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# **Choice & Innovation Subcommittee**

**Tuesday, March 3, 2015**

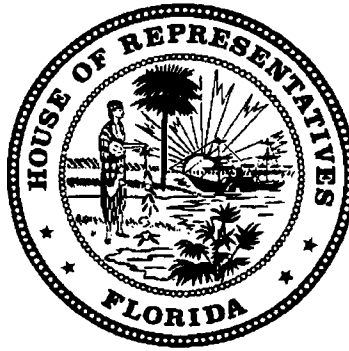
**2:00 PM – 4:00 PM**

**306 HOB**

**Meeting Packet**

**Steve Crisafulli  
Speaker**

**Manny Diaz  
Chair**



## AGENDA

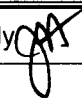
Choice & Innovation Subcommittee  
Tuesday, March 3, 2015  
2:00 p.m. – 4:00 p.m.  
306 HOB

- I. Call to Order/Roll Call
- II. Welcome/Opening Remarks
- III. Consideration of the bill:
  - HB 55 - Children and Youth Cabinet
- IV. Consideration of the following proposed committee bill:
  - PCB CIS 15-01 - School Choice
- V. Closing Remarks and Adjournment



## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HB 55 Children and Youth Cabinet  
**SPONSOR(S):** Harrell  
**TIED BILLS:** IDEN./SIM. **BILLS:** SB 878

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Choice & Innovation Subcommittee		Flynn ZF	Healy 
2) Health & Human Services Committee			
3) Education Committee			

### SUMMARY ANALYSIS

The Florida Children and Youth Cabinet (Cabinet) consists of the Governor and 14 members. These members include the Secretary of the Department of Children and Families, the Secretary of Juvenile Justice, the director of the Agency for Persons with Disabilities, the director of the Office of Early Learning, the State Surgeon General, the Secretary of Health Care Administration, the Commissioner of Education, the director of the Statewide Guardian Ad Litem Office, the director of the Office of Child Abuse Prevention, and five members appointed by the Governor who represent children and youth advocacy organizations.

The bill creates one additional Cabinet position to be held by a superintendent of schools who is appointed by the Governor.

The bill does not have a fiscal impact on state or local governments.

The bill takes effect July 1, 2015.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### Present Situation

The Florida Children and Youth Cabinet (Cabinet) was created in 2007.<sup>1</sup> The Florida Legislature recognized the need to collaborate with the Governor to improve child and family outcomes in the state.<sup>2</sup> Among other things, the Cabinet was created to enable state agencies and programs that serve children to coordinate policy development and program implementation so services provided to children and youth are planned, managed, and delivered in a holistic and integrated manner.<sup>3</sup>

The Cabinet is comprised of the Governor and 14 members. These members include the Secretary of Children and Family Services, the Secretary of Juvenile Justice, the director of the Agency for Persons with Disabilities, the director of the Office of Early Learning, the State Surgeon General, the Secretary of Health Care Administration, the Commissioner of Education, the director of the Statewide Guardian Ad Litem Office, the director of the Office of Child Abuse Prevention, and five members representing children and youth advocacy organizations, who are not service providers and who are appointed by the Governor.<sup>4</sup>

##### Effect of Proposed Changes

The bill expands the membership of the Cabinet to include the Governor and 15 other members. The additional Cabinet position created by the bill will be a superintendent of schools who is appointed to the Cabinet by the Governor.

Current law states that the "Cabinet shall consist of 14 members including the Governor and the following persons . . ." However, the law lists 14 specific members of the Cabinet in addition to the Governor, bringing the total membership of the Cabinet to 15 members. The bill changes the total membership figure to 16 members, thereby accounting for the member added by the bill and the Governor.

#### B. SECTION DIRECTORY:

**Section 1:** Amends s. 402.56, F.S., relating to the Children and Youth Cabinet.

**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:

None.

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<sup>1</sup> Section 1, Ch. 2007-151, L.O.F.

<sup>2</sup> Section 402.56(2)(b), F.S.

<sup>3</sup> Section 402.56(3)(a), F.S.

<sup>4</sup> Section 402.56(4), F.S.

**B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

1. Revenues:

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:**

None.

**IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES**

Not Applicable.

1                   A bill to be entitled  
 2           An act relating to the Children and Youth Cabinet;  
 3           amending s. 402.56, F.S.; revising the membership of  
 4           the cabinet; providing an effective date.

5  
 6 Be It Enacted by the Legislature of the State of Florida:

7  
 8           Section 1. Paragraph (a) of subsection (4) of section  
 9           402.56, Florida Statutes, is amended to read:

10           402.56 Children's cabinet; organization; responsibilities;  
 11           annual report.—

12           (4) MEMBERS.—The cabinet shall consist of 16 ~~14~~ members  
 13           including the Governor and the following persons:

- 14           (a)1. The Secretary of Children and Families;  
 15           2. The Secretary of Juvenile Justice;  
 16           3. The director of the Agency for Persons with  
 17           Disabilities;  
 18           4. The director of the Office of Early Learning;  
 19           5. The State Surgeon General;  
 20           6. The Secretary of Health Care Administration;  
 21           7. The Commissioner of Education;  
 22           8. The director of the Statewide Guardian Ad Litem Office;  
 23           9. The director of the Office of Child Abuse Prevention;

24           ~~and~~

25           10. A superintendent of schools, appointed by the  
 26           Governor; and

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27        11.10. Five members representing children and youth  
28        advocacy organizations, who are not service providers and who  
29        are appointed by the Governor.

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





## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** PCB CIS 15-01 School Choice  
**SPONSOR(S):** Choice & Innovation Subcommittee  
**TIED BILLS:** **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Choice & Innovation Subcommittee		Beagle <i>GB</i>	Healy <i>JA</i>

### SUMMARY ANALYSIS

The bill creates the Florida Institute for Charter School Innovation at the Florida State University to:

- Provide technical assistance and support to charter school applicants and sponsors.
- Conduct research on policy and practice related to charter school accountability, instructional practices, finance, management, and operations.
- Provide guidance regarding charter school management, administration, and instructional best practices.
- Provide opportunities for aspiring teachers to experience teaching in schools of choice.

The bill strengthens charter school accountability and student access to quality charter schools by:

- Clarifying that a sponsor may consider a charter school applicant's, governing board member's, and management company's past performance operating charter schools when deciding to approve or deny an application.
- Requiring charter schools to begin submitting monthly financial statements upon approval of the charter contract to enable the sponsor to begin monitoring the school's financial health earlier in time.
- Clarifying that charter schools that earn two consecutive grades of "F" are automatically terminated.
- Removing the limit on replication of high-performing charter schools if the charter school is created to serve high-need areas or school district needs.

The bill revises charter school funding provisions to:

- Clarify that charter schools do not have to adopt the school district's research-based reading plan in order to receive the research-based reading allocation.
- Specify that the reading curriculum approved by the sponsor and incorporated in its charter satisfies the research-based reading plan requirement for such allocation.
- Specify that a charter school may not have financial emergency conditions noted in its most recent annual audit in order to receive capital outlay funding.
- Prohibit the sponsor from delaying payments to charter schools based upon timing of receipt of local funds.
- Allow more charter school systems to act as the local education agency for purposes of administering federal education funding.

In addition, the bill removes the statutory eligibility requirements for enrollment in public K-12 virtual education, which currently limit virtual education options available to certain students who did not attend public school in the previous school year. The bill also revises criteria triggering automatic termination of a state-approved virtual provider's contract.

The bill's removal of the eligibility requirements for public K-12 virtual education has a fiscal impact on state government, as it opens various virtual education options that are not currently available to students who did not attend public school in the prior year. The estimated cost of this change is \$4.2 million. See Fiscal Analysis & Economic Impact.

The bill's establishment of the Florida Institute for Charter School Innovation has an estimated \$1.5 million fiscal impact on state government. See Fiscal Analysis & Economic Impact.

The bill takes effect July 1, 2015.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: pcb01.CIS.DOCX

DATE: 2/26/2015

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### Charter School Authorizing and Oversight

###### Present Situation

Charter schools are nonsectarian, public schools that operate under a performance contract with a sponsor, which is typically a school district.<sup>1</sup> Charter schools are exempt from many laws and regulations applicable to traditional public schools to encourage the use of innovative learning methods.<sup>2</sup> The terms and conditions for the operation of the school are set forth in a performance contract or “charter.”<sup>3</sup>

Florida law tasks sponsors with authorizing new charter schools and providing continuing oversight of each charter school in the school district. The law establishes several processes designed to enable the sponsor to perform these roles, including:

- Authority to review and approve or deny charter school applications.<sup>4</sup>
- Authority to enforce the terms and conditions of the charter agreement.<sup>5</sup>
- Annual reporting of student achievement and financial information by each charter school to the sponsor.<sup>6</sup>
- Sponsor monitoring of annual financial audits<sup>7</sup> and monthly financial statements submitted by charter schools in the school district.<sup>8</sup>
- Interventions for remedying unsatisfactory academic performance and financial instability.<sup>9</sup>
- Authority to close charter schools for academic or financial failure, poor management, violations of law, or child health, safety, and welfare violations.<sup>10</sup>

“*The Florida Principles and Standards for Quality Charter School Authorizing*” are a set of guidelines for sponsor authorizing and oversight of charter schools. The “*Principles and Standards*” are a collaborative effort by the Florida Department of Education (DOE), the National Association of Charter School Authorizers (NACSA), sponsors, and charter school stakeholders. Sponsor adherence to the “*Principles and Standards*” is voluntary. The “*Principles and Standards*” emphasize the critical role that sponsors play in evaluating the viability of charter school proposals and holding approved charter schools to high standards of quality.<sup>11</sup>

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<sup>1</sup> Section 1002.33(5)(a), (6)(h), (7) and (9)(a), F.S. The law authorizes school districts to sponsor charter schools; state universities to sponsor charter lab schools; and school districts, Florida College System (FCS) institutions, or a consortium of school districts or FCS institutions to sponsor a charter technical career center. Sections 1002.32(2), 1002.33(5)(a)1. and 2., and 1002.34(3)(b), F.S.

<sup>2</sup> Section 1002.33(2)(b)3. and (16), F.S.

<sup>3</sup> Section 1002.33(6)(h) and (7), F.S.

<sup>4</sup> Section 1002.33(6), F.S.

<sup>5</sup> Section 1002.33(6)(h) and (7), F.S.

<sup>6</sup> Section 1002.33(9)(k), F.S.

<sup>7</sup> Sections 218.39(1)(e) and (f), 1002.33(9)(j)1. and 2., F.S.

<sup>8</sup> Section 1002.33(9)(g), F.S.

<sup>9</sup> Sections 1002.33(9)(n) and 1002.345, F.S.

<sup>10</sup> Section 1002.33(8), F.S.

<sup>11</sup> Florida Department of Education, *Florida Principles & Standards for Quality Charter School Authorizing*, at 2-5 (2014), <http://www.fldoe.org/core/fileparse.php/5423/urlt/Florida-Principles-and-Standards-Final-Proof.pdf>. [Hereinafter *Principles and Standards*].

