



Choice & Innovation Subcommittee

Tuesday, February 3, 2015

1:30 PM – 3:30 PM

306 HOB

Meeting Packet

**Steve Crisafulli
Speaker**

**Manny Diaz
Chair**



AGENDA

Choice & Innovation Subcommittee
Tuesday, February 3, 2015
1:30 p.m. – 3:30 p.m.
306 HOB

- I. Call to Order/Roll Call
- II. Welcome/Opening Remarks
- III. Consideration of the following bill:
 - HB153 Literacy Jump Start Pilot Project by Lee
- IV. Update on implementation of Personal Learning Scholarship Account
- V. Discussion on charter school institute
- VI. Closing Remarks and Adjournment



Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	___	(Y/N)
ADOPTED AS AMENDED	___	(Y/N)
ADOPTED W/O OBJECTION	___	(Y/N)
FAILED TO ADOPT	___	(Y/N)
WITHDRAWN	___	(Y/N)
OTHER	_____	

1 Committee/Subcommittee hearing bill: Choice & Innovation
 2 Subcommittee
 3 Representative Lee offered the following:

Amendment (with title amendment)

Remove lines 69-82 and insert:

7 Learning must require all child care personnel, as defined in s.
 8 402.302(3), to meet the background screening requirements of s.
 9 402.305 before participating in the pilot project. The
 10 organization may not use state funds to implement the pilot
 11 project to pay for background screening. The organization must
 12 certify in writing to the office that individuals who are
 13 required to be screened pursuant to this subsection have
 14 satisfied the background screening requirements specified in
 15 this subsection before the office may issue the organization any
 16 state funds for purposes of implementing the pilot project.



Amendment No. 1

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T I T L E A M E N D M E N T

Remove lines 11-13 and insert:
requiring background screening for child care personnel;
requiring emergent

27 developing emergent literacy skills.

28 (a) The Office of Early Learning shall consult with local
 29 organizations within St. Lucie County and identify an
 30 organization to implement the pilot project. The office shall
 31 also consult with the Early Learning Coalition of St. Lucie
 32 County to select municipalities within St. Lucie County eligible
 33 for participation in the pilot project. A municipality is
 34 eligible for participation if locally or federally subsidized
 35 housing is located within the municipality. The office shall
 36 oversee the implementation of the pilot project.

37 (b) The Office of Early Learning shall select a local
 38 organization that is a not-for-profit corporation, qualified as
 39 charitable under s. 501(c)(3) of the Internal Revenue Code, that
 40 provides training to parents to assist their children with
 41 success in school, such as the Parent Academy of St. Lucie
 42 County or another similarly qualified local organization, to
 43 implement the pilot project. The office may select a faith-based
 44 organization; however, funds provided for the purpose of
 45 implementing the pilot project may be used for only those
 46 purposes expressly provided in this section and may not be used
 47 for the purpose of religious indoctrination.

48 (2) The organization selected by the Office of Early
 49 Learning must use funds provided for the pilot project only to
 50 provide emergent literacy instruction to children. In order to
 51 provide easy access for participating children and families, the

52 instruction must be provided in a subsidized housing unit
 53 located within an eligible municipality selected by the office.

54 (3) As used in this section, the term "emergent literacy"
 55 means a variety of early behaviors and skills associated with
 56 successful reading and writing development.

57 (4) A child is eligible to receive emergent literacy
 58 instruction provided through the pilot project only if the child
 59 is:

60 (a) Two or 3 years of age;

61 (b) Eligible for a federally subsidized child care
 62 program; and

63 (c) A member of a family that is economically
 64 disadvantaged and resides in locally or federally subsidized
 65 housing. For purposes of this paragraph, the term "economically
 66 disadvantaged" means having a family income that does not exceed
 67 150 percent of the federal poverty level.

68 (5) The organization selected by the Office of Early
 69 Learning must require applicants for employment as instructors
 70 or noninstructional personnel who have direct contact with
 71 children participating in the pilot project and volunteers to
 72 have undergone level 2 background screening pursuant to s.
 73 435.04, Florida Statutes, within 5 years before participating in
 74 the pilot project. The organization may not use state funds to
 75 implement the pilot project to pay for background screening. The
 76 organization may not receive any funds from the state for
 77 purposes of implementing the pilot project until the office

78 receives written certification from the organization that all of
79 the organization's instructors, noninstructional personnel who
80 have direct contact with children, and volunteers have cleared
81 level 2 background screening pursuant to s. 435.04, Florida
82 Statutes.

83 (6) An instructor in the pilot project must successfully
84 complete an emergent literacy training course, approved by the
85 Office of Early Learning, before providing emergent literacy
86 instruction under this section.

87 (7) The organization is encouraged to coordinate with the
88 St. Lucie County Health Department in providing basic health
89 screening and immunization services for children participating
90 in the pilot project in conjunction with emergent literacy
91 instruction. The organization is further encouraged to engage in
92 community outreach efforts to local community service
93 organizations for the purpose of improving the availability and
94 effective delivery of emergent literacy instruction.

95 (8) By December 31 of each year that the organization
96 provides emergent literacy instruction, the organization shall
97 submit an accountability report to the Office of Early Learning,
98 the Early Learning Coalition of St. Lucie County, the Governor,
99 the President of the Senate, and the Speaker of the House of
100 Representatives. The accountability report must include, at a
101 minimum, the following information:

102 (a) The manner in which all state funds received by the
 103 organization are used to implement the pilot project, separated
 104 by type of expenditure and measured in exact dollar amounts.

105 (b) Other sources of funding received by the organization
 106 for purposes of providing emergent literacy instruction.

107 (c) The municipalities selected by the Office of Early
 108 Learning for participation in the pilot project.

109 (d) The identities of the organization's officers.

110 (e) The number of children receiving emergent literacy
 111 instruction in each municipality.

112 (f) Information and data relating to coordinated health
 113 screening and immunization services provided in conjunction with
 114 the emergent literacy instruction, if any.

115 (9) The Office of Early Learning shall allocate funds for
 116 implementation of the pilot project pursuant to this section.
 117 Expenditures of state funds pursuant to this section must be
 118 verified by affidavit submitted to the office in a procedure and
 119 format determined by the office.

120 Section 2. This act shall take effect July 1, 2015.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 153 Literacy Jump Start Pilot Project

SPONSOR(S): Lee, Jr.

TIED BILLS: IDEN./SIM. BILLS:

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Choice & Innovation Subcommittee		Beagle GB	Healy JA
2) Education Appropriations Subcommittee			
3) Education Committee			

SUMMARY ANALYSIS

The bill requires the Office of Early Learning (OEL) to establish a 5-year Literacy Jump Start Pilot Project in St. Lucie County to provide emergent literacy instruction to low-income, at-risk children. OEL must select an organization to administer the pilot project and one or more municipalities to participate in the project. Emergent literacy instruction must be delivered in a subsidized housing unit located within an eligible municipality to facilitate parent and child access to services. The organization may coordinate with the St. Lucie County Health Department to provide basic health screening and immunization in conjunction with emergent literacy instruction.

Instructors working with pilot program children must complete an OEL-approved emergent literacy training course. Instructors or noninstructional personnel who have direct contact with pilot program children and volunteers must undergo level 2 background screening. The organization must certify to OEL its compliance with screening requirements before OEL may issue state funds for the pilot program. State funds may not be spent on screening.

The organization must submit an annual accountability report to OEL, the St. Lucie County Early Learning Coalition, the Governor, the President of the Senate, and the Speaker of the House of Representatives. Among other things, the report must include information regarding expenditures of state funds; additional funding sources used for the pilot project; and children who received emergent literacy instruction, health screenings, and immunizations. Additionally, the organization must verify by affidavit to OEL all expenditures of state funds.

The bill has a fiscal impact on state government. See Fiscal Analysis & Economic Impact Statement.

The bill requires level 2 background screening for "instructors or noninstructional personnel who have direct contact with children . . . and volunteers." This provision could be construed to require all individuals who volunteer with the organization to meet level 2 background screening requirements, regardless of whether they have any contact with children participating in the pilot program. This could result in added cost to the organization. See Drafting Issues & Other Comments.

The bill takes effect July 1, 2015.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Florida's Office of Early Learning (OEL) provides state-level administration for two state-funded early learning programs serving preschool age children – the School Readiness Program and the Voluntary Prekindergarten Education (VPK) Program.¹ Both programs are administered at the county or regional level by early learning coalitions (ELC).²

The VPK Program is a voluntary, free prekindergarten program offered to eligible four-year old children in the year before admission to kindergarten.³ Children enrolled in the VPK Program receive instruction in emergent literacy and mathematics skills necessary for kindergarten readiness.⁴ Among other things, Florida law requires OEL to adopt child performance standards and minimum standards for emergent literacy training courses for prekindergarten instructors. The performance standards and emergent literacy training courses must encompass oral communication, knowledge of print and letters, phonemic and phonological awareness, and vocabulary and comprehension development.⁵

The School Readiness Program provides subsidies for child care services and early childhood education for children of low-income families; children in protective services who are at risk of abuse, neglect, or abandonment; and children with disabilities. The School Readiness Program is a state-federal partnership between OEL and the Office of Child Care of the United States Department of Health and Human Services.⁶ Among other things, children participating in the program receive instruction in school readiness skills.⁷

Additional publicly-funded early learning programs for low-income, at-risk children offered in Florida include the Head Start,⁸ Early Head Start,⁹ Migrant and Seasonal Head Start,¹⁰ and Home Instruction for Parents of Preschool Youngsters (HIPPY).¹¹

Effect of Proposed Changes

The bill requires OEL to establish a 5-year Literacy Jump Start Pilot Project in St. Lucie County to provide emergent literacy instruction to low-income, at-risk children. OEL must select an organization to administer the pilot project and one or more municipalities to participate in the project. Both the organization and the municipalities must be located in St. Lucie County. The organization must be a not-for-profit corporation qualified as charitable under section 501(c)(3) of the Internal Revenue Code

¹ Parts V and VI, ch. 1002, F.S.

