Education. A new date
 373 certain for the appeal shall then be set based upon the rules
 374 and procedures of the State Board of Education. Commission
 375 members shall provide a written recommendation to the state
 376 board as to whether the appeal should be upheld or denied. A
 377 fact-based justification for the recommendation must be
 378 included. The chair must ensure that the written recommendation
 379 is submitted to the State Board of Education members no later
 380 than 7 calendar days prior to the date on which the appeal is to
 381 be heard. Both parties in the case shall also be provided a copy
 382 of the recommendation.

383 (f)1. The Department of Education shall offer or arrange
 384 for training and technical assistance to charter school
 385 applicants in developing business plans and estimating costs and
 386 income. This assistance shall address estimating startup costs,
 387 projecting enrollment, and identifying the types and amounts of
 388 state and federal financial assistance the charter school may be
 389 eligible to receive. The department may provide other technical
 390 assistance to an applicant upon written request.

391 2. A charter school applicant must participate in the
 392 training provided by the Department of Education before filing

393 an application. However, a sponsor may require the charter
 394 school applicant to attend training provided by the sponsor in
 395 lieu of the department's training if the sponsor's training
 396 standards meet or exceed the standards developed by the
 397 Department of Education. The training shall include instruction
 398 in accurate financial planning and good business practices. In
 399 the case of a management company or other nonprofit organization
 400 with an approved charter school application, the charter school
 401 principal and the chief financial officer or his or her
 402 equivalent must participate in the training before the opening
 403 of the new charter school. ~~If the applicant is a management~~
 404 ~~company or other nonprofit organization, the charter school~~
 405 ~~principal and the chief financial officer or his or her~~
 406 ~~equivalent must also participate in the training.~~

407 (7) CHARTER.—The major issues involving the operation of a
 408 charter school shall be considered in advance and written into
 409 the charter. The charter shall be signed by the governing body
 410 of the charter school and the sponsor, following a public
 411 hearing to ensure community input.

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

414 19. Implementation of the activities authorized under s.
 415 1002.331 by the charter school when it satisfies the eligibility
 416 requirements for a high-performing charter school. A high-
 417 performing charter school shall notify its sponsor in writing by
 418 March 1 regarding its intent to increase enrollment or expand
 419 grade levels the following school year. The written notice shall
 420 specify the amount of the enrollment increase and the grade

421 levels that will be added, as applicable.

422 (b)1. A charter may be renewed provided that a program
 423 review demonstrates that the criteria in paragraph (a) have been
 424 successfully accomplished and that none of the grounds for
 425 nonrenewal established by paragraph (8)(a) has been documented.
 426 In order to facilitate long-term financing for charter school
 427 construction, charter schools operating for a minimum of 3 years
 428 and demonstrating exemplary academic programming and fiscal
 429 management are eligible for a 15-year charter renewal. Such
 430 long-term charter is subject to annual review and may be
 431 terminated during the term of the charter.

432 2. The 15-year charter renewal that may be granted
 433 pursuant to subparagraph 1. shall be granted to a charter school
 434 that has received a school grade of "A" or "B" pursuant to s.
 435 1008.34 in 3 of the past 4 years and is not in a state of
 436 financial emergency or deficit position as defined by this
 437 section. Such long-term charter is subject to annual review and
 438 may be terminated during the term of the charter pursuant to
 439 subsection (8).

440 (c) A charter may be modified during its initial term or
 441 any renewal term upon the recommendation of the sponsor or the
 442 charter school governing board and the approval of both parties
 443 to the agreement. The term of a charter shall be modified to 15-
 444 years if the charter school receives high-performing charter
 445 school status under s. 1002.331.

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

447 (a) The sponsor may choose not to renew or may terminate
 448 the charter for any of the following grounds:

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449 1. Failure to participate in the state's education
 450 accountability system created in s. 1008.31, as required in this
 451 section, or failure to meet the requirements for student
 452 performance stated in the charter.

453 2. Failure to meet generally accepted standards of fiscal
 454 management.

455 3. Violation of law.

456 4. Other good cause shown.