The law establishes an application process for establishing a new charter school. An applicant<sup>12</sup> must submit a charter school application to the sponsor.<sup>13</sup> The sponsor must review and approve or deny the application.<sup>14</sup> The law requires sponsors and applicants to use a standard charter school application and application evaluation instrument. The standard application is designed to enable the sponsor to evaluate the applicant's educational plan, organizational plan, financial viability, and business plan.<sup>15</sup>

The law does not expressly require a sponsor to evaluate an applicant's, governing board member's, or management company's past performance operating charter schools.<sup>16</sup> However, the standard application requires the applicant to:

- List each proposed member of the charter school's governing board and his or her background and qualifications.
- Indicate if it intends to contract with a management company, summarize the company's history operating charter schools, and list other charter schools managed by the company and student achievement and financial performance date of such schools.<sup>17</sup>

Additionally, the "*Principles and Standards*" encourage sponsors to evaluate the past history of existing operators and management companies operating charter schools and conduct applicant interviews and other due diligence to examine the applicant's experience and ability to operate charter schools.<sup>18</sup>

Among other oversight processes, charter schools must submit monthly financial statements for review by the sponsor. If a financial statement reveals a deteriorating financial condition,<sup>19</sup> the sponsor and charter school governing board must develop a corrective action plan.<sup>20</sup> The sponsor may choose to terminate or not renew the charter school's charter if financial deficiencies noted in the corrective action plan are not corrected within one year or if the school exhibits one or more financial emergency conditions<sup>21</sup> for two consecutive years.<sup>22</sup> The date by which a newly established charter school must

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<sup>12</sup> An application may be made by an individual, teachers, parents, a group of individuals, a municipality, or a legal entity organized under Florida law. Section 1002.33(3)(a), F.S. The school must be operated by a Florida College System institution, municipality, or nonprofit organization. While a charter school must be a public or nonprofit entity, it may be managed by a for-profit education management organization. Section 1002.33(12)(i), F.S.

<sup>13</sup> Section 1002.33(6)(a), F.S.; rule 6A-6.0786, F.A.C. (model charter school application and application evaluation instrument).

<sup>14</sup> Section 1002.33(6), F.S. If the application is approved, the applicant and sponsor then negotiate the terms of the charter. If the application is denied, or the sponsor fails to act, the applicant may file an appeal with the State Board of Education, which may uphold or overturn the sponsor's denial. Section 1002.33(6)(c) and (h), F.S.; *see also* s. 120.68, F.S. The state board's decision is a final action subject to judicial review in the district court of appeal. *Id.*

<sup>15</sup> *See Model Application, supra* note 20.

<sup>16</sup> *See* s. 1002.33(6)(a), F.S.

<sup>17</sup> *Compare* s. 1002.33(6)(a), (7), (8), (9), F.S. *with Model Application, supra* note 20, at 11 and 14.

<sup>18</sup> *Principles and Standards, supra* note 11, at 2-5 and 9-10.

<sup>19</sup> A deteriorating financial condition is a circumstance that significantly impairs the ability of a charter school to generate enough revenue to meet its expenditures without causing the occurrence of a financial emergency condition. Deteriorating financial conditions include, without limitation, circumstances in which actual enrollment is 70 percent less than the enrollment projection for which its annual budget is based, enrollment is insufficient to generate enough revenue to meet expenditures, actual expenses exceed budgeted expenses for a period of three months or more and there are insufficient reserves to compensate, or an unbudgeted financial event occurs and there are insufficient reserves to compensate. Section 1002.345(1)(a)3., F.S.; rule 6A-1.0081(2)(a), F.A.C.

<sup>20</sup> Sections 1002.33(9)(g)3. and 1002.345(1)(b)-(f), F.S.; rule 6A-1.0081, F.A.C. A high-performing charter school may submit quarterly rather than monthly financial statements. Section 1002.331(2)(c), F.S.

<sup>21</sup> A financial emergency exists when any one of the following conditions occurs due to lack of funds: (1) Failure to pay short-term loans or make bond debt service or other long-term debt payments when due; (2) Failure to pay uncontested claims from creditors within 90 days after the claim is presented; (3) Failure to timely transfer taxes withheld from employees or employer or employee contributions for federal social security, pension, or retirement plans; and (4) Failure for one pay period to pay wages, salaries, or retirement benefits. Section 218.503(1)(a)-(d), F.S.

<sup>22</sup> Section 1002.345(5), F.S.

begin submitting financial statements typically follows the first payment of state education funds to the charter school, which occurs in July before the start of the school year.<sup>23</sup>

On January 21 and February 3, 2015, the Choice and Innovation Subcommittee heard testimony regarding quality charter school authorizing by representatives of NACSA, the Governor John Engler Center for Charter Schools at Central Michigan University, and the Colorado League of Charter Schools, among others. The presenters discussed “best practices” for evaluating the likelihood that a proposed charter school will succeed academically and financially. Among other things, the testimony emphasized that sponsor’s should evaluate an applicant’s or management company’s past history operating charter schools in deciding to approve or deny a charter school application and monitor newly approved charter schools as they prepare to open and begin serving students. This testimony also revealed potential benefits to charter school applicants, operators, and sponsors of increased collaboration, support, technical assistance, and research on best practices for charter school operations and authorizing.<sup>24</sup>

### **Effect of Proposed Changes**

The bill establishes the Florida Institute for Charter School Innovation at Florida State University in order to:

- Advance charter school accountability, quality, and innovation;
- Provide support and technical assistance to charter school applicants and sponsors;
- Connect aspiring teachers to opportunities to experience teaching in schools of choice; and
- Conduct research and develop and promote best practices for charter school accountability, authorizing, financing, management and operations, and instructional practices.

The primary mission of the institute is to provide technical assistance and support to charter school applicants in developing innovative charter school proposals. An applicant would be able to engage the institute for assistance not only in developing its written application, but also in acquiring the financial and operational knowledge and skills necessary to operate a charter school. In this regard, the institute could benefit both applicants and sponsors by increasing the quality of charter school proposals, while also helping to discourage applicants with poorly developed proposals or qualifications from submitting applications for sponsor review.

The bill requires the President of the Florida State University to appoint a director of the institute to oversee implementation of the institute’s mission. The institute must annually submit a report on its activities to the Governor, the President of the Senate, and the Speaker of the House of Representatives. Among other things, the report must provide specific recommendations for improving the institute’s ability to fulfil its mission and changes to statewide charter school policy. The bill also requires the institute to provide for an annual financial audit by a certified public account and submit the audit to the Auditor General, the Board of Governors of the State University System, and the State Board of Education.

The bill also requires each charter school applicant to disclose in the application the name of each applicant, governing board member, and proposed management company, if any; the name and sponsor of any charter school currently or previously operated by such parties; and the academic and financial history of such charter schools. The sponsor must consider the past history of these entities in deciding to approve or deny the application. This change makes clear that sponsors have authority to evaluate the applicant’s history operating charter schools and aligns the law with the standard application currently in use and guidelines provided by the “*Principles and Standards*.”

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<sup>23</sup> Rule 6A-1.0081, F.A.C. The sponsor and charter school governing board must mutually agree to the date by which the financial statements are to be submitted. *Id.*

<sup>24</sup> Presentations on charter schools and authorizers, *Hearing before the House Choice & Innovation Subcommittee* (Jan. 21, 2015); Discussion on charter school institute, *Hearing before the House Choice & Innovation Subcommittee* (Feb. 3, 2015).

Additionally, the bill requires a charter school's governing board to begin submitting financial statements to the sponsor upon approval of the charter contract. This change will enable the sponsor to monitor a newly created charter school's finances earlier, thereby strengthening the sponsor's ability to assess the school's financial readiness to begin serving students. Accordingly, the sponsor would have greater ability to identify deteriorating financial conditions and take corrective action to remedy financial deficiencies.

## **High-Performing Charter Schools**

### **Present Situation**

Charter schools and operators of systems of charter schools with a track record of academic excellence and financial stability may earn "high-performing" status.<sup>25</sup> A high-performing charter school is a charter school that during each of the three previous years:

- Received at least two school grades of "A" and no school grade below "B;"
- Has received an unqualified opinion<sup>26</sup> on each annual financial audit; and
- Has not received an annual financial audit that reveals a financial emergency condition.<sup>27</sup>

A high-performing charter school system (system) may be operated by a municipality or other public entity that is authorized by Florida law to operate a charter school; a private, not-for-profit, s. 501(c)(3) status corporation; or a private for-profit corporation.<sup>28</sup> In order to earn "high-performing" status, a system must, in the previous three-year period:

- Operate at least three high-performing charter schools in Florida;
- Have at least 50 percent of its charter schools designated as "high-performing" and no charter school receiving a school grade of "D" or "F;" and
- Not receive an annual financial audit that revealed a financial emergency condition for any charter school operated by the entity in Florida.<sup>29</sup>

Initial eligibility for "high-performing" status is verified by the Commissioner of Education, upon request by a charter school or system. Thereafter, the commissioner must annually verify continued eligibility.<sup>30</sup>

High-performing charter schools may take advantage of various benefits. Among other things, the operator of a high-performing charter school may submit an application in any Florida school district to establish and operate a new charter school that substantially replicates one of its high-performing charter schools. The application process for such applications is streamlined to expedite approval.<sup>31</sup> A high-performing charter school may not be replicated more than once in any given year and may not replicate again until the new charter school achieves "high-performing" status.<sup>32</sup> Systems may replicate their high-performing charter schools using the same process applicable to high-performing charter

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<sup>25</sup> Section 1002.331(1), F.S.; see s. 218.503(1), F.S. (financial emergency conditions).

<sup>26</sup> An unqualified audit opinion means that the charter school's financial statements are materially correct. Telephone interview with Florida Auditor General staff (Mar. 24, 2011).

<sup>27</sup> Section 1002.331(1), F.S.; see s. 218.503(1), F.S. (financial emergency conditions).

<sup>28</sup> Section 1002.332(1), F.S.

<sup>29</sup> Section 1002.332(1), F.S. Exceptions to the eligibility criteria apply if the system operates a charter school established to turn around a chronically low-performing traditional public school and for charter schools opened to serve areas served by a low-performing traditional public school. Section 1002.33(1)(b)2., F.S.

<sup>30</sup> Sections 1002.331(5) and 1002.332(2)(a), F.S.

<sup>31</sup> Section 1002.331(2), F.S.

<sup>32</sup> Section 1002.331(3)(b), F.S.

schools.<sup>33</sup> Additionally, a high-performing charter school may have the term of its charter extended to up to 15 years.<sup>34</sup>

As of September 2014, 148 charter schools in 34 school districts and 1 state university were designated as “high-performing” and two systems were designated as high-performing systems – Doral, Inc. and McKeel Academy. Doral, Inc. is comprised of five charter schools, four of which are high-performing charter schools. McKeel Academy is comprised of three charter schools, each of which is a high-performing charter school.<sup>35</sup>

### **Effect of Proposed Changes**

Currently, a high-performing charter school may only replicate once in a given year, and may not replicate again until the newly created charter school achieves “high-performing” status, which takes at least three years. The bill provides that this limit does not apply to high-performing charter schools replicated to serve the attendance area of a traditional public school identified as in need of intervention and support under Florida’s system of school improvement and accountability or to meet needs identified by school districts. In all other cases, existing limits apply. This change expands the ability of high-performing charter schools to provide parental school choice in underserved areas or partner with school districts to meet specific district needs.

Legislation enacted in 2013 required the commissioner to annually determine a charter school’s or charter school system’s continued eligibility for “high-performing” status. A high-performing charter school or charter school system may maintain its “high-performing” status, unless the commissioner determines that the charter school or system no longer meets the eligibility criteria enumerated in law, one of which requires that the school not receive a grade below a “B”. Current language also provides for removal of a charter school’s “high-performing” status if it receives a school grade of “C” in any two years during the term of the 15-year charter. Because a high-performing school loses its status once its grade falls below a “B,” the provisions regarding consequences for receiving a “C” are obsolete. The bill repeals those provisions relating to consequences for “C” grades.