² Sections 1002.83-1002.85, F.S. There are currently 31 ELCs, which is the maximum permitted by law. Section 1002.83(1), F.S.; see Florida's Office of Early Learning, *Coalitions*, <http://www.floridaearlylearning.com/coalitions.aspx> (last visited Jan. 23, 2015)(see "Coalition Directory").

³ Part V, ch. 1002, F.S.; see also Art. IX, s. 1(b)-(c), Fla. Const.

⁴ Section 1002.67(1)(a), F.S.

⁵ Sections 1002.59(1) and 1002.67(1), F.S.

⁶ Part VI, ch. 1002, F.S.; 42 U.S.C. ss. 618 & 9858-9858q; U.S. Department of Health and Human Services, *Child Care and Development Fund Fact Sheet (2014)*, available at http://www.acf.hhs.gov/sites/default/files/assets/FS_OCC_0.pdf.

⁷ Section 1002.82(2)(j), F.S. OEL must develop and adopt standards and benchmarks that address the age-appropriate progress of children in the development of school readiness skills. The standards for children from birth to 5 years of age must be aligned with the VPK program performance standards, including language and communication. *Id.*

⁸ 42 U.S.C. s. 9831 et. seq.

⁹ 42 U.S.C. s. 9840a.

¹⁰ See e.g., 42 U.S.C. s. 9832(17).

¹¹ Specific Appropriation 87, s. 2, ch. 2014-51, L.O.F.

that provides training to parents to assist their children with success in school. The bill identifies the Parent Academy of St. Lucie County¹² as an example of a qualifying organization.

Emergent literacy instruction must be delivered in a subsidized housing unit located within an eligible municipality to facilitate parent and child access to services. The organization may coordinate with the St. Lucie County Health Department to provide basic health screening and immunization in conjunction with emergent literacy instruction.

Instructors serving pilot program children must complete an OEL-approved emergent literacy training course. Instructors or noninstructional personnel who have direct contact with pilot program children and all volunteers must undergo level 2 background screening. The organization must certify to OEL its compliance with screening requirements before OEL may issue state funds for the pilot program. State funds may not be spent on screening. See Drafting Issues & Other Comments.

In order to participate in the pilot project, a child must be two or three years of age, eligible for a federally subsidized child care program, and a member of a family that is economically disadvantaged and reside in locally or federally subsidized housing. Under the bill, "economically disadvantaged" means having a family income that does not exceed 150 percent of the federal poverty level.

The organization must submit an annual accountability report to the Office of Early Learning, the St. Lucie County Early Learning Coalition, the Governor, the President of the Senate, and the Speaker of the House of Representatives. Among other things, the report must document expenditures of state funds and data regarding emergent literacy instruction and health screening and immunization services provided to children. Additionally, the organization must verify by affidavit to OEL all expenditures of state funds.

B. SECTION DIRECTORY:

Section 1. Creates an unnumbered section of law; creates the Literacy Jump Start Pilot Project; specifies requirements for the pilot project.

Section 2. Provides an effective date of July 1, 2015.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The bill requires OEL to allocate funds to implement the Literacy Jump Start Pilot Project; however, an appropriation for the pilot project has not been proposed for FY 2016. The Legislature appropriated \$110,000 to fund the pilot project for FY 2014 General Session and \$200,000 for FY 2015. Both appropriations were vetoed by the Governor.¹³

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

¹² Parent Academy, <http://www.parentacademyslc.org/> (last visited Jan. 23, 2015).

¹³ Specific Appropriation 103, s. 2, ch. 2013-40, L.O.F.; Specific Appropriation 87, s. 2, ch. 2014-51, L.O.F. Additionally, the FY 2015 appropriation was contingent upon passage of HB 85 (2014) or similar legislation, which legislation did not achieve final passage.

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not Applicable. This bill does not appear to affect county or municipal governments

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

Lines 69-82: The bill's background screening requirements could be construed to require level 2 screening for all volunteers affiliated with the organization administering the pilot project, not just those who have direct contact with children participating in the pilot project. This could result in added cost to the organization. Additionally, consideration might be given to classifying the individuals who are required to be screened using the existing statutory term "child care personnel."¹⁴ This term encompasses any employees and volunteers of the organization who have direct contact with participating children.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

Not Applicable.

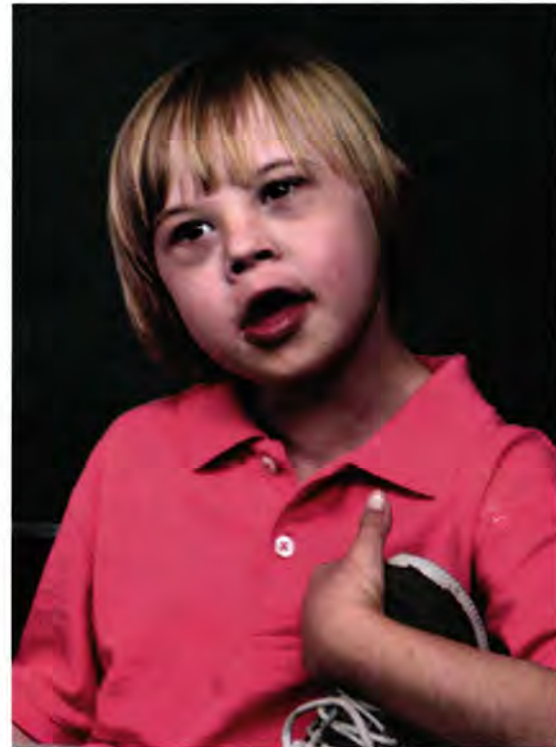
¹⁴ See s. 402.302(3), F.S. (definition of "child care personnel").

Personal Learning
Scholarship Account

STEP UP FOR STUDENTS

Personal Learning Scholarship Accounts

- A new form of customized learning
- Parents can use scholarships for tuition or a host of other educational and developmental services.
- Aimed at K-12 students with severe special needs: **autism, cerebral palsy, Down syndrome, Prader-Willi syndrome, Spina bifida, Williams syndrome, Intellectual Disability and “high risk” developmental delays**



Helping public education fulfill the promise of equal opportunity



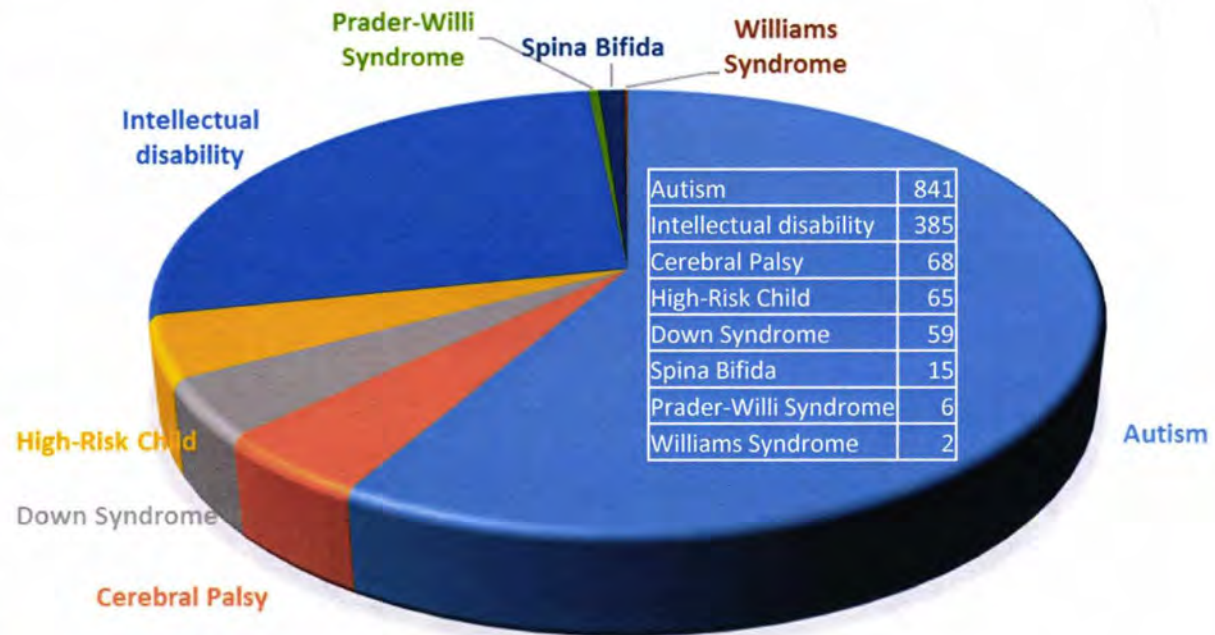
How PLSAs differ from McKay Scholarships

- **Special needs:** McKay for students with all types of special needs; PLSA limited to students with eight designated disabilities
- **Eligibility:** McKay requires Individual Education Plan or 504 accommodation; PLSA can be verified by licensed physician or psychiatrist
- **Scholarship use:** McKay for school tuition and fees (or public school transfers); PLSA for broad assortment of educational services chosen by the parent



The students who choose PLSAs

Grade	Students
Kindergarten	178
First	136
Second	114
Third	132
Fourth	134
Fifth	129
Sixth	133
Seventh	112
Eighth	114
Ninth	93
Tenth	73
Eleventh	52
Twelfth	52
Grand Total	1,452



**Represents SUFS awarded students as of 1/27/15*



PLSA Award Process

- Parent applies online through SFO and submits documentation as evidence of child's disability.
- If eligible, SUFS provides a "Conditional Award Letter" to parent
- The Florida Department of Education (DOE) validates the child is not enrolled in another scholarship program or public school*
- After validation, the State of Florida provides funding to SUFS for deposit to the student's scholarship account**
- Once the scholarship account is funded, parents and providers may submit invoices for processing

**Currently run monthly for 2014-15 applicants*

***The first PLSA student account funding occurred in late October*



2014-15 PLSA Students Funded

- The DOE has provided \$11.9 million to Step Up For Students for deposit into the accounts of 1,181 students.
- An additional 63 students have been validated by the DOE and will be funded in the next month.