457 (b) At least 90 days prior to renewing or terminating a
 458 charter, the sponsor shall notify the governing board ~~body~~ of
 459 the school of the proposed action in writing. The notice shall
 460 state in reasonable detail the grounds for the proposed action
 461 and stipulate that the school's governing board ~~body~~ may, within
 462 14 calendar days after receiving the notice, request a ~~an~~
 463 ~~informal hearing before the sponsor. The sponsor shall conduct~~
 464 ~~the informal hearing within 30 calendar days after receiving a~~
 465 ~~written request. Such hearing shall be conducted at the~~
 466 sponsor's election in accordance with one of the following
 467 procedures:

468 1. A direct hearing conducted by the sponsor within 60
 469 days after receipt of the request for a hearing. The hearing
 470 shall be conducted in accordance with the provisions of ss.
 471 120.569 and 120.57. The sponsor shall decide upon termination or
 472 nonrenewal by a majority vote. The sponsor's decision shall
 473 result in a final order; or

474 2. A hearing conducted by an administrative law judge
 475 assigned by the Division of Administrative Hearings. The hearing
 476 shall be conducted within 60 days after receipt of the request

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477 for a hearing in accordance with chapter 120. The recommendation
 478 of the administrative law judge shall be made to the sponsor. A
 479 majority vote by the sponsor shall be required to sustain or
 480 change the administrative law judge's recommendation. The
 481 determination of the sponsor shall be a final order.

482 (c) The final order shall include the specific reasons for
 483 nonrenewal or termination of the charter and shall be provided
 484 to the charter school governing board and the Department of
 485 Education within 10 calendar days after the final order is
 486 issued. ~~If a charter is not renewed or is terminated pursuant to~~
 487 ~~paragraph (b), the sponsor shall, within 10 calendar days,~~
 488 ~~articulate in writing the specific reasons for its nonrenewal or~~
 489 ~~termination of the charter and must provide the letter of~~
 490 ~~nonrenewal or termination and documentation supporting the~~
 491 ~~reasons to the charter school governing body, the charter school~~
 492 ~~principal, and the Department of Education. The charter school's~~
 493 ~~governing board ~~body~~ may, within 30 calendar days after~~
 494 ~~receiving the sponsor's final order ~~written decision to refuse~~~~
 495 ~~to renew or to terminate the charter, appeal the decision~~
 496 pursuant to s. 120.68 ~~pursuant to the procedure established in~~
 497 ~~subsection (6).~~

498 (d) A charter may be terminated immediately if the sponsor
 499 sets forth in writing the particular facts and circumstances
 500 indicating that an immediate and serious danger to the health,
 501 safety, and welfare of the charter school's students exists.
 502 ~~determines that good cause has been shown or if the health,~~
 503 ~~safety, or welfare of the students is threatened. The sponsor's~~
 504 ~~determination is ~~not~~ subject to the same process as set forth in~~

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505 paragraphs an informal hearing under paragraph (b) and (c), with
506 the exception that the hearing may take place after the charter
507 has been terminated or pursuant to chapter 120. The sponsor
508 shall notify in writing the charter school's governing board
509 ~~body~~, the charter school principal, and the department if a
510 charter is immediately terminated immediately. The sponsor shall
511 clearly identify the specific issues that resulted in the
512 immediate termination and provide evidence of prior notification
513 of issues resulting in the immediate termination when
514 appropriate. Upon receiving written notice from the sponsor, the
515 charter school's governing board shall have 10 calendar days to
516 request a hearing. The hearing in such cases shall be expedited
517 and the final order shall be issued no more than 60 days after
518 the date upon which the hearing was requested. ~~The school~~
519 ~~district in which the charter school is located shall assume~~
520 ~~operation of the school under these circumstances. The charter~~
521 ~~school's governing board may, within 30 days after receiving the~~
522 ~~sponsor's decision to terminate the charter, appeal the decision~~
523 ~~pursuant to the procedure established in subsection (6).~~ The
524 sponsor shall assume operation of the school throughout the
525 pendency of the hearing under paragraph (b) and (c), unless the
526 continued operation of the school would materially threaten the
527 physical health, safety, or welfare of the students. Failure by
528 the sponsor to assume and continue operation of the school shall
529 result in the awarding of costs and attorney's fees to the
530 charter school, if the charter school prevails on appeal.

531 (e) When a charter is not renewed or is terminated, the
532 school shall be dissolved under the provisions of law under

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533 | which the school was organized, and any unencumbered public
 534 | funds, except for capital outlay funds and federal charter
 535 | school program grant funds, from the charter school shall revert
 536 | to the sponsor. Capital outlay funds provided pursuant to s.
 537 | 1013.62 and federal charter school program grant funds that are
 538 | unencumbered shall revert to the department to be redistributed
 539 | among eligible charter schools. In the event a charter school is
 540 | dissolved or is otherwise terminated, all district school board
 541 | property and improvements, furnishings, and equipment purchased
 542 | with public funds shall automatically revert to full ownership
 543 | by the district school board, subject to complete satisfaction
 544 | of any lawful liens or encumbrances. Any unencumbered public
 545 | funds from the charter school, district school board property
 546 | and improvements, furnishings, and equipment purchased with
 547 | public funds, or financial or other records pertaining to the
 548 | charter school, in the possession of any person, entity, or
 549 | holding company, other than the charter school, shall be held in
 550 | trust upon the district school board's request, until any appeal
 551 | status is resolved.