### **Charter Termination or Nonrenewal**

#### **Present Situation**

A sponsor may choose to terminate or not renew a charter for any of the following reasons:

- Failure to participate in the state’s education accountability system or meet the requirements for student performance stated in the charter;
- Failure to meet generally accepted standards of financial management;
- A violation of law; or
- Other good cause shown.<sup>36</sup>

The sponsor may immediately terminate a charter school’s charter if conditions at the school threaten the health, safety, or welfare of students.<sup>37</sup> Due process in the form of notice and, if requested, a formal hearing and opportunity to appeal must be provided to the charter school prior to a charter termination or nonrenewal. For immediate termination of a charter school, a hearing, if requested, may occur after termination.<sup>38</sup>

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<sup>33</sup> Section 1002.332(2), F.S.

<sup>34</sup> Section 1002.331(4), F.S.

<sup>35</sup> Email, Office of Independent Education and Parental Choice (Sept. 17, 2014).

<sup>36</sup> Section 1002.33(8)(a), F.S.

<sup>37</sup> Section 1002.33(8)(d), F.S.

<sup>38</sup> Sections 1002.33(6)(c) and (8)(b)-(d), F.S.

In addition, the law requires a sponsor to terminate the charter of a charter school that earns two consecutive school grades of "F," unless the charter school qualifies for one of three exceptions. In general, the exceptions apply to charter schools that specifically target hard-to-serve students and to traditional public schools that are reconstituted as charter schools pursuant to Florida's system of school improvement and education accountability. The law is unclear whether the same due process procedures afforded to charter schools for discretionary or immediate terminations apply to "double "F"" terminations.<sup>39</sup>

When a charter is not renewed or is terminated, unencumbered public funds from the charter school revert to the district school board, except that capital outlay and federal charter school grant funds revert to DOE for redistribution among eligible charter schools. Additionally, all district school board property and improvements, furnishings, and equipment purchased with public funds automatically revert to the district school board subject to satisfaction of any liens or encumbrances. The charter school's governing board is responsible for all debts incurred by the charter school. Students enrolled in the charter school may apply to, and must be enrolled in, another public school in the school district. The law does not specifically apply these provisions to charter schools that close voluntarily.<sup>40</sup>

### **Effect of Proposed Changes**

The bill clarifies that "double "F"" termination occurs automatically when a charter school earns a second consecutive grade of "F," after school grade appeals are final, unless an exception applies. The sponsor must notify, in writing, the charter school's governing board, the charter school principal, and DOE. Hearings and appeals applicable to discretionary and immediate charter terminations are not applicable to "double "F"" terminations. The bill specifies that procedures regarding reversion of public funds and property purchased with public funds apply to "double "F"" terminations, as well as, voluntary closures.

Additionally, the bill requires the governing board of a charter school that closes voluntarily to notify the sponsor and DOE in writing within 7 calendar days of its decision to cease operations. The notice must state the reasons for the closure and acknowledge that the governing board agrees to follow the procedures for dissolution and reversion of public funds specified in law. The bill also specifically applies existing law regarding dissolution of the charter school, reversion of funds, debt, and reassignment of students to voluntary closures. This change will increase the likelihood that charter schools that close voluntarily follow the law regarding reversion of public funds. It will also provide more information to sponsors and DOE regarding the reasons leading to voluntary closure.

### **Charter School Cooperatives**

#### **Present Situation**

The law authorizes charter schools to enter into cooperative agreements with other charter schools to provide planning and development, instructional, personnel administration, payroll, human resources, and evaluation and assessment services and teacher preparation and professional development.<sup>41</sup>

#### **Effect of Proposed Changes**

The bill deletes the list of specific services that cooperative agreements may serve and instead states that charter schools may enter into such agreements to further any educational, operational, or administrative purposes in which participating charter schools share common interests. This change expands the ability of charter schools to collaborate and pool resources for shared objectives.

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<sup>39</sup> Section 1002.33(9)(n)4., F.S.; s. 1008.33(4)(b)3. and (e), F.S.

<sup>40</sup> Section 1002.33(8)(e), F.S.

<sup>41</sup> Section 1002.33(13), F.S.



## **Distribution of Student Funding**

### **Present Situation**

Charter school students are funded through the Florida Education Finance Program (FEFP), including categorical funding such as the research-based reading instruction allocation (reading allocation).<sup>42</sup> In general, the reading allocation must be used for such purposes as providing intensive reading instruction to struggling students or to support reading teachers through professional development or utilization of reading coaches. Each school district must annually submit a plan to DOE specifying how it will use the reading allocation.<sup>43</sup> Each charter school applicant must include in its application a reading curriculum that provides for differentiated reading instruction for students reading at or above grade level and for those reading below grade level. The curriculum must be aligned to state reading standards and grounded in scientific research. If the application is approved, the reading curriculum is incorporated into the charter school's charter.<sup>44</sup> Despite the requirement that charter schools adopt a reading curriculum as a condition of approval, some sponsors have required charter schools to use the school district's reading plan as a condition to receiving the reading allocation, and that plan is often dramatically different than the reading curriculum that the sponsor has already approved in the application and charter.<sup>45</sup>

Sponsors must distribute funds to a charter school no later than 10 working days after the district school board receives a distribution of state or federal funds. If payment is not made to the charter school within 10 working days, the sponsor must also pay interest at a rate of 1 percent per month calculated daily on the unpaid balance for each day the payment is late.<sup>46</sup> One sponsor has previously indicated that it would delay disbursement of locally generated funds to charter schools until the funds were received by the school district.<sup>47</sup>

### **Effect of Proposed Changes**

The bill prohibits sponsors from requiring charter schools to adopt the school district's reading curriculum as a condition to receiving the research-based reading allocation. Furthermore, the bill specifies that the reading curriculum adopted in a charter school's charter satisfies the research-based reading plan requirement. Additionally, the bill prohibits a sponsor from delaying payment of any portion of a charter school's funding based upon the timing of receipt of local funds by the school board.

## **Local Education Agencies**

### **Present Situation**

Charter schools, like traditional public schools, receive federal education funding through such programs as Title I of the Elementary and Secondary Education Act (Title I)<sup>48</sup> and the Individuals with Disabilities Education Act. (IDEA).<sup>49</sup> Typically, these programs are structured so that funding flows from the federal government to a state educational agency,<sup>50</sup> which then awards subgrants to local education agencies (LEA) within the state.<sup>51</sup> Each state determines which entities may serve as LEAs.<sup>52</sup>

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<sup>42</sup> Sections 1002.33(17)(a)-(b) and 1011.62, F.S. To reflect any changes in enrollment, the charter school's funding is recalculated during the school year, based upon the October and February full-time equivalent (FTE) enrollment surveys. *See* s. 1002.33(17)(b), F.S.

<sup>43</sup> Section 1011.62(9), F.S.

<sup>44</sup> Section 1002.33(6)(a)4. and (7)(a)2.a., F.S.

<sup>45</sup> Florida Department of Education, *Legislative Bill Analysis on School Choice Priorities*, (Nov. 6, 2014).

<sup>46</sup> Section 1002.33(17)(e), F.S.

<sup>47</sup> Florida Department of Education, *Legislative Bill Analysis on School Choice Priorities*, (Nov. 6, 2014).

<sup>48</sup> 20 U.S.C. s. 1400 et. seq.

<sup>49</sup> 20 U.S.C. s. 6301 et. seq.; s. 1002.33(17)(c)-(d), F.S.

<sup>50</sup> The Florida Department of Education is Florida's state educational agency for federal funding purposes. *See* 20 U.S.C. s. 1412(a).

<sup>51</sup> *See* 20 U.S.C. ss. 1412(a) and 1413(a).

In most cases, Florida's school districts are the LEA for district public schools, including charter schools.<sup>53</sup>

Each federal education funding program has unique policy goals and program requirements. A LEA must submit a separate application and implementation plan for each federal program.<sup>54</sup> LEAs must have the personnel and infrastructure necessary to maintain financial, procurement, and inventory management systems that meet federal requirements.<sup>55</sup> LEAs must also comply with record keeping and annual financial and performance accountability reporting requirements.<sup>56</sup> A LEA that fails to comply with the terms of a federal grant may be subject to withholding, suspension, or termination of grant funds or designated as a "high risk" grantee.<sup>57</sup> Grant recipients who commit fraud may be debarred or suspended from participation in all federally funded programs.<sup>58</sup>

Florida law authorizes a governing board that operates a system of charter schools to serve as its own LEA for federal funding purposes if it files a resolution with its sponsor and DOE, accepts full responsibility for all LEA requirements, and:

- Has all schools located in the same county;
- Has a total enrollment exceeding that of at least one Florida school district;
- Operates both conversion and nonconversion charter schools; and
- Does not contract with a for-profit management company to operate schools.<sup>59</sup>

Although both are referred to as a "charter school system," provisions defining when a system may serve as a LEA and those defining a system for purposes of the high-performing charter school system designation are not synonymous.<sup>60</sup>

Of the two charter school systems that meet the LEA criteria, only Lake Wales Charter Schools has chosen to be a LEA.

### **Effect of Proposed Changes**

The bill revises the criteria a charter school system must meet to qualify as a LEA. Under the bill, such a system may be designated as a LEA if the charter school for which it will be performing LEA duties are located in the same county, have a total student population exceeding at least one school district, and are governed by the same governing board. Criteria requiring the system to consist of both conversion and nonconversion charter schools and prohibiting the system from contracting with a management company are eliminated. The bill does not change the requirement that the governing board file a resolution with its sponsor and DOE.

This change may allow more charter school systems to directly administer federal funds generated by charter schools within the system. However, a system that chooses to serve as a LEA to must acquire the infrastructure and expertise necessary to comply with federal requirements for LEAs.

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<sup>52</sup> Federal law broadly defines the term LEA to include state boards of education, state departments of education, local school boards, cities, counties, political subdivisions, public postsecondary institutions, or any other public entities that a state's law authorizes to administer public elementary and secondary schools. *See, e.g.*, 34 C.F.R. s. 77.1.

<sup>53</sup> Section 1002.33(17)(c), F.S.

<sup>54</sup> *See, e.g.*, 20 U.S.C. s. 6312 (local education agency Title I plans).

<sup>55</sup> 34 C.F.R. ss. 76.702 and 80.20-80.26 (financial management); 34 C.F.R. s. 80.36 (procurement management); 34 C.F.R. ss. 80.32 and 80.33 (inventory management).

<sup>56</sup> 34 C.F.R. ss. 76.702, 80.36, 80.32, 80.33, and 80.42 (fiscal, procurement, and inventory management records); 34 C.F.R. s. 80.41 (financial reports include status, cash transaction, and capital outlay reports).

<sup>57</sup> 34 C.F.R. s. 80.43 (noncompliance with grant terms); 34 C.F.R. s. 80.12 (high-risk grantees).

<sup>58</sup> 34 C.F.R. s. 80.43(d); Exec. Order No. 12549, 34 C.F.R. s. 80.35.

<sup>59</sup> Section 1002.33(25), F.S.

<sup>60</sup> *Compare* s. 1002.33(25), F.S., *with* s. 1002.332, F.S.

## **Other Charter School Changes**

### **Charter School Capital Outlay**

Among other things, a charter school must demonstrate that it is financially stable in order to be eligible for charter school capital outlay funding.<sup>61</sup> However, the law does not specify how financial stability is to be determined.<sup>62</sup> The bill requires, for purposes of determining eligibility for capital outlay funding, that a charter school have no financial emergency conditions on its annual financial audit for the most recent fiscal year for which an audit is available.