PLSA Funding Summary					
DOE		Validated		Funded	
Invoice	Pull Date	Validated	\$ Amount	Funded	\$ Amount
1	Sep 2014	616	\$ 6,226,973	616	\$ 6,226,973
2	Oct 2014	298	\$ 3,007,355	298	\$ 3,007,355
3	Nov 2014	155	\$ 1,575,686	155	\$ 1,575,686
4	Dec 2014	112	\$ 1,127,490	112	\$ 1,127,490
5	Jan 2015	63	\$ 630,329		
Total		1,244	\$ 12,567,833	1,181	\$ 11,937,504



Challenges in Implementation

- **Clarification of Definitions:**
 - Early confusion over definition of disabilities
 - Clarifications in authorized use categories and providers
- **Student Funding:**
 - First round of funding released to student accounts in late October
 - Each cycle of funding take several weeks, causing students to wait to access funds for educational expenses.
- **Processing Delays:**
 - Claims per student larger than expected – average of 7.5
 - Each claim must be reviewed separately to verify that it meets the provisions in law
- **Purchase Assistance Requests:**
 - Difficult for low-income parents to pay up front and be reimbursed
 - Creation of purchase assistance procedures has taken time



PLSA Claims to Date

Out of the total \$11.9 million received by SUFS for 1,181 students, a total of 2,675 claims have been submitted for \$3,792,805.

<u>Claim Category</u>	<u>Total Claims</u>
Enrollment, tuition or fees	\$ 3,294,940
Instructional materials	\$ 238,487
Specialized Services	\$ 160,843
Curriculum	\$ 38,833
Stanley G. Tate Florida Prepaid College Program	\$ 4,126
Other	\$ 1,914
Testing Fees	\$ 738
Public school services and classes	\$ 45

**Note: Total is less than \$3,792,805*

- **Additional Number of Pre-Authorizations Received:** 1,042
- **Total Number of Providers Funded:** 103
- **Number of Private Schools Enrolled with SUFS to Participate:** 360



PLSA parents are grateful to the Legislature



Says Julie Kleffel, of Longwood, whose daughter, Faith, has Down syndrome:

“Faith requires a tremendous amount of one-on-one, customized education in order to be successful, because how she learns and how she understands things is very different than normal children. The scholarship allows us to expand therapies, it allows Faith to have services she didn't have before. Ultimately I want her to be able to be an independent young lady ... and I believe these scholarships will help pave the way for her to be able to do that.”



The CMU Model

A Disciplined Approach to Quality Education Options in Michigan

Florida House of Representatives
Choice and Innovation Subcommittee

February 3, 2015

Cindy Schumacher, Executive Director
The Governor John Engler
Center for Charter Schools
Central Michigan University

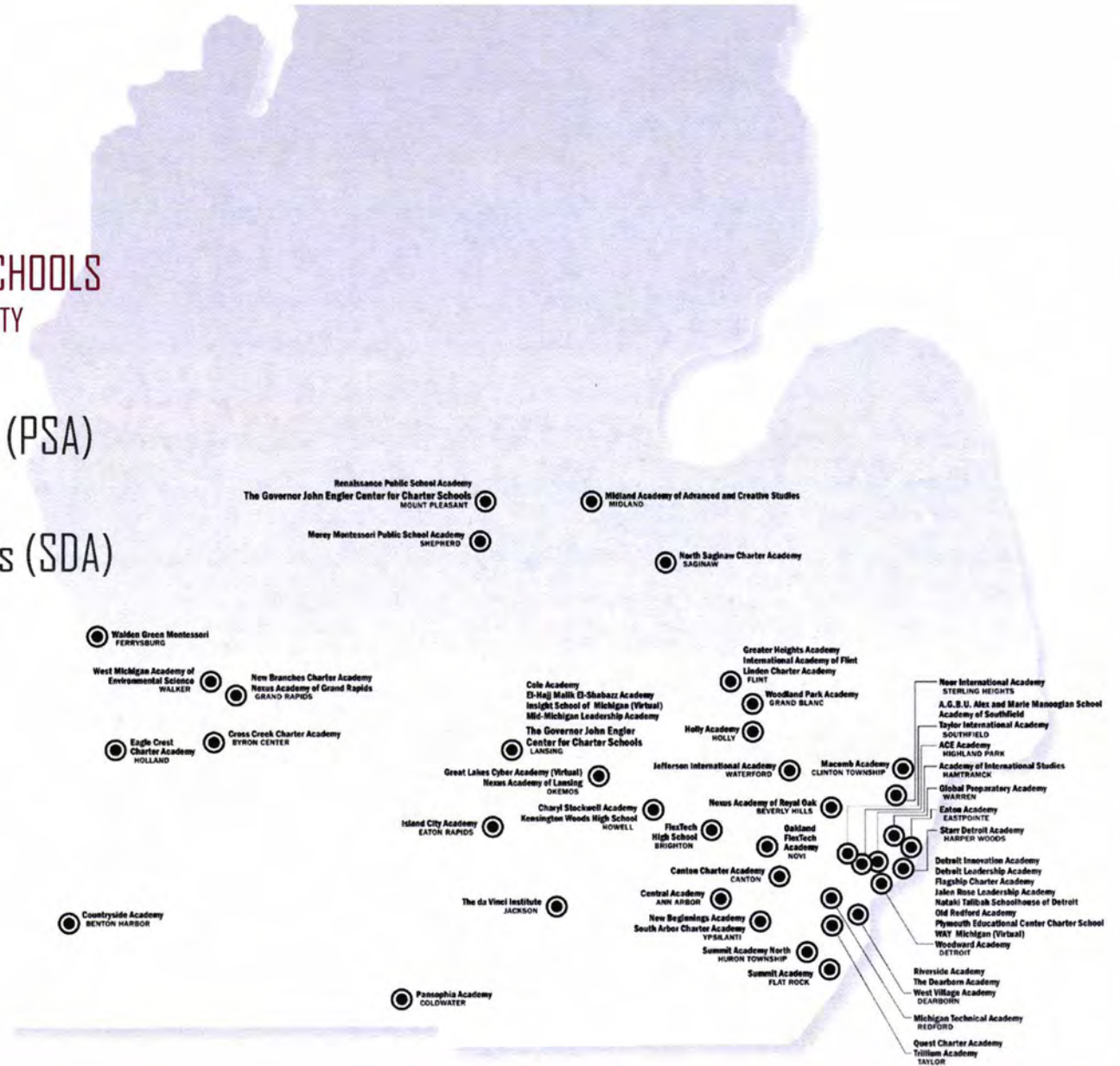
2014 - 2015 CHARTER PUBLIC SCHOOLS

AUTHORIZED BY CENTRAL MICHIGAN UNIVERSITY

61 Public School Academies (PSA)

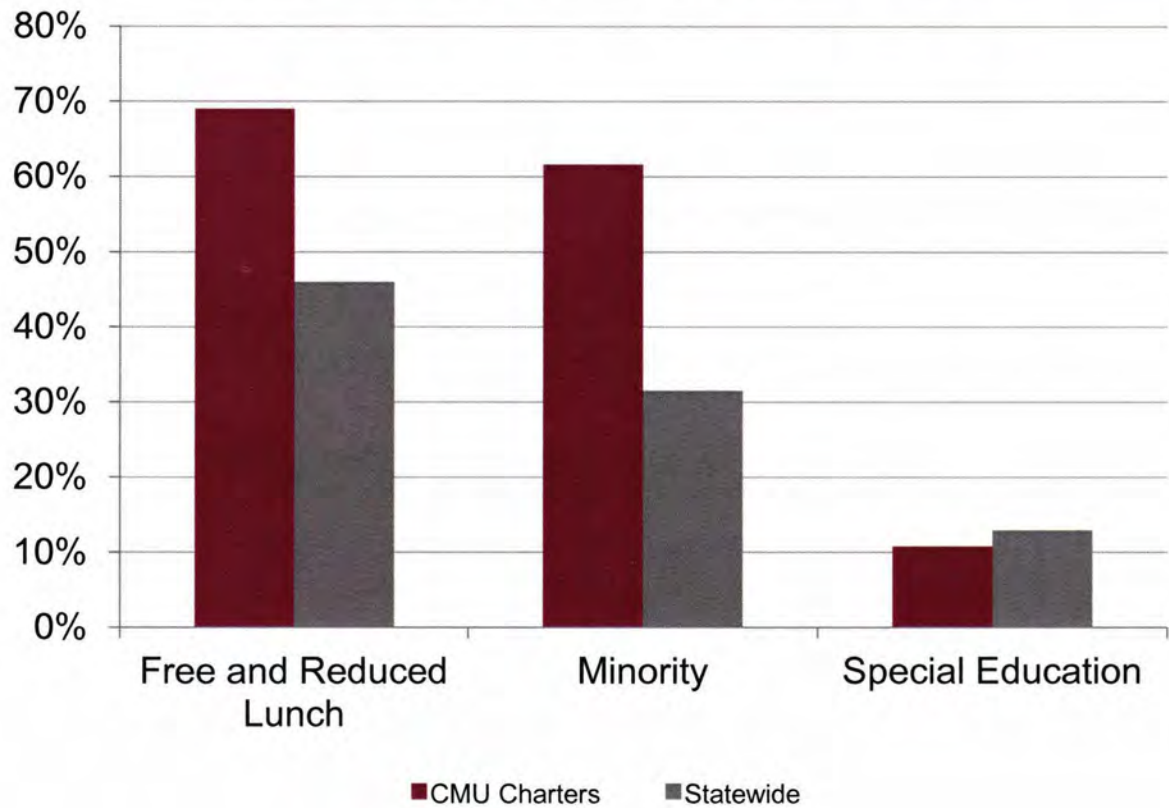
1 Strict Discipline Academies (SDA)