552 | (f) If a charter is not renewed or is terminated, the
 553 | charter school is responsible for all debts of the charter
 554 | school. The district may not assume the debt from any contract
 555 | made between the governing board ~~body~~ of the school and a third
 556 | party, except for a debt that is previously detailed and agreed
 557 | upon in writing by both the district and the governing board
 558 | ~~body~~ of the school and that may not reasonably be assumed to
 559 | have been satisfied by the district.

560 | (g) If a charter is not renewed or is terminated, a

561 student who attended the school may apply to, and shall be
 562 enrolled in, another public school. Normal application deadlines
 563 shall be disregarded under such circumstances.

564 (9) CHARTER SCHOOL REQUIREMENTS.—

565 (g) In order to provide financial information that is
 566 comparable to that reported for other public schools, charter
 567 schools are to maintain all financial records that constitute
 568 their accounting system:

569 1. In accordance with the accounts and codes prescribed in
 570 the most recent issuance of the publication titled "Financial
 571 and Program Cost Accounting and Reporting for Florida Schools";
 572 or

573 2. At the discretion of the charter school governing
 574 board, a charter school may elect to follow generally accepted
 575 accounting standards for not-for-profit organizations, but must
 576 reformat this information for reporting according to this
 577 paragraph.

578
 579 Charter schools shall provide annual financial report and
 580 program cost report information in the state-required formats
 581 for inclusion in district reporting in compliance with s.
 582 1011.60(1). Charter schools that are operated by a municipality
 583 or are a component unit of a parent nonprofit organization may
 584 use the accounting system of the municipality or the parent but
 585 must reformat this information for reporting according to this
 586 paragraph. A charter school shall provide a monthly financial
 587 statement to the sponsor, unless the charter school is
 588 designated as a high-performing charter school under s.

589 1002.331, in which case the high-performing charter school shall
 590 provide a quarterly financial statement. The ~~monthly~~ financial
 591 statement required under this paragraph shall be in a form
 592 prescribed by the Department of Education.

593 (10) ELIGIBLE STUDENTS.—

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

596 1. Students who are siblings of a student enrolled in the
 597 charter school.

598 2. Students who are the children of a member of the
 599 governing board of the charter school.

600 3. Students who are the children of an employee of the
 601 charter school.

602 4. Students who are the children of:

603 a. An employee of the business partner of a charter
 604 school-in-the-workplace established under paragraph (15)(b), or
 605 a resident of the municipality in which such a charter school is
 606 located; or

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

609 5. Students who have successfully completed a voluntary
 610 prekindergarten education program under ss. 1002.51-1002.79
 611 provided by the charter school or the charter school's nonprofit
 612 governing board during the previous year.

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

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

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

621 Section 4. (1) ACADEMICALLY HIGH-PERFORMING SCHOOL
 622 DISTRICT.—

623 (b) Each school district that satisfies the eligibility
 624 criteria in this subsection shall be designated by the State
 625 Board of Education as an academically high-performing school
 626 district. With the exception of the statutes listed in
 627 subsection (2), upon designation as an academically high-
 628 performing school district, each such district is exempt from
 629 the provisions in chapters 1000-1013 which pertain to school
 630 districts and rules of the State Board of Education which
 631 implement these exempt provisions. This exemption remains in
 632 effect during the time of the designation if the district
 633 continues to meet all eligibility criteria. In addition, an
 634 academically high-performing school district designated under s.
 635 1003.621, shall be solely responsible for approval or denial of
 636 all charter school applications, provided that at least 50
 637 percent of the district's schools received a school grade of "A"
 638 under s. 1008.34, with no district school receiving a school
 639 grade below a "B" during each of the previous 3 years.
 640 Decisions of the academically high-performing school district
 641 shall be final and not subject to 1002.33(6).

642
 643 However, a district in which a district-operated school earns a
 644 grade of "F" under s. 1008.34 during the 3-year period may not

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645 continue to be designated as an academically high-performing
646 school district during the remainder of that 3-year period. The
647 district must meet the criteria in paragraph (a) in order to be
648 redesignated as an academically high-performing school district.

649 Section 5. (1) The Department of Education shall:

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

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

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

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

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