### **Governing Board Meetings**

Florida law requires each charter school's governing board to hold at least two open public meetings per school year in the school district where the charter school is located. The charter school principal and a parent liaison appointed by the board must be physically present at these meetings. Governing board members are not required to attend these meetings in person.<sup>63</sup> The bill relocates the aforementioned governing board meeting provisions to a more appropriate subdivision of the charter school statute. Additionally, the bill specifically authorizes a governing board member to attend biannual public meetings by communications media technology used in compliance with Administration Commission rules.<sup>64</sup>

### **Alternative Teacher Certification**

A professional education competence demonstration program (PEC Program) is an alternative teacher certification pathway that enables a classroom teacher who holds a temporary certificate to obtain full professional certification.<sup>65</sup> The law requires each school district to establish a PEC Program. Establishing a PEC Program is optional for other "state-supported public schools" and private schools. PEC Programs must be approved by DOE prior to implementation and approval is reevaluated annually.<sup>66</sup> The bill clarifies that a charter school, "as a state-supported public school," may offer a PEC Program to enable its teachers on temporary certificates to obtain a professional teaching certificate.

## **Student Eligibility for Virtual Instruction**

### **Present Situation**

Florida law establishes a variety of options to make virtual instruction accessible to students in kindergarten through grade 12. These options include:

- Full-time or part-time enrollment in a school district virtual instruction program (VIP).<sup>67</sup>
- Full-time enrollment in a virtual charter school.<sup>68</sup>
- Enrollment in individual virtual courses offered by school districts and approved by DOE.<sup>69</sup>

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<sup>61</sup> Section 1013.62(1)(a), F.S.

<sup>62</sup> See, e.g., ss. 1002.331 and 1002.345, F.S.

<sup>63</sup> Section 1002.33(7)(d), F.S. The parent liaison must reside in the school district where the charter school is located and may be a governing board member, charter school employee, or contracted individual. The governing board must appoint a separate liaison for each charter school it operates in the district. The law prohibits a sponsor from requiring governing board members to reside in the school district if the governing board complies with these requirements. *Id.*

<sup>64</sup> Florida law requires the Administration Commission to adopt uniform rules for conducting public meetings by means of communications media technology. Sections 120.54(5)(b)2. and 1002.33(7)(d), F.S.; ch. 28-109, F.A.C.

<sup>65</sup> Section 1012.56(8)(b), F.S.; rule 6A-5.066(1)(d) and (2), F.A.C.

<sup>66</sup> Section 1012.56(8)(b), F.S.; rule 6A-5.066(1)(d) and (2), F.A.C.

<sup>67</sup> Section 1002.45, F.S.

<sup>68</sup> Sections 1002.33(1) and 100245(1)(d), F.S.

<sup>69</sup> Section 1003.498, F.S.

- Full-time or part-time enrollment in the Florida Virtual School (FLVS) or school district FLVS franchises.<sup>70</sup>

Student enrollment in a full-time or part-time school district virtual instruction program (VIP), a full-time virtual charter school, or a school district virtual course offering is open to any student residing in the district who:<sup>71</sup>

- Attended a Florida public school during the prior year and was enrolled and reported for funding during the October and February Florida Education Finance Program (FEFP) surveys;
- Is the dependent child of a member of the United States military who, within 12 months of the parent's permanent change of station order, transferred to Florida from another state or from a foreign country;
- Was enrolled in a school district virtual instruction program or a full-time FLVS program during the prior school year;
- Has a sibling who is currently enrolled in a school district virtual instruction program and the sibling was enrolled in such program at the end of the prior school year.
- Is eligible to enter kindergarten or first grade; or
- Is eligible to enter grades 2 through 5 and is enrolled full-time in a school district virtual instruction program, virtual charter school, or FLVS.<sup>72</sup>

FLVS or a district FLVS franchise may provide full-time and part-time instruction for students in kindergarten through grade 12. However, students in kindergarten through grade 5 must meet at least one of the eligibility criteria listed above to access part-time instruction in such programs.<sup>73</sup>

Eligibility for Virtual Instruction Students Not Enrolled in Public School During the Previous School Year							
Grade Level	Full-Time			Part-Time			
	FLVS	District VIP	District FLVS Franchise	FLVS	District VIP	District FLVS Franchise	District Virtual Course
K							
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
<b>KEY</b>							
	Student is Eligible						
	Student must meet prior public school requirement						
	No part-time virtual options for students who were not enrolled in public school during the prior year						

<sup>70</sup> Sections 1002.37 and 1002.45(1)(a)1. and (c)1., F.S.

<sup>71</sup> Sections 1002.45(5) and 1002.455(2), F.S.

<sup>72</sup> Section 1002.455(2), F.S.

<sup>73</sup> Section 1002.37(8)(a), F.S.

Consequently, students in 2<sup>nd</sup> through 5<sup>th</sup> grades are not eligible for enrollment in part-time virtual instruction unless they meet eligibility criteria pertaining to prior public school attendance, dependent children of military personnel, or siblings.<sup>74</sup>

### **Effect of Proposed Changes**

The bill repeals s. 1002.455, F.S., relating to student eligibility for K-12 virtual instruction. This change will open various virtual education options that are not currently available to students who did not attend public school in the prior year, as follows:

- Students in 6<sup>th</sup> through 12<sup>th</sup> grades may enroll in full-time school district VIP programs.
- Students in 2<sup>nd</sup> through 5<sup>th</sup> grades may enroll in part-time FLVS or district FLVS franchises.
- Students in 2<sup>nd</sup> through 12<sup>th</sup> grades may enroll in part-time school district VIP.
- Students in 2<sup>nd</sup> through 12<sup>th</sup> grades may enroll in school district virtual course offerings.

Most notably, this change gives students in 2<sup>nd</sup> through 5<sup>th</sup> grades who did not attend public school in the prior year the ability to enroll in part-time virtual instruction, whereas under current law, these students have no such options.

### **Virtual Instruction Providers**

#### **Present Situation**

Currently, a state-approved virtual instruction provider's contract must be terminated if the provider earns a school grade of "D" or "F" or a school improvement rating of "Unsatisfactory" in any two years of a consecutive four year period.<sup>75</sup>

#### **Effect of Proposed Changes**

The bill provides that a virtual instruction provider's contract must be terminated if the provider earns two consecutive school grades of "F" or school improvement ratings of "Unsatisfactory."

#### **B. SECTION DIRECTORY:**

**Section 1.** Amends s. 1002.33, F.S., relating to charter schools.

**Section 2.** Amends s. 1002.331, F.S., relating to high-performing charter schools.

**Section 3.** Amends s. 1002.37, F.S., relating to the Florida Virtual School.

**Section 4.** Amends s. 1002.45, F.S., relating to virtual instruction programs.

**Section 5.** Repeals s. 1002.455, F.S., relating to student eligibility for K-12 virtual instruction.

**Section 6.** Amends s. 1003.498, F.S., relating to school district virtual course offerings.

**Section 7.** Creates s. 1004.650, F.S., relating to the Florida Institute for Charter School Innovation.

**Section 8.** Amends s. 1011.62, F.S., relating to funds for operation of schools.

**Section 9.** Amends s. 1012.56, F.S., relating to educator certification.

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<sup>74</sup> Section 1002.455(2), F.S.

<sup>75</sup> Section 1002.45(8)(d), F.S.

**Section 10.** Amends s. 1013.62, F.S., relating to charter schools capital outlay funding.

**Section 11.** 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 repeals s. 1002.455, F.S., relating to student eligibility for K-12 virtual instruction. This change will open various virtual education options that are not currently available to students who did not attend public school in the prior year. The estimated cost of this change is \$4.2 million.<sup>76</sup>

The bill establishes the Florida Institute for Charter School Innovation within the Florida State University. Among other things, the institute will assist applicants in developing charter school application proposals. Performance of these activities will require the institute to hire or subcontract with individuals with expertise in such areas as school finance, governance, operations, academics and curriculum, and exceptional student education services. It is estimated that approximately 5-6 full-time staff are needed to operate the institute. Funds will also be required to hire subcontractors to review applications. The cost of the institute is estimated at approximately \$1.5 million.<sup>77</sup>

### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

### C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Provisions expanding the purposes of cooperative agreements may provide charter schools with new opportunities to pool resources and achieve cost savings.

### D. FISCAL COMMENTS:

The bill revises the criteria enabling a charter school system to serve as a LEA for purposes of administering federal education funds. This may allow more charter school systems to directly administer federal funds generated by charter schools within the system. However, a system that chooses to serve as a LEA would have to acquire the infrastructure and expertise necessary to comply with federal requirements for LEAs.

The bill clarifies that a sponsor may not require a charter school to adopt the school district's reading curriculum as a condition to receiving a share of the research-based reading allocation. This may increase the number of charter schools that receive a share of the allocation.

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<sup>76</sup> Email, House Education Appropriations Subcommittee staff (Feb. 20, 2015).

<sup>77</sup> *Id.*

The bill provides clearer guidance to DOE in determining whether a charter school is financially stable enough to merit an award of capital outlay funding.

### **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:**

None.

### **IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES**

Not Applicable.

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



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27 educational agency status for certain charter school  
 28 systems; amending s. 1002.331, F.S.; providing an  
 29 exemption from the replication limitations for high-  
 30 performing charter school; conforming a cross-  
 31 reference; deleting obsolete provisions; amending s.  
 32 1002.37, F.S.; conforming a cross-reference; amending  
 33 s. 1002.45, F.S.; conforming a cross-reference;  
 34 revising conditions for termination of a virtual  
 35 instruction provider's contract; repealing s.  
 36 1002.455, F.S., relating to student eligibility for K-  
 37 12 virtual instruction; amending s. 1003.498, F.S.;  
 38 conforming a cross-reference; creating s. 1004.650;  
 39 establishing the Florida Institute for Charter School  
 40 Innovation; specifying requirements for the institute;  
 41 providing for the appointment of a director of the  
 42 institute; establishing duties of the director;  
 43 requiring an annual report to the Governor and  
 44 Legislature and an annual financial report to certain  
 45 entities; amending s. 1011.62, F.S.; conforming cross-  
 46 references; amending s. 1012.56, F.S.; specifying that  
 47 a charter school may develop and operate a  
 48 professional development certification and education  
 49 competency program; amending s. 1013.62, F.S.;  
 50 revising eligibility requirements for charter school  
 51 capital outlay funding; providing an effective date.  
 52

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

54

55 Section 1. Subsection (1), paragraphs (a), (b), and (c) of  
 56 subsection (6), subsection (7), paragraphs (e), (f), and (g) of  
 57 subsection (8), paragraphs (g), (n), and (p) of subsection (9),  
 58 subsection (13), paragraphs (b) and (e) of subsection (17),  
 59 paragraph (a) of subsection (21), and subsection (25) of section  
 60 1002.33, Florida Statutes, are amended, and paragraph (h) is  
 61 added to subsection (8) of that section, to read:

62 1002.33 Charter schools.—

63 (1) AUTHORIZATION.—Charter schools shall be part of the  
 64 state's program of public education. All charter schools in  
 65 Florida are public schools. A charter school may be formed by  
 66 creating a new school or converting an existing public school to  
 67 charter status. A charter school may operate a virtual charter  
 68 school pursuant to s. 1002.45(1)(d) to provide full-time online  
 69 instruction to eligible students, ~~pursuant to s. 1002.455,~~ in  
 70 kindergarten through grade 12. An existing A charter school that  
 71 is seeking to become a virtual charter school must amend its  
 72 charter or submit a new application pursuant to subsection (6)  
 73 to become a virtual charter school. A virtual charter school is  
 74 subject to the requirements of this section; however, a virtual  
 75 charter school is exempt from subsections (18) and (19),  
 76 subparagraphs (20)(a)2., 4., 5., and 7., paragraph (20)(c), and  
 77 s. 1003.03. A public school may not use the term charter in its  
 78 name unless it has been approved under this section.

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

81 (a) A person or entity seeking ~~wishing~~ to open a charter  
 82 school shall prepare and submit an application on a model  
 83 application form prepared by the Department of Education which:

84 1. Demonstrates how the school will use the guiding  
 85 principles and meet the statutorily defined purpose of a charter  
 86 school.