Approximately
31,000 Students



OUR SCHOOLS: BY THE NUMBERS

CMU Charter Students Compared to Statewide Average



50

Number Elementary Schools

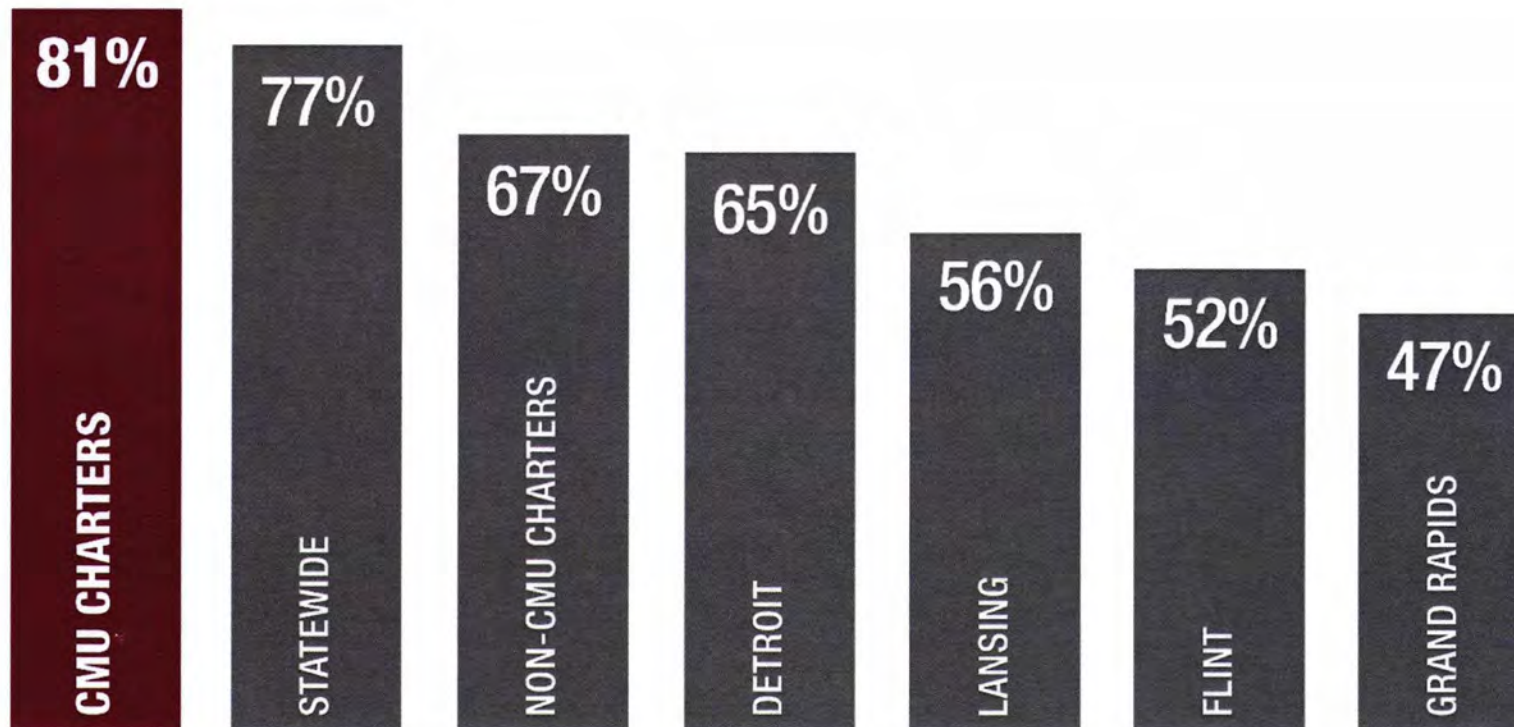
51

Number of Middle Schools

27

Number of High Schools

GRADUATION RATE

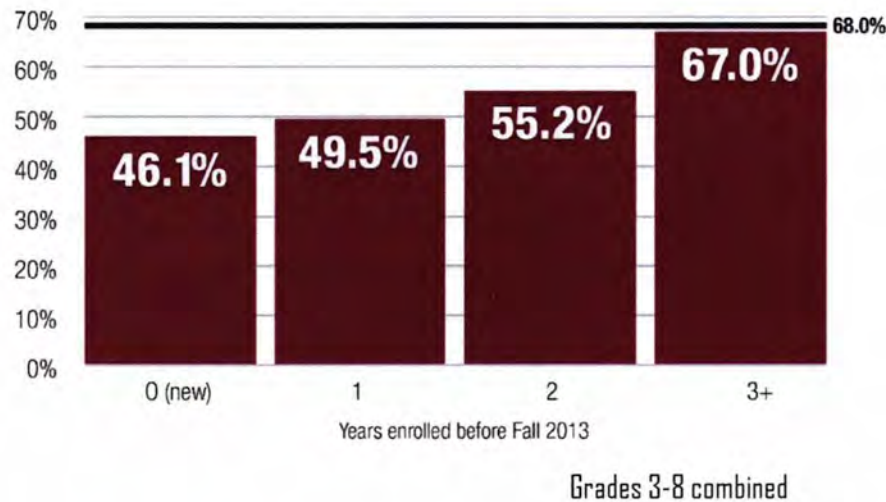


CMU-authorized schools have consistently higher graduation rates than schools in Detroit, Lansing, Flint and Grand Rapids

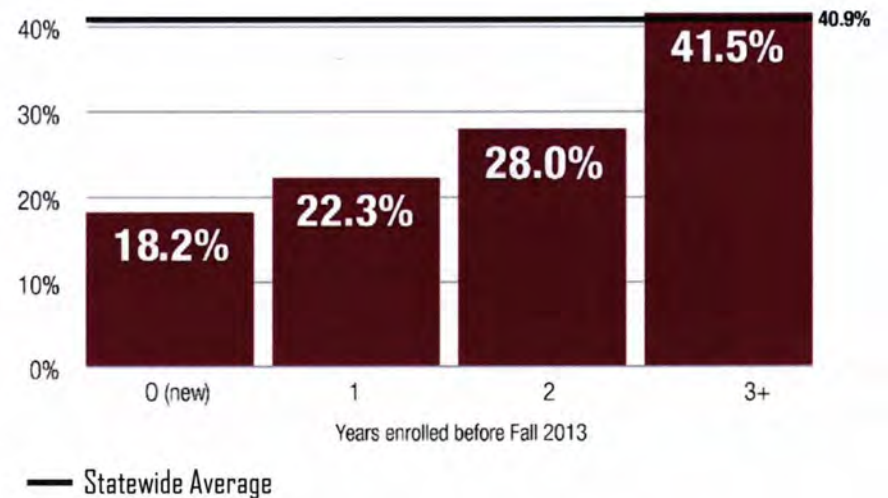
ACADEMIC PERFORMANCE

Continuously enrolled CMU students nearly met the statewide average in reading proficiency and exceeded the statewide average in math proficiency!

2013 MEAP ACHIEVEMENT IN READING
by number of years enrolled in charters

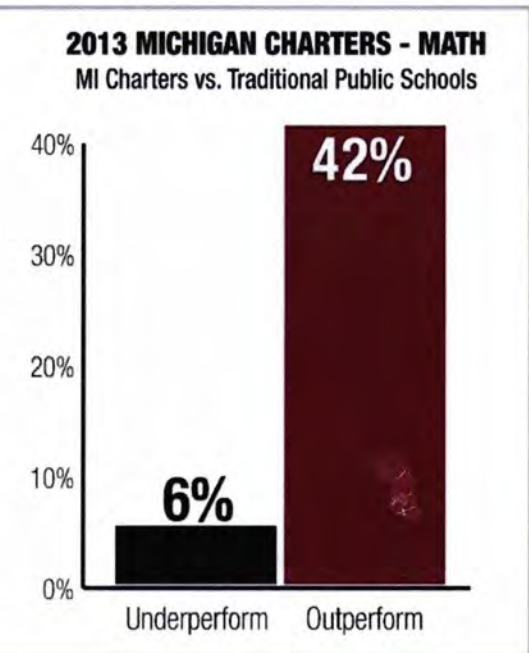
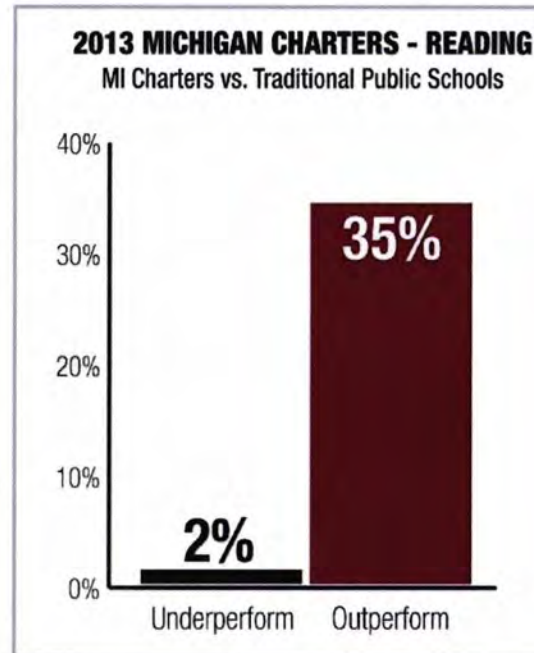
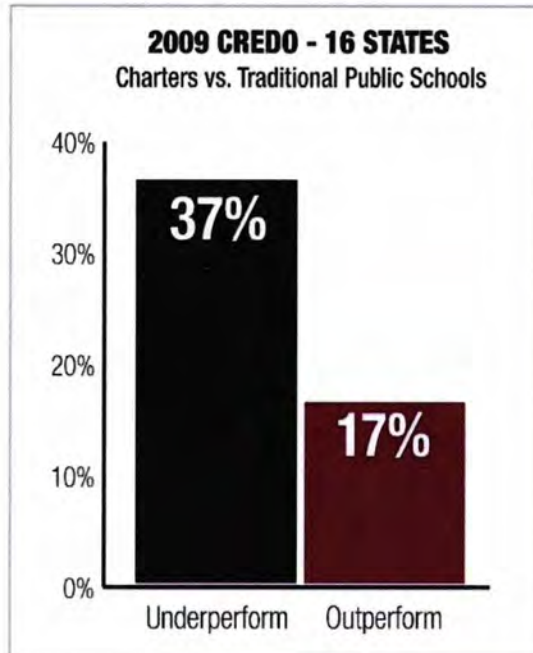


2013 MEAP ACHIEVEMENT IN MATH
by number of years enrolled in charters



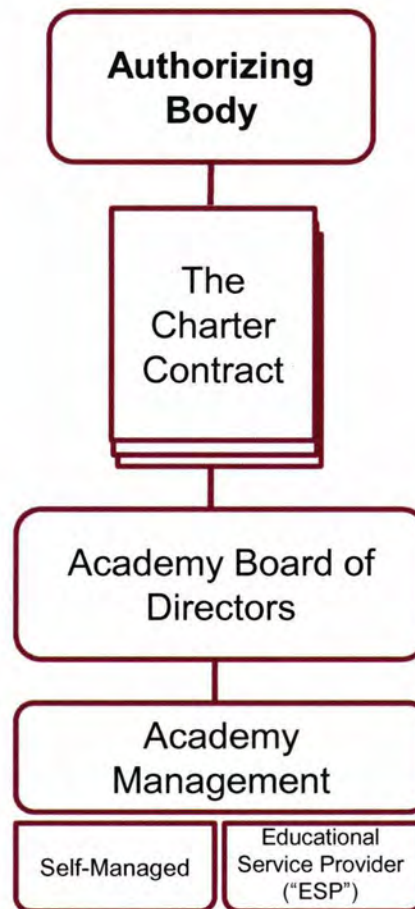
MEAP Achievement in Reading and Math by number of years enrolled in CMU charters

MICHIGAN'S CHARTER SCHOOLS OUTPERFORM



CREDO Report confirms Michigan charter students have greater learning gains than demographically similar traditional school students.

MICHIGAN FRAMEWORK



UNIVERSITY BOARD OF TRUSTEES

The University's Board Policy establishes three core questions to consider when issuing a charter contract:

1. Is the Academy's academic program successful?
2. Is the Academy organizationally and financially viable?
3. Is there a demonstration of good faith in following the terms of the charter contract and applicable law?

CHARTER APPLICATION PROCESS

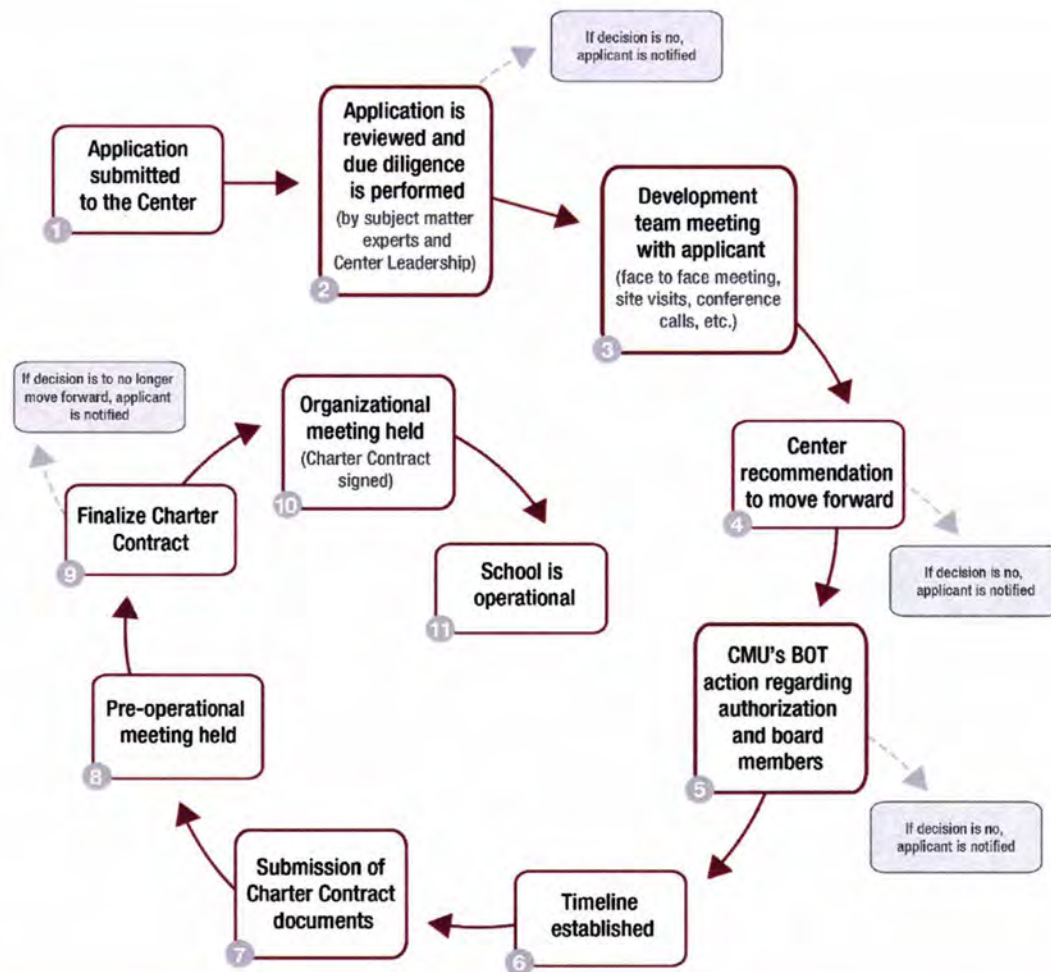
The application process is designed to identify applicants who:

- Articulate a *promising vision*
- Provide a *quality educational program*
- Propose a *sound business plan*, including demonstrated need
- Demonstrate the *ability to implement* a high-quality school

POTENTIAL APPLICANTS

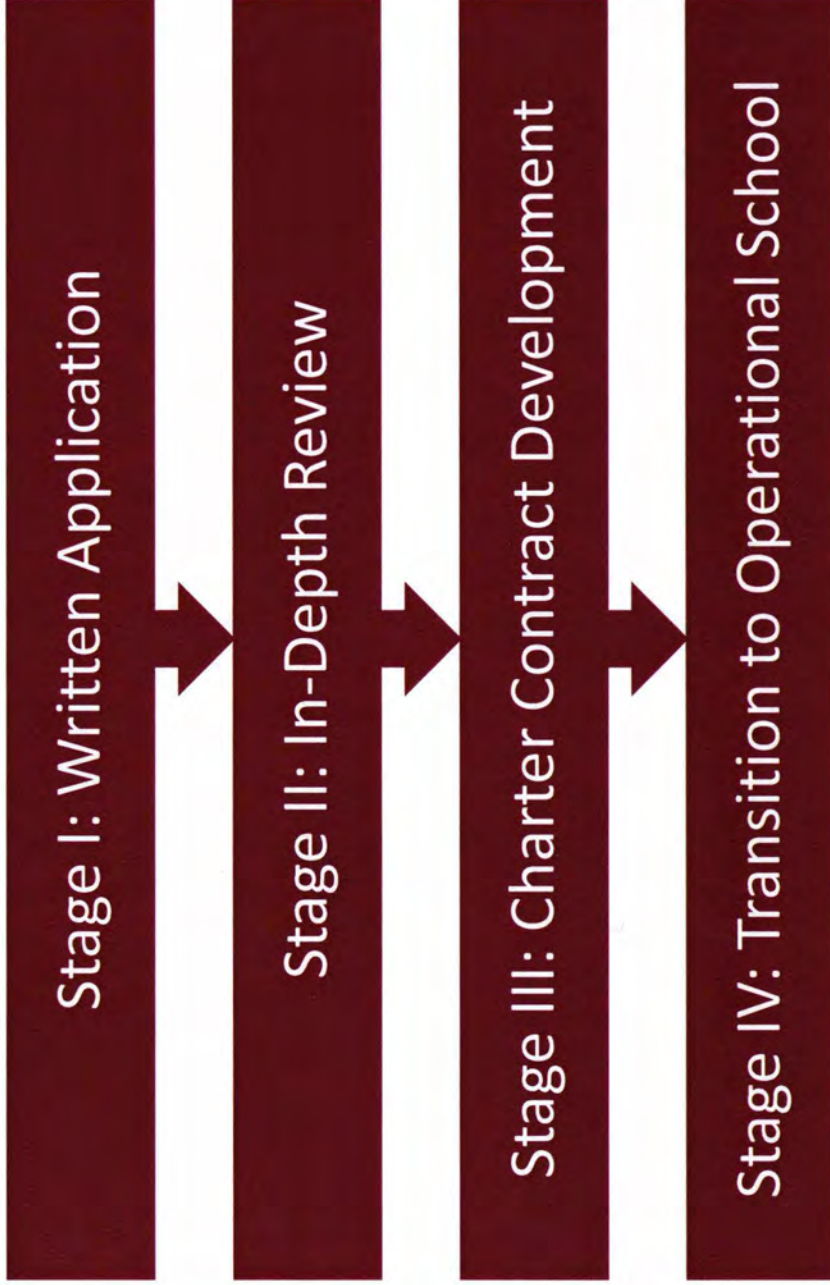
- Community Groups/Individuals
 - Independent reform-minded candidates
- Regional and National Operators
 - Established organizations operating multiple schools
- Existing High-Performing Charter Schools (Replication)
 - Established relationship
- Hybrid Approach