87 2. Provides a detailed curriculum plan that illustrates  
 88 how students will be provided services to attain the Sunshine  
 89 State Standards.

90 3. Contains goals and objectives for improving student  
 91 learning and measuring that improvement. These goals and  
 92 objectives must indicate how much academic improvement students  
 93 are expected to show each year, how success will be evaluated,  
 94 and the specific results to be attained through instruction.

95 4. Describes the reading curriculum and differentiated  
 96 strategies that will be used for students reading at grade level  
 97 or higher and a separate curriculum and strategies for students  
 98 who are reading below grade level. A sponsor shall deny an  
 99 application ~~a charter~~ if the school does not propose a reading  
 100 curriculum that is consistent with effective teaching strategies  
 101 that are grounded in scientifically based reading research;  
 102 however, a sponsor may not require the school to implement the  
 103 reading curriculum adopted by the school district.

104 5. Contains an annual financial plan for each year

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105 requested by the charter for operation of the school for up to 5  
 106 years. This plan must contain anticipated fund balances based on  
 107 revenue projections, a spending plan based on projected revenues  
 108 and expenses, and a description of controls that will safeguard  
 109 finances and projected enrollment trends.

110 6. Discloses the name of each applicant, governing board  
 111 member, and proposed management company, if any; the name and  
 112 sponsor of any charter school currently or previously operated  
 113 by each applicant, each governing board member, and the proposed  
 114 management company; and the academic and financial history of  
 115 such charter schools, which the sponsor shall consider in  
 116 deciding whether to approve or deny the application.

117 ~~7.6-~~ Contains additional information a sponsor may  
 118 require, which shall be attached as an addendum to the charter  
 119 school application described in this paragraph.

120 ~~8.7-~~ For the establishment of a virtual charter school,  
 121 documents that the applicant has contracted with a provider of  
 122 virtual instruction services pursuant to s. 1002.45(1)(d).

123 (b) A sponsor shall receive and review all applications  
 124 for a charter school using the ~~an~~ evaluation instrument  
 125 developed by the Department of Education. A sponsor shall  
 126 receive and consider charter school applications received on or  
 127 before August 1 of each calendar year for charter schools to be  
 128 opened at the beginning of the school district's next school  
 129 year, or to be opened at a time agreed to by the applicant and  
 130 the sponsor. A sponsor may not refuse to receive a charter

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131 school application submitted before August 1 and may receive an  
 132 application submitted later than August 1 if it chooses. In  
 133 order to facilitate greater collaboration in the application  
 134 process, an applicant may submit a draft charter school  
 135 application on or before May 1 with an application fee of \$500.  
 136 If a draft application is timely submitted, the sponsor shall  
 137 review and provide feedback as to material deficiencies in the  
 138 application by July 1. The applicant shall then have until  
 139 August 1 to resubmit a revised and final application. The  
 140 sponsor may approve the draft application. Except as provided  
 141 for a draft application, a sponsor may not charge an applicant  
 142 for a charter any fee for the processing or consideration of an  
 143 application, and a sponsor may not base its consideration or  
 144 approval of a final application upon the promise of future  
 145 payment of any kind. Before approving or denying any final  
 146 application, the sponsor shall allow the applicant, upon receipt  
 147 of written notification, at least 7 calendar days to make  
 148 technical or nonsubstantive corrections and clarifications,  
 149 including, but not limited to, corrections of grammatical,  
 150 typographical, and like errors or missing signatures, if such  
 151 errors are identified by the sponsor as cause to deny the final  
 152 application.

153 1. In order to facilitate an accurate budget projection  
 154 process, a sponsor shall be held harmless for FTE students who  
 155 are not included in the FTE projection due to approval of  
 156 charter school applications after the FTE projection deadline.

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157 | In a further effort to facilitate an accurate budget projection,  
 158 | within 15 calendar days after receipt of a charter school  
 159 | application, a sponsor shall report to the Department of  
 160 | Education the name of the applicant entity, the proposed charter  
 161 | school location, and its projected FTE.

162 |         2. In order to ensure fiscal responsibility, an  
 163 | application for a charter school shall include a full accounting  
 164 | of expected assets, a projection of expected sources and amounts  
 165 | of income, including income derived from projected student  
 166 | enrollments and from community support, and an expense  
 167 | projection that includes full accounting of the costs of  
 168 | operation, including start-up costs.

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

182 |         b. An application submitted by a high-performing charter

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183 school identified pursuant to s. 1002.331 may be denied by the  
 184 sponsor only if the sponsor demonstrates by clear and convincing  
 185 evidence that:

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

188 (II) The charter school proposed in the application does  
 189 not materially comply with the requirements in paragraphs  
 190 (9) (a) - (f);

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

194 (IV) The applicant has made a material misrepresentation  
 195 or false statement or concealed an essential or material fact  
 196 during the application process; or

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

200

201 Material noncompliance is a failure to follow requirements or a  
 202 violation of prohibitions applicable to charter school  
 203 applications, which failure is quantitatively or qualitatively  
 204 significant either individually or when aggregated with other  
 205 noncompliance. An applicant is considered to be replicating a  
 206 high-performing charter school if the proposed school is  
 207 substantially similar to at least one of the applicant's high-  
 208 performing charter schools and the organization or individuals

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209 involved in the establishment and operation of the proposed  
 210 school are significantly involved in the operation of replicated  
 211 schools.

212 c. If the sponsor denies an application submitted by a  
 213 high-performing charter school, the sponsor must, within 10  
 214 calendar days after such denial, state in writing the specific  
 215 reasons, based upon the criteria in sub-subparagraph b.,  
 216 supporting its denial of the application and must provide the  
 217 letter of denial and supporting documentation to the applicant  
 218 and to the Department of Education. The applicant may appeal the  
 219 sponsor's denial of the application directly to the State Board  
 220 of Education pursuant to paragraph (c). If an applicant files an  
 221 appeal, the applicant must provide the sponsor with a copy of  
 222 the appeal ~~sub-subparagraph (c)3.b.~~

223 4. For budget projection purposes, the sponsor shall  
 224 report to the Department of Education the approval or denial of  
 225 an a-charter application within 10 calendar days after such  
 226 approval or denial. In the event of approval, the report to the  
 227 Department of Education shall include the final projected FTE  
 228 for the approved charter school.

229 5. Upon approval of an a-charter application, the initial  
 230 startup shall commence with the beginning of the public school  
 231 calendar for the district in which the charter is granted unless  
 232 the sponsor allows a waiver of this subparagraph for good cause.

233 (c)1. An applicant may appeal any denial of that  
 234 applicant's application or failure to act on an application to



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235 the State Board of Education no later than 30 calendar days  
 236 after receipt of the sponsor's decision or failure to act and  
 237 shall notify the sponsor of its appeal. Any response of the  
 238 sponsor shall be submitted to the State Board of Education  
 239 within 30 calendar days after notification of the appeal. Upon  
 240 receipt of notification from the State Board of Education that a  
 241 charter school applicant is filing an appeal, the Commissioner  
 242 of Education shall convene a meeting of the Charter School  
 243 Appeal Commission to study and make recommendations to the State  
 244 Board of Education regarding its pending decision about the  
 245 appeal. The commission shall forward its recommendation to the  
 246 state board at least 7 calendar days before the date on which  
 247 the appeal is to be heard. An appeal regarding the denial of an  
 248 application submitted by a high-performing charter school  
 249 pursuant to s. 1002.331 shall be conducted by the State Board of  
 250 Education in accordance with this paragraph, except that the  
 251 commission shall not convene to make recommendations regarding  
 252 the appeal. However, the Commissioner of Education shall review  
 253 the appeal and make a recommendation to the state board.

254 2. The Charter School Appeal Commission or, in the case of  
 255 an appeal regarding an application submitted by a high-  
 256 performing charter school, the State Board of Education may  
 257 reject an appeal submission for failure to comply with  
 258 procedural rules governing the appeals process. The rejection  
 259 shall describe the submission errors. The appellant shall have  
 260 15 calendar days after notice of rejection in which to resubmit

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261 an appeal that meets the requirements set forth in State Board  
 262 of Education rule. An appeal submitted subsequent to such  
 263 rejection is considered timely if the original appeal was filed  
 264 within 30 calendar days after receipt of notice of the specific  
 265 reasons for the sponsor's denial of the ~~charter~~ application.

266 3.a. The State Board of Education shall by majority vote  
 267 accept or reject the decision of the sponsor no later than 90  
 268 calendar days after an appeal is filed in accordance with State  
 269 Board of Education rule. The State Board of Education shall  
 270 remand the application to the sponsor with its written decision  
 271 that the sponsor approve or deny the application. The sponsor  
 272 shall implement the decision of the State Board of Education.  
 273 The decision of the State Board of Education is not subject to  
 274 the provisions of the Administrative Procedure Act, chapter 120.

275 b. If an appeal concerns an application submitted by a  
 276 high-performing charter school identified pursuant to s.  
 277 1002.331, the State Board of Education shall determine whether  
 278 the sponsor's denial of the application complies with the  
 279 requirements in sub-subparagraph (b)3.b. ~~sponsor has shown, by~~  
 280 ~~clear and convincing evidence, that:~~

281 ~~(I) The application does not materially comply with the~~  
 282 ~~requirements in paragraph (a);~~

283 ~~(II) The charter school proposed in the application does~~  
 284 ~~not materially comply with the requirements in paragraphs~~  
 285 ~~(9) (a) (f);~~

286 ~~(III) The proposed charter school's educational program~~

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287 ~~does not substantially replicate that of the applicant or one of~~  
 288 ~~the applicant's high performing charter schools;~~

289 ~~(IV) The applicant has made a material misrepresentation~~  
 290 ~~or false statement or concealed an essential or material fact~~  
 291 ~~during the application process; or~~

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

295

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

305 (7) CHARTER.—The major issues involving the operation of a  
 306 charter school shall be considered in advance and written into  
 307 the charter. The charter shall be signed by the governing board  
 308 of the charter school and the sponsor, following a public  
 309 hearing to ensure community input.

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

312 1. The school's mission, the students to be served, and

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313 the ages and grades to be included.

314 2. The focus of the curriculum, the instructional methods  
315 to be used, any distinctive instructional techniques to be  
316 employed, and identification and acquisition of appropriate  
317 technologies needed to improve educational and administrative  
318 performance which include a means for promoting safe, ethical,  
319 and appropriate uses of technology which comply with legal and  
320 professional standards.

321 a. The charter shall ensure that reading is a primary  
322 focus of the curriculum and that resources are provided to  
323 identify and provide specialized instruction for students who  
324 are reading below grade level. The curriculum and instructional  
325 strategies for reading must be consistent with the Next  
326 Generation Sunshine State Standards and grounded in  
327 scientifically based reading research. For purposes of  
328 determining eligibility for the research-based reading  
329 instruction allocation, the reading curriculum and instructional  
330 strategies specified in the charter satisfy the research-based  
331 reading plan requirement under s. 1011.62(9).

332 b. In order to provide students with access to diverse  
333 instructional delivery models, to facilitate the integration of  
334 technology within traditional classroom instruction, and to  
335 provide students with the skills they need to compete in the  
336 21st century economy, the Legislature encourages instructional  
337 methods for blended learning courses consisting of both  
338 traditional classroom and online instructional techniques.