CHARTER APPLICATION PROCESS



- *Due Diligence**
- Visit existing schools
 - Visit ESP office
 - Contact other authorizers
 - Review data for other associated schools

CMU'S MULTI-STAGE APPROACH



STAGE I: WRITTEN APPLICATION

- Submission of CMU Application
- Reviewed by internal and external experts
 - Educational Program and Curriculum
 - Governance
 - Finance
 - Operations
 - Facilities
- Determine next step

STAGE I: WRITTEN APPLICATION

- Due diligence continued
 - Visit existing schools
 - Converse with other authorizers
 - Review data for other associated schools
 - Visit potential Educational Service Provider
 - Perform background research
 - Verify data provided in the application

STAGE II: IN-DEPTH REVIEW

- Additional information requested
 - Academic results
 - Growth/Business Plan
 - Financial information
- Development Team meeting conducted
 - Presentation of applicant's vision
 - Assessment of education, business and operational program
 - Share expectations for board members and identify potential conflicts
 - Review proposed location and facility
 - Assessment of professional capacity to deliver proposed program

STAGE II: IN-DEPTH REVIEW

- Site visits performed
 - Existing schools managed by project team
 - Management's headquarters
 - Proposed site location
- Board member selection
 - Board member application
 - Background check
 - Interview
 - Conflict of interest disclosure

STAGE III: CHARTER CONTRACT DEVELOPMENT

- CMU Board of Trustees approval of contract and board members
- Charter contract development
 - Timeline established
 - Continued due diligence
 - Preparation of contract sections
- Pre-operational meeting to discuss roles and responsibilities
- Organizational meeting

STAGE IV: TRANSITION TO OPERATIONAL SCHOOL

- Contract signed by CMU Board of Trustees and Academy
- CMU's continued assistance
 - Field team
 - Board policies
 - Board orientation
 - Facility occupancy
 - Public relations
 - Compliance

STAGE IV: TRANSITION TO OPERATIONAL SCHOOL

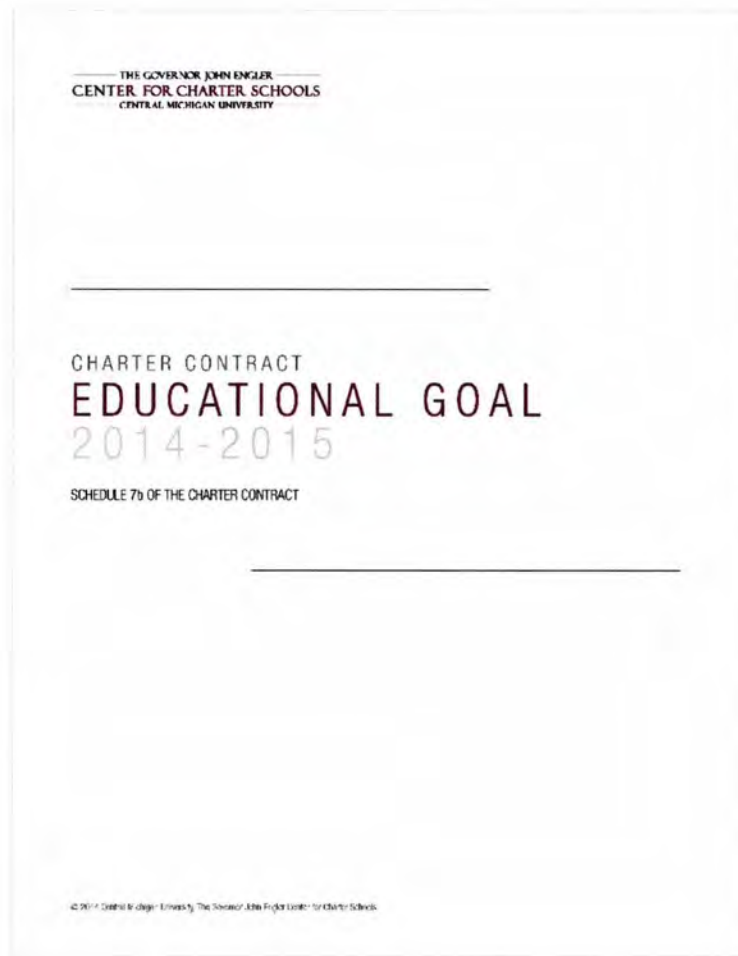
- Additional new school support
 - School plan
 - Academic school support visit
 - Staff certification review
 - Business manager support
 - Site and facility review
 - Board and administrator training

A PERFORMANCE AGREEMENT

The Charter Contract between the CMU Board of Trustees and the school's board of directors is a *performance contract*. The contract contains standard compliance requirements, as well as specific performance requirements:

1. *Educational Goal*
2. *Fiscal Accountability*
3. *Organizational Performance*

EDUCATIONAL GOAL



The Educational Goal requires each academy to:

"Prepare students academically for success in college, work and life."

This is determined by two measures of success:

- 1. Student Achievement*
- 2. Student Growth*

FISCAL ACCOUNTABILITY

- Educate and inform boards and business managers
- Review
 - Interim Financial Statements
 - Budgets
 - Annual Audits
 - Leases
 - Educational Service Provider Agreements
 - Insurance

THE GOVERNOR JOHN ENGLER
CENTER FOR CHARTER SCHOOLS
CENTRAL MICHIGAN UNIVERSITY

BUDGETING REQUIREMENTS | 2014-15

FISCAL PERFORMANCE GUIDE TO THE UNIFORM BUDGETING AND ACCOUNTING ACT REQUIREMENTS

One of the main goals of The Governor John Engler Center for Charter Schools (Center) is to continually stream-line and enhance the regulatory reporting process for the charter public schools authorized by Central Michigan University. The heavy burden that goal is met by making the notification and reporting process simpler, schools will have more time to devote to more important matters – filling their classrooms and preparing students for success in college, work and life.

The Center's Fiscal Performance & Accountability (FP&A) Unit is here to provide useful information to ensure that each charter school's financial activities are in compliance with the terms and conditions of the Charter Contract and applicable law. The FP&A Unit is pleased to provide you with the following outline of regulatory requirements that need to be met when preparing the Academy's annual operating budget.

We hope that you will use this document as a resource to help you anticipate reporting requirements. As you begin preparing the 2014-15 Operating Budget, please let us know if there is anything we can do to help you along the way. This information is available on our website at www.TheCenterForCharter.org, which also includes sample resolutions and budget variables.

Sincerely,

Edward R. Stein

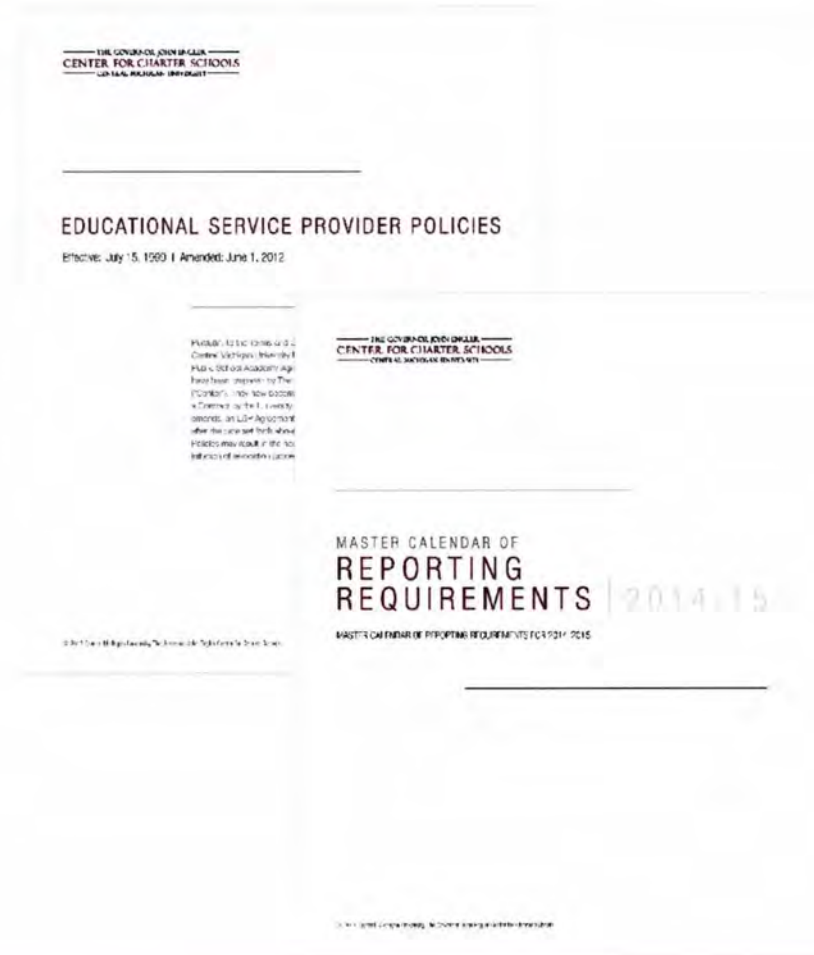
James L. Stein, CPA
Director, Fiscal Performance & Accountability

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ORGANIZATIONAL PERFORMANCE

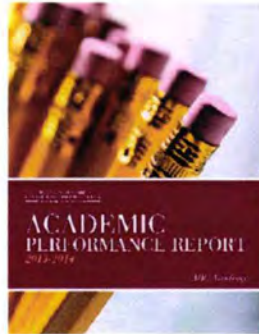
Monitor compliance

- State and federal law
- Charter Contract
- Master Calendar of Reporting Requirements
- Educational Service Provider policies