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339 Charter schools may implement blended learning courses which  
 340 combine traditional classroom instruction and virtual  
 341 instruction. Students in a blended learning course must be full-  
 342 time students of the charter school and receive the online  
 343 instruction in a classroom setting at the charter school.  
 344 Instructional personnel certified pursuant to s. 1012.55 who  
 345 provide virtual instruction for blended learning courses may be  
 346 employees of the charter school or may be under contract to  
 347 provide instructional services to charter school students. At a  
 348 minimum, such instructional personnel must hold an active state  
 349 or school district adjunct certification under s. 1012.57 for  
 350 the subject area of the blended learning course. The funding and  
 351 performance accountability requirements for blended learning  
 352 courses are the same as those for traditional courses.

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

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

359 b. How these baseline rates will be compared to rates of  
 360 academic progress achieved by these same students while  
 361 attending the charter school.

362 c. To the extent possible, how these rates of progress  
 363 will be evaluated and compared with rates of progress of other  
 364 closely comparable student populations.

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

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

5. In secondary charter schools, a method for determining that a student has satisfied the requirements for graduation in s. 1002.3105(5), s. 1003.4281, or s. 1003.4282.

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

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

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

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391           9. The financial and administrative management of the  
 392 school, including a reasonable demonstration of the professional  
 393 experience or competence of those individuals or organizations  
 394 applying to operate the charter school or those hired or  
 395 retained to perform such professional services and the  
 396 description of clearly delineated responsibilities and the  
 397 policies and practices needed to effectively manage the charter  
 398 school. A description of internal audit procedures and  
 399 establishment of controls to ensure that financial resources are  
 400 properly managed must be included. Both public sector and  
 401 private sector professional experience shall be equally valid in  
 402 such a consideration.

403           10. The asset and liability projections required in the  
 404 application which are incorporated into the charter and shall be  
 405 compared with information provided in the annual report of the  
 406 charter school.

407           11. A description of procedures that identify various  
 408 risks and provide for a comprehensive approach to reduce the  
 409 impact of losses; plans to ensure the safety and security of  
 410 students and staff; plans to identify, minimize, and protect  
 411 others from violent or disruptive student behavior; and the  
 412 manner in which the school will be insured, including whether or  
 413 not the school will be required to have liability insurance,  
 414 and, if so, the terms and conditions thereof and the amounts of  
 415 coverage.

416           12. ~~The term of the charter which shall provide for~~

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417 ~~cancellation of the charter if insufficient progress has been~~  
 418 ~~made in attaining the student achievement objectives of the~~  
 419 ~~charter and if it is not likely that such objectives can be~~  
 420 ~~achieved before expiration of the charter.~~ The initial term of  
 421 the a charter is either shall be for 4 or 5 years. ~~In order to~~  
 422 ~~facilitate access to long term financial resources for charter~~  
 423 ~~school construction,~~ Charter schools that are operated by a  
 424 municipality or other public entity, as provided by law, or a  
 425 private, not-for-profit, s. 501(c)(3) status corporation are  
 426 eligible for up to a 15-year charter, subject to approval by the  
 427 district school board. A charter lab school is also eligible for  
 428 a charter for a term of up to 15 years. ~~In addition, to~~  
 429 ~~facilitate access to long term financial resources for charter~~  
 430 ~~school construction, charter schools that are operated by a~~  
 431 ~~private, not for profit, s. 501(e)(3) status corporation~~ are  
 432 ~~eligible for up to a 15 year charter, subject to approval by the~~  
 433 ~~district school board.~~ Such long-term charters remain subject to  
 434 annual review and may be terminated during the term of the  
 435 charter, but only according to ~~the provisions set forth in~~  
 436 subsection (8) or paragraph (9) (n).

437 13. Termination or nonrenewal of the charter pursuant to  
 438 subsection (8) or paragraph (9) (n).

439 ~~14.13.~~ 14. The facilities to be used and their location. The  
 440 sponsor may not require a charter school to have a certificate  
 441 of occupancy or a temporary certificate of occupancy for such a  
 442 facility earlier than 15 calendar days before the first day of



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443 school.

444 ~~15.14.~~ The qualifications to be required of the teachers  
 445 and the potential strategies used to recruit, hire, train, and  
 446 retain qualified staff to achieve best value.

447 ~~16.15.~~ The governance structure of the school, including  
 448 the status of the charter school as a public or private employer  
 449 as required in paragraph (12)(i).

450 ~~17.16.~~ A timetable for implementing the charter which  
 451 addresses the implementation of each element thereof and the  
 452 date by which the charter shall be awarded in order to meet this  
 453 timetable.

454 ~~18.17.~~ In the case of an existing public school that is  
 455 being converted to charter status, alternative arrangements for  
 456 current students who choose not to attend the charter school and  
 457 for current teachers who choose not to teach in the charter  
 458 school after conversion in accordance with the existing  
 459 collective bargaining agreement or district school board rule in  
 460 the absence of a collective bargaining agreement. However,  
 461 alternative arrangements shall not be required for current  
 462 teachers who choose not to teach in a charter lab school, except  
 463 as authorized by the employment policies of the state university  
 464 which grants the charter to the lab school.

465 ~~19.18.~~ Full disclosure of the identity of all relatives  
 466 employed by the charter school who are related to the charter  
 467 school owner, president, chairperson of the governing board of  
 468 directors, superintendent, governing board member, principal,

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469 assistant principal, or any other person employed by the charter  
 470 school who has equivalent decisionmaking authority. For the  
 471 purpose of this subparagraph, the term "relative" means father,  
 472 mother, son, daughter, brother, sister, uncle, aunt, first  
 473 cousin, nephew, niece, husband, wife, father-in-law, mother-in-  
 474 law, son-in-law, daughter-in-law, brother-in-law, sister-in-law,  
 475 stepfather, stepmother, stepson, stepdaughter, stepbrother,  
 476 stepsister, half brother, or half sister.

477 20.19. Implementation of the activities authorized under  
 478 s. 1002.331 by the charter school when it satisfies the  
 479 eligibility requirements for a high-performing charter school. A  
 480 high-performing charter school shall notify its sponsor in  
 481 writing by March 1 if it intends to increase enrollment or  
 482 expand grade levels the following school year. The written  
 483 notice shall specify the amount of the enrollment increase and  
 484 the grade levels that will be added, as applicable.

485 (b)1. A charter may be renewed provided that a program  
 486 review demonstrates that the criteria in paragraph (a) have been  
 487 successfully accomplished and that none of the grounds for  
 488 nonrenewal established by paragraph (8)(a) has been documented.  
 489 ~~In order to facilitate long term financing for charter school~~  
 490 ~~construction,~~ Charter schools operating for a minimum of 3 years  
 491 and demonstrating exemplary academic programming and fiscal  
 492 management are eligible for a 15-year charter renewal. Such  
 493 long-term charter is subject to annual review and may be  
 494 terminated during the term of the charter.

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495           2. The 15-year charter renewal that may be granted  
 496 pursuant to subparagraph 1. shall be granted to a charter school  
 497 that has received a school grade of "A" or "B" pursuant to s.  
 498 1008.34 in 3 of the past 4 years and is not in a state of  
 499 financial emergency or deficit position as defined by this  
 500 section. Such long-term charter is subject to annual review and  
 501 may be terminated during the term of the charter pursuant to  
 502 subsection (8).

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

511           ~~(d)1. Each charter school's governing board must appoint a~~  
 512 ~~representative to facilitate parental involvement, provide~~  
 513 ~~access to information, assist parents and others with questions~~  
 514 ~~and concerns, and resolve disputes. The representative must~~  
 515 ~~reside in the school district in which the charter school is~~  
 516 ~~located and may be a governing board member, charter school~~  
 517 ~~employee, or individual contracted to represent the governing~~  
 518 ~~board. If the governing board oversees multiple charter schools~~  
 519 ~~in the same school district, the governing board must appoint a~~  
 520 ~~separate individual representative for each charter school in~~

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521 ~~the district. The representative's contact information must be~~  
 522 ~~provided annually in writing to parents and posted prominently~~  
 523 ~~on the charter school's website if a website is maintained by~~  
 524 ~~the school. The sponsor may not require that governing board~~  
 525 ~~members reside in the school district in which the charter~~  
 526 ~~school is located if the charter school complies with this~~  
 527 ~~paragraph.~~

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

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

537 (e) When a charter is not renewed or is terminated, or a  
 538 charter school is closed voluntarily by the operator, the school  
 539 shall be dissolved under the provisions of law under which the  
 540 school was organized, and any unencumbered public funds, except  
 541 for capital outlay funds and federal charter school program  
 542 grant funds, from the charter school shall revert to the  
 543 sponsor. Capital outlay funds provided pursuant to s. 1013.62  
 544 and federal charter school program grant funds that are  
 545 unencumbered shall revert to the department to be redistributed  
 546 among eligible charter schools. In the event a charter school is

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547 dissolved or is otherwise terminated, all district school board  
 548 property and improvements, furnishings, and equipment purchased  
 549 with public funds shall automatically revert to full ownership  
 550 by the district school board, subject to complete satisfaction  
 551 of any lawful liens or encumbrances. Any unencumbered public  
 552 funds from the charter school, district school board property  
 553 and improvements, furnishings, and equipment purchased with  
 554 public funds, or financial or other records pertaining to the  
 555 charter school, in the possession of any person, entity, or  
 556 holding company, other than the charter school, shall be held in  
 557 trust upon the district school board's request, until any appeal  
 558 status is resolved.

559 (f) If a charter is not renewed or is terminated, or a  
 560 charter school is closed voluntarily by the operator, the  
 561 charter school is responsible for all debts of the charter  
 562 school. The district may not assume the debt from any contract  
 563 made between the governing body of the school and a third party,  
 564 except for a debt that is previously detailed and agreed upon in  
 565 writing by both the district and the governing body of the  
 566 school and that may not reasonably be assumed to have been  
 567 satisfied by the district.

568 (g) If a charter is not renewed or is terminated, or a  
 569 charter school is closed voluntarily by the operator, a student  
 570 who attended the school may apply to, and shall be enrolled in,  
 571 another public school. Normal application deadlines shall be  
 572 disregarded under such circumstances.

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573           (h) The governing board of a charter school that closes  
 574 voluntarily shall notify the sponsor and the department in  
 575 writing within 7 calendar days of its decision to cease  
 576 operations. The notice shall state the reasons for the closure  
 577 and acknowledge that the governing board agrees to follow the  
 578 procedures for dissolution and reversion of public funds  
 579 pursuant to this subsection and paragraph (9) (o).

580           (9) CHARTER SCHOOL REQUIREMENTS.—

581           (g)1. In order to provide financial information that is  
 582 comparable to that reported for other public schools, charter  
 583 schools are to maintain all financial records that constitute  
 584 their accounting system:

585           a. In accordance with the accounts and codes prescribed in  
 586 the most recent issuance of the publication titled "Financial  
 587 and Program Cost Accounting and Reporting for Florida Schools";  
 588 or

589           b. At the discretion of the charter school's governing  
 590 board, a charter school may elect to follow generally accepted  
 591 accounting standards for not-for-profit organizations, but must  
 592 reformat this information for reporting according to this  
 593 paragraph.

594           2. Charter schools shall provide annual financial report  
 595 and program cost report information in the state-required  
 596 formats for inclusion in district reporting in compliance with  
 597 s. 1011.60(1). Charter schools that are operated by a  
 598 municipality or are a component unit of a parent nonprofit

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599 organization may use the accounting system of the municipality  
 600 or the parent but must reformat this information for reporting  
 601 according to this paragraph.

602 3. A charter school shall, upon approval of the contract,  
 603 provide the sponsor with a concise, uniform, monthly financial  
 604 statement summary sheet that contains a balance sheet and a  
 605 statement of revenue, expenditures, and changes in fund balance.  
 606 The balance sheet and the statement of revenue, expenditures,  
 607 and changes in fund balance shall be in the governmental funds  
 608 format prescribed by the Governmental Accounting Standards  
 609 Board. A high-performing charter school pursuant to s. 1002.331  
 610 may provide a quarterly financial statement in the same format  
 611 and requirements as the uniform monthly financial statement  
 612 summary sheet. The sponsor shall review each monthly or  
 613 quarterly financial statement to identify the existence of any  
 614 conditions identified in s. 1002.345(1)(a).

615 4. A charter school shall maintain and provide financial  
 616 information as required in this paragraph. The financial  
 617 statement required in subparagraph 3. must be in a form  
 618 prescribed by the Department of Education.

619 (n)1. The director and a representative of the governing  
 620 board of a charter school that has earned a grade of "D" or "F"  
 621 pursuant to s. 1008.34 shall appear before the sponsor to  
 622 present information concerning each contract component having  
 623 noted deficiencies. The director and a representative of the  
 624 governing board shall submit to the sponsor for approval a

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625 school improvement plan to raise student performance. Upon  
626 approval by the sponsor, the charter school shall begin  
627 implementation of the school improvement plan. The department  
628 shall offer technical assistance and training to the charter  
629 school and its governing board and establish guidelines for  
630 developing, submitting, and approving such plans.

631 2.a. If a charter school earns three consecutive grades of  
632 "D," two consecutive grades of "D" followed by a grade of "F,"  
633 or two nonconsecutive grades of "F" within a 3-year period, the  
634 charter school governing board shall choose one of the following  
635 corrective actions:

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

639 (II) Contract with an outside entity that has a  
640 demonstrated record of effectiveness to operate the school;

641 (III) Reorganize the school under a new director or  
642 principal who is authorized to hire new staff; or

643 (IV) Voluntarily close the charter school.

644 b. The charter school must implement the corrective action  
645 in the school year following receipt of a third consecutive  
646 grade of "D," a grade of "F" following two consecutive grades of  
647 "D," or a second nonconsecutive grade of "F" within a 3-year  
648 period.

649 c. The sponsor may annually waive a corrective action if  
650 it determines that the charter school is likely to improve a



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651 letter grade if additional time is provided to implement the  
 652 intervention and support strategies prescribed by the school  
 653 improvement plan. Notwithstanding this sub-subparagraph, a  
 654 charter school that earns a second consecutive grade of "F" is  
 655 subject to subparagraph 4.

656 d. A charter school is no longer required to implement a  
 657 corrective action if it improves by at least one letter grade.  
 658 However, the charter school must continue to implement  
 659 strategies identified in the school improvement plan. The  
 660 sponsor must annually review implementation of the school  
 661 improvement plan to monitor the school's continued improvement  
 662 pursuant to subparagraph 5.

663 e. A charter school implementing a corrective action that  
 664 does not improve by at least one letter grade after 2 full  
 665 school years of implementing the corrective action must select a  
 666 different corrective action. Implementation of the new  
 667 corrective action must begin in the school year following the  
 668 implementation period of the existing corrective action, unless  
 669 the sponsor determines that the charter school is likely to  
 670 improve a letter grade if additional time is provided to  
 671 implement the existing corrective action. Notwithstanding this  
 672 sub-subparagraph, a charter school that earns a second  
 673 consecutive grade of "F" while implementing a corrective action  
 674 is subject to subparagraph 4.

675 3. A charter school with a grade of "D" or "F" that  
 676 improves by at least one letter grade must continue to implement

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677 the strategies identified in the school improvement plan. The  
 678 sponsor must annually review implementation of the school  
 679 improvement plan to monitor the school's continued improvement  
 680 pursuant to subparagraph 5.

681 4. A charter school's charter is automatically terminated  
 682 if the school earns two consecutive grades of "F" after all  
 683 school grade appeals are final ~~The sponsor shall terminate a~~  
 684 ~~charter if the charter school earns two consecutive grades of~~  
 685 ~~"F"~~ unless:

686 a. The charter school is established to turn around the  
 687 performance of a district public school pursuant to s.  
 688 1008.33(4)(b)3. Such charter schools shall be governed by s.  
 689 1008.33;

690 b. The charter school serves a student population the  
 691 majority of which resides in a school zone served by a district  
 692 public school that earned a grade of "F" in the year before the  
 693 charter school opened and the charter school earns at least a  
 694 grade of "D" in its third year of operation. The exception  
 695 provided under this sub-subparagraph does not apply to a charter  
 696 school in its fourth year of operation and thereafter; or

697 c. The state board grants the charter school a waiver of  
 698 termination. The charter school must request the waiver within  
 699 15 days after the department's official release of school  
 700 grades. The state board may waive termination if the charter  
 701 school demonstrates that the Learning Gains of its students on  
 702 statewide assessments are comparable to or better than the

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703 Learning Gains of similarly situated students enrolled in nearby  
 704 district public schools. The waiver is valid for 1 year and may  
 705 only be granted once. Charter schools that have been in  
 706 operation for more than 5 years are not eligible for a waiver  
 707 under this sub-subparagraph.

708  
 709 The sponsor shall notify the charter school's governing board,  
 710 the charter school principal, and the department in writing when  
 711 a charter is terminated under this subparagraph. A charter  
 712 terminated under this subparagraph is governed by the  
 713 requirements of paragraphs (8) (e) - (g) and (9) (o).

714 5. The director and a representative of the governing  
 715 board of a graded charter school that has implemented a school  
 716 improvement plan under this paragraph shall appear before the  
 717 sponsor at least once a year to present information regarding  
 718 the progress of intervention and support strategies implemented  
 719 by the school pursuant to the school improvement plan and  
 720 corrective actions, if applicable. The sponsor shall communicate  
 721 at the meeting, and in writing to the director, the services  
 722 provided to the school to help the school address its  
 723 deficiencies.

724 6. Notwithstanding any provision of this paragraph except  
 725 sub-subparagraphs 4.a.-c., the sponsor may terminate the charter  
 726 at any time pursuant to subsection (8).

727 (p)1. Each charter school shall maintain a website that  
 728 enables the public to obtain information regarding the school;

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729 the school's academic performance; the names of the governing  
 730 board members; the programs at the school; any management  
 731 companies, service providers, or education management  
 732 corporations associated with the school; the school's annual  
 733 budget and its annual independent fiscal audit; the school's  
 734 grade pursuant to s. 1008.34; and, on a quarterly basis, the  
 735 minutes of governing board meetings.

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

752 3. Each charter school's governing board must hold at  
 753 least two public meetings per school year in the school district  
 754 where the charter school is located. The meetings must be

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755 noticed, open, and accessible to the public, and attendees must  
 756 be provided an opportunity to receive information and provide  
 757 input regarding the charter school's operations. The appointed  
 758 representative and charter school principal or director, or his  
 759 or her designee, must be physically present at each meeting.  
 760 Members of the governing board may attend in person or by means  
 761 of communications media technology used in accordance with rules  
 762 adopted by the Administration Commission under s. 120.54(5).

763 (13) CHARTER SCHOOL COOPERATIVES.— Charter schools may  
 764 enter into cooperative agreements to form charter school  
 765 cooperative organizations that may provide ~~the following~~  
 766 services to further educational, operational, and administrative  
 767 initiatives in which the participating charter schools share  
 768 common interests: charter school planning and development,  
 769 ~~direct instructional services, and contracts with charter school~~  
 770 ~~governing boards to provide personnel administrative services,~~  
 771 ~~payroll services, human resource management, evaluation and~~  
 772 ~~assessment services, teacher preparation, and professional~~  
 773 ~~development.~~

774 (17) FUNDING.—Students enrolled in a charter school,  
 775 regardless of the sponsorship, shall be funded as if they are in  
 776 a basic program or a special program, the same as students  
 777 enrolled in other public schools in the school district. Funding  
 778 for a charter lab school shall be as provided in s. 1002.32.

779 (b) The basis for the agreement for funding students  
 780 enrolled in a charter school shall be the sum of the school

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781 district's operating funds from the Florida Education Finance  
 782 Program as provided in s. 1011.62 and the General Appropriations  
 783 Act, including gross state and local funds, discretionary  
 784 lottery funds, and funds from the school district's current  
 785 operating discretionary millage levy; divided by total funded  
 786 weighted full-time equivalent students in the school district;  
 787 multiplied by the weighted full-time equivalent students for the  
 788 charter school. Charter schools whose students or programs meet  
 789 the eligibility criteria in law are entitled to their  
 790 proportionate share of categorical program funds included in the  
 791 total funds available in the Florida Education Finance Program  
 792 by the Legislature, including transportation, the research-based  
 793 reading allocation, and the Florida digital classrooms  
 794 allocation. Total funding for each charter school shall be  
 795 recalculated during the year to reflect the revised calculations  
 796 under the Florida Education Finance Program by the state and the  
 797 actual weighted full-time equivalent students reported by the  
 798 charter school during the full-time equivalent student survey  
 799 periods designated by the Commissioner of Education.

800 (e) District school boards shall make timely and efficient  
 801 payment and reimbursement to charter schools, including  
 802 processing paperwork required to access special state and  
 803 federal funding for which they may be eligible. The district  
 804 school board may distribute funds to a charter school for up to  
 805 3 months based on the projected full-time equivalent student  
 806 membership of the charter school. Thereafter, the results of

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807 full-time equivalent student membership surveys shall be used in  
 808 adjusting the amount of funds distributed monthly to the charter  
 809 school for the remainder of the fiscal year. The payment shall  
 810 be issued no later than 10 working days after the district  
 811 school board receives a distribution of state or federal funds.  
 812 If a warrant for payment is not issued within 10 working days  
 813 after receipt of funding by the district school board, the  
 814 school district shall pay to the charter school, in addition to  
 815 the amount of the scheduled disbursement, interest at a rate of  
 816 1 percent per month calculated on a daily basis on the unpaid  
 817 balance from the expiration of the 10 working days until such  
 818 time as the warrant is issued. The district school board may not  
 819 delay payment to a charter school of any portion of the funds  
 820 provided in paragraph (b) based on the timing of receipt of  
 821 local funds by the district school board.

822 (21) PUBLIC INFORMATION ON CHARTER SCHOOLS.—

823 (a) The Department of Education shall provide information  
 824 to the public, directly and through sponsors, on how to form and  
 825 operate a charter school and how to enroll in a charter school  
 826 once it is created. This information shall include a standard  
 827 ~~model~~ application form, standard charter contract, standard  
 828 application evaluation instrument, and standard charter renewal  
 829 contract, which shall include the information specified in  
 830 subsection (7) and shall be developed by consulting and  
 831 negotiating with both school districts and charter schools  
 832 before implementation. The charter and charter renewal contracts

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833 shall be used by charter school sponsors.

834 (25) LOCAL EDUCATIONAL AGENCY STATUS FOR CERTAIN CHARTER  
835 SCHOOL SYSTEMS.—A charter school system's governing board shall  
836 be designated a local educational agency for the purpose of  
837 receiving federal funds, the same as though the charter school  
838 system were a school district, if the governing board of the  
839 charter school system has adopted and filed a resolution with  
840 its sponsoring district school board and the Department of  
841 Education in which the governing board of the charter school  
842 system accepts the full responsibility for all local education  
843 agency requirements and the charter schools for which the  
844 system's governing board will perform local education agency  
845 responsibilities ~~school system meets all of the following:~~

- 846 ~~(a) Includes both conversion charter schools and~~
- 847 ~~nonconversion charter schools;~~
- 848 (a) (b) Are Has all schools located in the same county;
- 849 (b) (e) Have Has a total enrollment exceeding the total
- 850 enrollment of at least one school district in the state; and
- 851 (c) (d) Are governed by Has the system's ~~same~~ governing
- 852 board; ~~and~~
- 853 ~~(e) Does not contract with a for profit service provider~~
- 854 ~~for management of school operations.~~

855  
856 Such designation does not apply to other provisions unless  
857 specifically provided in law.