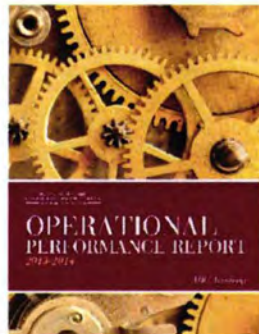


PERFORMANCE REPORTS

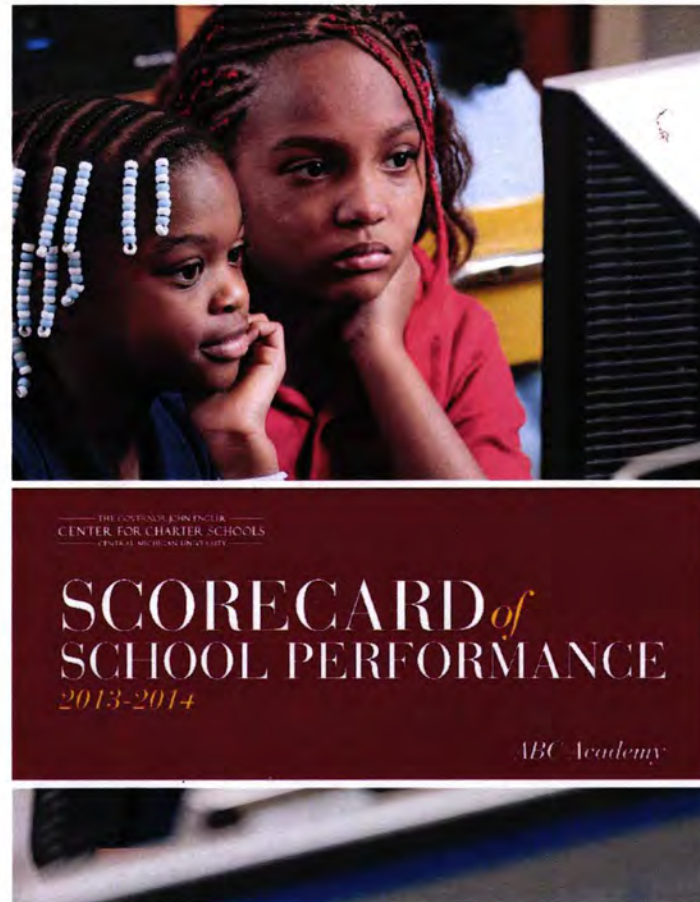
ACADEMIC
PERFORMANCE
REPORT



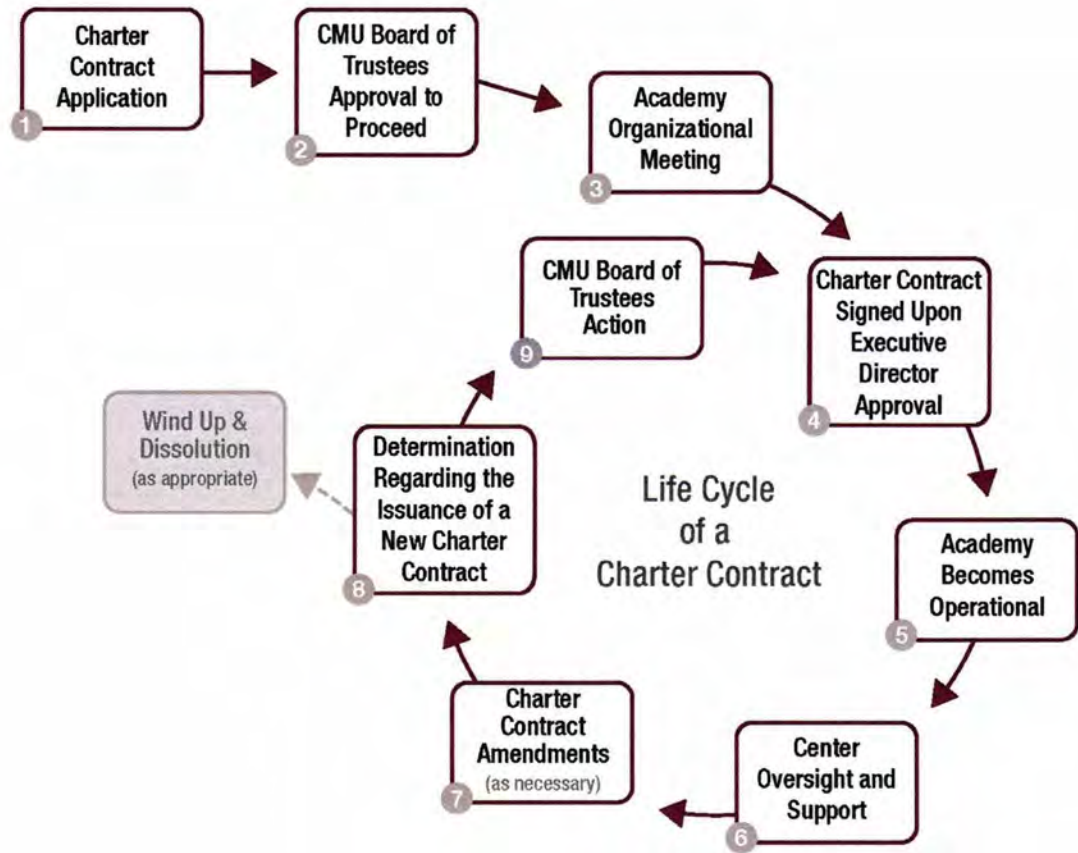
OPERATIONAL
PERFORMANCE
REPORT



FINANCIAL
PERFORMANCE
REPORT



CHARTER CONTRACT CYCLE



CMU AND COLLEGE OF EDUCATION PARTNERSHIPS

Students

- CMU & You Day
- Camp Central
- College Night at CMU
- Spirit of the Future Scholarships
- Sports and Academics Camps
- Campus Visits

Educators

- Charter School Educator Tuition Award
- Center for Clinical Experiences
- State Continuing Education Clock Hours
- School and Educator Professional Development Programs
- Masters Degree in School Principalship/Charter School Leadership
- CMU Administration and Faculty School Visits

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OUR MISSION

To transform public education through accountability, innovation and access to quality education for all students.

Cindy Schumacher, Executive Director

cschumacher@thecenterforcharters.org | (989) 774-2100

CMU Charter
Application

Charter Application

The Governor John Engler Center for Charter Schools envisions a diverse and dynamic public education marketplace that fosters academic excellence for all children.

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CENTRAL MICHIGAN UNIVERSITY

Founded in 1892, Central Michigan University (University) is a nationally renowned doctoral and research institution. With the establishment of The Governor John Engler Center for Charter Schools (Center) and the granting of its first Charter Contracts (Contract) in 1994, the University has become one of the largest and most highly regarded authorizers in the nation. The Center provides University-authorized schools with oversight, operational guidance and support to ensure that quality educational options are being offered to Michigan's students and their families.

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UNIVERSITY PRESIDENT

George E. Ross, Ph.D.

Central Michigan University, an AA/EO institution, strongly and actively strives to increase diversity within its community (see www.cmich.edu/aaeo.html).

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1. CENTRAL MICHIGAN UNIVERSITY – THE AUTHORIZER

In 1993, Michigan became the ninth state to enact a charter school law. Under this new law in 1994, the University Board of Trustees built upon its 100-year history of leadership in improving public education by becoming the first public body in Michigan, and the first university in the nation, to charter a public school. The first schools chartered by the University opened in 1994.

Because of the rigorous practices of creating and maintaining high standards, the University is known for its authorizing and oversight practices, and has been recognized by many, including both the Michigan and U.S. Departments of Education, National Association of Charter School Authorizers, Center for Education Reform and other leading individuals and organizations.

The Center was established to fulfill the Board of Trustee's obligation to provide sufficient oversight to ensure compliance with statute, rules and the terms of the Contract. Core authorizer responsibilities are:

- a. Chartering public school academies, which includes holding competitive application processes to review and award Contracts.
- b. Overseeing and supporting their operations, which includes monitoring academies' actions and holding them accountable to the terms of their Contract and applicable law.
- c. Evaluating their performance, which includes reauthorizing Contracts based upon the academies' previous performance, future trajectory and compliance with the terms of their Contract and applicable law.
- d. Serving as a limited fiscal agent, which includes receiving State School Aid payments and forwarding those payments to academies.
- e. Appointing and reappointing board members in accordance with University Board policy.

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The University provides high-quality educational options for Michigan's families by authorizing a diverse array of schools, which serve an even greater diversity. The Center is committed to driving excellence, innovation and performance. By providing high quality educational options, the Center is helping today's students grow into tomorrow's leaders.

As required by Michigan law (MCL 380.503(1)), the Center issues charter school Contracts on a competitive basis. **The Center is interested in applicants that articulate a promising vision, propose a sound plan of operations, outline a strong educational program and demonstrate the ability to implement a high-quality school.** Additionally, the application process is designed to identify and promote applicants that have the vision and ability to operationalize schools that will be considered among the "best of the best" and cornerstone institutions in their communities. Successful applicants will be expected to open their doors on the first day of school as if they have been in operation for three years.

To learn more about the Center and the charter public schools authorized by the University, please visit our website: www.TheCenterForCharters.org

2. THE CHARTER AUTHORIZING PROCESS

The Center's charter authorizing process is a multi-phase approach. Upon submission of a completed Charter Application (Application), the Applicant will be contacted by the Center and a timeline for decision and potential authorization is discussed. If the submitted Application is missing content, then the Applicant is informed of this at this time. Applications then undergo a comprehensive review. All Applicants are notified as to whether or not they will move forward for consideration by the University Board of Trustees and Contract development.

3. INSTRUCTIONS FOR THE CHARTER APPLICATION

This Application is designed to serve as an initial application to the University pursuant to the Revised School Code for a charter public school. It will be used by the University to determine whether to invite an Applicant to advance into the review process. Contracts will be issued on a competitive basis.

This Application offers an opportunity for charter public school founders to outline their program components and objectives in short narrative form. It is important to note that acceptance of this Application does not bind the University to issue a Contract to any person or entity. The University retains the right to approve some or

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none of the Applications submitted. In addition, the University retains the right to: (i) require the submission of additional materials, (ii) return incomplete Applications, and/or (iii) provide Applications to others in compliance with the Freedom of Information Act.

Applicants complete the Application by including a response to each category and item on the form. All Application responses must be typewritten. Once completed, email one (1) PDF file of the completed Application to the following email address: CharterApplication@thecenterforcharters.org.

4. APPLICATION REQUIREMENTS

Complete the following Application to be considered for opening a charter public school.

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CHARTER APPLICATION
 Application Cover Sheet

Name of proposed school:

Person/Entity applying for the charter:

Primary contact person/role (if different):

Address:

City/State/Zip:

Daytime Phone:

Evening/Mobile:

Facsimile:

Email Address:

Brief Description of proposed school (for media distribution):

Grades Served (check grades to be offered)

	K	1	2	3	4	5	6	7	8	9	10	11	12	Projected Enrollment	Max Building Capacity
1 st Year															
2 nd Year															
3 rd Year															
4 th Year															
5 th Year															
6 th Year															
7 th Year															
8 th Year															
9 th Year															
10 th Year															

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Proposed school location/address:

Local school district in which school will be located:

Intermediate school district in which school will be located:

Name of proposed educational service provider, if applicable:

Indicate if proposed school currently operates as a private, traditional or charter public school:

If operating as a charter public school, please list current authorizer:

If an application for the proposed charter public school has been filed with other authorizers, please list the name(s) of the other authorizer(s) below:

If the proposed school has secured any grant or foundation monies, please list below:

Indicate the desired opening time (example: Fall 2015):

I hereby certify the information in the Application is complete and accurate to the best of my knowledge and acknowledge my obligation to inform the University of any material changes.

Signature of Applicant

Date

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CHARTER APPLICATION
Agreement to Comply with Applicable Law

Pursuant to the Revised School Code, the following Agreement is required for this Application and must be executed by the Applicant on behalf of the proposed charter public school.

In accordance with the Revised School Code, 1976 PA 451, I hereby certify and agree that _____, a charter public school if authorized pursuant to the Revised School Code, will comply with the provisions of the Revised School Code, with all other state law applicable to the public bodies or school districts.

Signature of Applicant

Date

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CHARTER APPLICATION
Assurances

By checking the boxes and signing below, the Applicant indicates his/her understanding and intent to comply with the following pertinent statutory and regulatory requirements.

The Applicant acknowledges and certifies that the proposed charter public school shall comply with all state and federal laws applicable to charter public schools.

The Applicant acknowledges and certifies that it will comply with all Revised School Code requirements related to admissions and enrollment; specifically:

- The proposed charter public school is prohibited from charging tuition.
- The proposed charter public school cannot discriminate on the basis of intellectual or athletic ability, measures of achievement or aptitude, status as a disabled person or any other basis that would be illegal, if used by a school district.
- The proposed charter public school can limit admissions to pupils within a particular range of age or grade level currently permitted by law.
- The pupils must be residents of the state of Michigan.
- Admissions must be open to pupils on a state-wide basis.
- The proposed charter public school will utilize a lottery or other impartial selection process to admit students if demand exceeds capacity.

To the extent applicable, the proposed charter public school will use the Michigan Education Assessment Program (MEAP) test or an assessment instrument developed under Section 1279 for a state-endorsed high school diploma. To the extent applicable, the progress of the pupils in the proposed charter public school shall be assessed using at least a MEAP test or the Michigan Merit Examination (MME), as applicable.

The proposed charter public school will adopt the educational goal that is included in all Contracts issued by the University:

- For Applicants seeking to be authorized pursuant to either Part 6a or Part 6e of the Revised School Code, the educational goal is to prepare students academically for success in college, work and life.
- For Applicants seeking to be authorized pursuant to Section 1311b to 1311l of the Revised School Code (a Strict Discipline Academy), the educational goal is as follows: Students will demonstrate measurable progress towards obtaining predicted growth from the level at which they were assessed at entry, as measured by the Northwest Evaluation Association (“NWEA”) Measures of Academic Progress® (“MAP©”) assessments in reading and math.

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Additional detail related to the educational goal will be provided upon request.

The proposed charter public school will obtain and submit the necessary Certificate of Use & Occupancy permits issued by the Bureau of Construction Codes to the University, as well as applicable health and safety approvals as required by the Revised School Code and other applicable law.

I certify that I understand and will comply with all of the above-checked statutory and regulatory requirements within time frames specified by law and by the authorizing contract.

Signature of Applicant

Date

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CHARTER APPLICATION
Application Questionnaire

Please respond to the following questions in concise narrative form. Narrative responses for each section must be typewritten and should not exceed two pages in length, unless otherwise specified.

Assessment of Community Need

1. Describe the characteristics, population and unmet educational needs of the community where the proposed charter public school will be located. Include in detail, any objective market research, surveys or other measures of local demand for the proposed educational program.
2. List and describe the existing schools (public, private and parochial) currently serving the community (including academic and demographic data), and detail the characteristics that will set the proposed charter public school apart and attract students.
3. Include a detailed description of how the proposed charter public school plans to fill the identified community needs.

Student Population

4. Detail the proposed grade levels and/or age range of students to be served upon opening, including the proposed charter public school's anticipated enrollment in years one through five. Include the minimum and maximum enrollment the school is prepared to serve in each year, as well as future growth projections, including rationale.
5. Describe the characteristics of the anticipated student population. Identify where these students are most likely being educated currently and why they are expected to choose the proposed charter public school for their future educational needs.

Educational Program (should not exceed 5 pages in length)

6. Describe the vision, mission and values of the proposed charter public school.
7. The Educational Program is a narrative description of the Academy's unique approach to delivering the Curriculum in order to fulfill the Academy's mission and vision. Provide an overview of the instructional approaches used to deliver the Educational Program with particular emphasis on how this approach will enhance

student achievement. Provide the research for the educational approach and describe why the approach is most effective for the student population to be served.

8. Provide a description of the Curriculum that will be used. Include a description of how the written Curriculum aligns with state standards.
9. If the proposed program is the replication of a whole school model in use elsewhere, provide a list of the name and location of schools in which the program has been implemented. Describe the ways in which the proposed charter public school will ensure high-quality services to all groups of students including: male and female, ethnic/racial minorities, students with disabilities, economically disadvantaged students, special education students and limited English proficient. Explain also how the school will meet the needs of gifted and talented students.
10. If the Applicant is requesting that the school board operate the same configuration of age or grade range levels at more than one site, please present documentation demonstrating that the Applicant's proposed educational model has resulted in schools making measurable progress towards meeting their education goals.
11. If the Applicant proposes to contract with an Educational Service Provider (ESP) to implement the program, provide a list of all the schools currently operated by the ESP and, if applicable, a list of schools formerly operated by the ESP which are no longer in operation or are under new management.

Assessment and Evaluation

12. All schools authorized by the University are required to administer the state mandated assessments (MEAP, MME, first grade assessment), as well as a computer adaptive assessment in grades 2 through 8 (e.g. Measures of Academic Progress® by NWEA or Performance Series® by Scantron®), the EXPLORE® test in grades 8 and 9 and the PLAN® test in grade 10. Indicate any *additional* assessments the proposed charter public school will administer and the rationale for selecting these assessments.
13. Describe the proposed charter public school's utilization of assessment data.
14. If the proposed charter public school will serve grades 9-12, what are the graduation requirements?

Attendance and Participation

15. Specify the proposed charter public school's anticipated date of opening and include a proposed school calendar and school day schedule.

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16. Briefly describe the proposed charter public school's advertising and recruitment plans, with particular emphasis on any early intervention and/or other strategies that will be employed to maximize retention.
17. Describe the proposed methods that will be utilized to ensure a high level of parent participation and community involvement in the proposed charter school.

Project Team (should not exceed 4 pages in length)

18. List the name(s), address(es) and role(s) of all principal organizer(s) of the proposed charter public school.
19. Briefly explain the Applicant's track record, if any, in operating charter public schools or other schools.
20. Briefly describe the strengths, experiences and expected contributions of each member of the project team.
21. Describe any outside contractual relationships that would be necessary to ensure the establishment and effective operation of the proposed charter public school.
22. Briefly describe the anticipated staffing and governance structure of the proposed charter public school and any roles of project team members.
23. Describe the proposed process to be used to recruit, identify and hire teachers.
24. Describe the team's past efforts to obtain a charter, if any, and detail related outcomes.

Board Governance

25. Provide a list of five (5) to nine (9) proposed board members with two alternatives. Complete the *Application for Board Appointment* for each proposed member, found at <http://www.thecenterforcharters.org/psaba/>. For additional information regarding board governance, please [click here](#).
26. A description of the method of recruitment to identify potential board members.

Facilities and Transportation

27. Provide a description and location of the proposed physical facility, suitability of space and provisions for specialized space (if any).
28. Describe any purchase or leasing arrangements that will be needed. Include detailed information about anticipated budget, costs and financing arrangements. Provide information regarding how any construction/renovation costs, if necessary, will be covered.

29. Describe proposed arrangement for transportation, if any, of pupils.

Financial Information

30. Provide a narrative that indicates the total amount and sources of funds expected to be available through banks, lending institutions, corporations, foundations, grants, etc., that will be used to maintain positive cash flow from the pre-operational phase until the first state aid payment is received. Indicate which are already secured and which are anticipated and include evidence of firm commitments, if possible.
31. Detail plans for meeting financial needs if anticipated revenues are not received or are lower than the estimated budget.
32. Provide a budget for the first year of operation based on the projected enrollment. If the projected enrollment is not met, what plan would be in place to ensure the continued operations of the Academy. (Please click [here](#) for a template.)

Conclusion

33. Present any other information you believe to be relevant or compelling in support of your application.