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



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859 (3), (4), and (5) of section 1002.331, Florida Statutes, are  
 860 amended to read:

861 1002.331 High-performing charter schools.—

862 (2) A high-performing charter school is authorized to:

863 (e) Receive a modification of its charter to a term of 15  
 864 years or a 15-year charter renewal. The charter may be modified  
 865 or renewed for a shorter term at the option of the high-  
 866 performing charter school. The charter must be consistent with  
 867 s. 1002.33(7)(a)20. ~~1002.33(7)(a)19.~~ and (10)(h) and (i), is  
 868 subject to annual review by the sponsor, and may be terminated  
 869 during its term pursuant to s. 1002.33(8).

870

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

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

888 (3)(a) A high-performing charter school may submit an  
 889 application pursuant to s. 1002.33(6) in any school district in  
 890 the state to establish and operate a new charter school that  
 891 will substantially replicate its educational program. An  
 892 application submitted by a high-performing charter school must  
 893 state that the application is being submitted pursuant to this  
 894 paragraph and must include the verification letter provided by  
 895 the Commissioner of Education pursuant to subsection (4)~~(5)~~. If  
 896 the sponsor fails to act on the application within 60 days after  
 897 receipt, the application is deemed approved and the procedure in  
 898 s. 1002.33(6)(h) applies. If the sponsor denies the application,  
 899 the high-performing charter school may appeal pursuant to s.  
 900 1002.33(6).

901 (b) A high-performing charter school may not establish  
 902 more than one charter school within the state under paragraph  
 903 (a) in any year. A subsequent application to establish a charter  
 904 school under paragraph (a) may not be submitted unless each  
 905 charter school established in this manner achieves high-  
 906 performing charter school status. This paragraph does not apply  
 907 to charter schools established by a high-performing charter  
 908 school in the attendance zone of a school identified as in need  
 909 of intervention and support pursuant to s. 1008.33(3)(b) or to  
 910 meet capacity needs or needs for innovative school choice

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911 options identified by the district school board.

912 ~~(4) A high performing charter school may not increase~~  
 913 ~~enrollment or expand grade levels following any school year in~~  
 914 ~~which it receives a school grade of "C" or below. If the charter~~  
 915 ~~school receives a school grade of "C" or below in any 2 years~~  
 916 ~~during the term of the charter awarded under subsection (2), the~~  
 917 ~~term of the charter may be modified by the sponsor and the~~  
 918 ~~charter school loses its high performing charter school status~~  
 919 ~~until it regains that status under subsection (1).~~

920 (4)~~(5)~~ The Commissioner of Education, upon request by a  
 921 charter school, shall verify that the charter school meets the  
 922 criteria in subsection (1) and provide a letter to the charter  
 923 school and the sponsor stating that the charter school is a  
 924 high-performing charter school pursuant to this section. The  
 925 commissioner shall annually determine whether a high-performing  
 926 charter school under subsection (1) continues to meet the  
 927 criteria in that subsection. Such high-performing charter school  
 928 shall maintain its high-performing status unless the  
 929 commissioner determines that the charter school no longer meets  
 930 the criteria in subsection (1), at which time the commissioner  
 931 shall send a letter to the charter school and its sponsor  
 932 providing notification that the charter school has been  
 933 declassified ~~of its declassification~~ as a high-performing  
 934 charter school.

935 Section 3. Paragraph (a) of subsection (8) of section  
 936 1002.37, Florida Statutes, is amended to read:

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937 1002.37 The Florida Virtual School.—

938 (8) (a) The Florida Virtual School may provide full-time  
 939 and part-time instruction for students in kindergarten through  
 940 grade 12. ~~To receive part-time instruction in kindergarten~~  
 941 ~~through grade 5, a student must meet at least one of the~~  
 942 ~~eligibility criteria in s. 1002.455(2).~~

943 Section 4. Subsection (5) and paragraphs (c) and (d) of  
 944 subsection (8) of section 1002.45, Florida Statutes, are amended  
 945 to read:

946 1002.45 Virtual instruction programs.—

947 (5) STUDENT ELIGIBILITY.—Students in kindergarten through  
 948 grade 12 ~~A student~~ may enroll in a virtual instruction program  
 949 provided by the school district or by a virtual charter school  
 950 operated in the district in which he or she resides ~~if the~~  
 951 ~~student meets eligibility requirements for virtual instruction~~  
 952 ~~pursuant to s. 1002.455.~~

953 (8) ASSESSMENT AND ACCOUNTABILITY.—

954 (c) An approved provider that receives a school grade of  
 955 "D" or "F" under s. 1008.34 or a school improvement rating of  
 956 "Unsatisfactory" ~~"Declining"~~ under s. 1008.341 must file a  
 957 school improvement plan with the department for consultation to  
 958 determine the causes for low performance and to develop a plan  
 959 for correction and improvement.

960 (d) An approved provider's contract is automatically ~~must~~  
 961 ~~be terminated~~ if the provider earns two consecutive school  
 962 grades of ~~receives a school grade of "D" or "F" under s.~~

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963 | 1008.34, receives two consecutive ~~or a~~ school improvement  
 964 | ratings ~~rating~~ of "unsatisfactory" ~~"Declining"~~ under s.  
 965 | 1008.341, ~~for 2 years during any consecutive 4-year period~~ or  
 966 | has violated any qualification requirement pursuant to  
 967 | subsection (2). A provider that has a contract terminated under  
 968 | this paragraph may not be an approved provider for a period of  
 969 | at least 1 year after the date upon which the contract was  
 970 | terminated and until the department determines that the provider  
 971 | is in compliance with subsection (2) and has corrected each  
 972 | cause of the provider's low performance.

973 |       Section 5. Section 1002.455, Florida Statutes, is  
 974 | repealed.

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

977 |       1003.498 School district virtual course offerings.—

978 |       (2) School districts may offer virtual courses for  
 979 | students enrolled in the school district. These courses must be  
 980 | identified in the course code directory. ~~Students who meet the~~  
 981 | ~~eligibility requirements of s. 1002.455 may participate in these~~  
 982 | ~~virtual course offerings.~~

983 |       (a) Any eligible student who is enrolled in a school  
 984 | district may register and enroll in an online course offered by  
 985 | his or her school district.

986 |       (b)1. Any eligible student who is enrolled in a school  
 987 | district may register and enroll in an online course offered by  
 988 | any other school district in the state. The school district in

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989 | which the student completes the course shall report the  
 990 | student's completion of that course for funding pursuant to s.  
 991 | 1011.61(1)(c)1.b.(VI), and the home school district shall not  
 992 | report the student for funding for that course.

993 |         2. The full-time equivalent student membership calculated  
 994 | under this subsection is subject to the requirements in s.  
 995 | 1011.61(4). The Department of Education shall establish  
 996 | procedures to enable interdistrict coordination for the delivery  
 997 | and funding of this online option.

998 |         Section 7. Section 1004.650, Florida Statutes, is created  
 999 | to read:

1000 |         1004.650 Florida Institute for Charter School Innovation.-

1001 |         (1) There is established the Florida Institute for Charter  
 1002 | School Innovation within the Florida State University. The  
 1003 | purposes of the institute are to advance charter school  
 1004 | accountability, quality, and innovation; provide support for and  
 1005 | technical assistance to charter school applicants and sponsors;  
 1006 | provide opportunities for aspiring teachers to experience  
 1007 | teaching in schools of choice; and conduct research for the  
 1008 | development and promotion of best practices for the authorizing,  
 1009 | accountability, financing, management, operation, and  
 1010 | instructional practices of charter schools.

1011 |         (2) The institute shall:

1012 |         (a) Provide technical assistance and support to charter  
 1013 | school applicants and sponsors.

1014 |         (b) Conduct research to inform both policy and practices

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1015 related to charter school authorizing, accountability,  
 1016 instructional practices, financing, management, and operations.

1017 (c) Partner with state-approved teacher preparation  
 1018 programs around the state to provide opportunities for aspiring  
 1019 teachers to experience teaching in schools of choice.

1020 (3) The President of the Florida State University shall  
 1021 appoint a director of the institute. The director is responsible  
 1022 for overall management of the institute and for developing and  
 1023 executing the work of the institute consistent with this  
 1024 section. The director may engage individuals in other state  
 1025 universities with accredited colleges of education to  
 1026 participate in the work of the institute.

1027 (4) By October 1 of each year, the institute shall provide  
 1028 a written report to the Governor, the President of the Senate,  
 1029 and the Speaker of the House of Representatives that outlines  
 1030 its activities in the preceding year, reports significant  
 1031 research findings, details expenditures of state funds, and  
 1032 provides specific recommendations for improving the state's  
 1033 charter school policies and the institute's ability to fulfill  
 1034 its mission.

1035 (5) Within 180 days after completion of the institute's  
 1036 fiscal year, the institute must provide to the Auditor General,  
 1037 the Board of Governors of the State University System, and the  
 1038 State Board of Education a report on the results of an annual  
 1039 financial audit conducted by an independent certified public  
 1040 accountant in accordance with s. 11.45.

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1041 Section 8. Subsection (11) of section 1011.62, Florida  
 1042 Statutes, is amended to read:

1043 1011.62 Funds for operation of schools.—If the annual  
 1044 allocation from the Florida Education Finance Program to each  
 1045 district for operation of schools is not determined in the  
 1046 annual appropriations act or the substantive bill implementing  
 1047 the annual appropriations act, it shall be determined as  
 1048 follows:

1049 (11) VIRTUAL EDUCATION CONTRIBUTION.—The Legislature may  
 1050 annually provide in the Florida Education Finance Program a  
 1051 virtual education contribution. The amount of the virtual  
 1052 education contribution shall be the difference between the  
 1053 amount per FTE established in the General Appropriations Act for  
 1054 virtual education and the amount per FTE for each district and  
 1055 the Florida Virtual School, which may be calculated by taking  
 1056 the sum of the base FEFP allocation, the discretionary local  
 1057 effort, the state-funded discretionary contribution, the  
 1058 discretionary millage compression supplement, the research-based  
 1059 reading instruction allocation, and the instructional materials  
 1060 allocation, and then dividing by the total unweighted FTE. This  
 1061 difference shall be multiplied by the virtual education  
 1062 unweighted FTE for programs and options identified in ss.  
 1063 1002.33(1), 1002.45(1)(b), and 1003.498 ~~s. 1002.455(3)~~ and the  
 1064 Florida Virtual School and its franchises to equal the virtual  
 1065 education contribution and shall be included as a separate  
 1066 allocation in the funding formula.



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1067 Section 9. Paragraph (b) of subsection (8) of section  
 1068 1012.56, Florida Statutes, is amended to read:

1069 1012.56 Educator certification requirements.—

1070 (8) PROFESSIONAL DEVELOPMENT CERTIFICATION AND EDUCATION  
 1071 COMPETENCY PROGRAM.—

1072 (b)1. Each school district must and a private school or  
 1073 state-supported ~~state-supported~~ public school, including a  
 1074 charter school, or a private school may develop and maintain a  
 1075 system by which members of the instructional staff may  
 1076 demonstrate mastery of professional preparation and education  
 1077 competence as required by law. Each program must be based on  
 1078 classroom application of the Florida Educator Accomplished  
 1079 Practices and instructional performance and, for public schools,  
 1080 must be aligned with the district's or state-supported public  
 1081 school's evaluation system established ~~approved~~ under s.  
 1082 1012.34, as applicable.

1083 2. The Commissioner of Education shall determine the  
 1084 continued approval of programs implemented under this paragraph,  
 1085 based upon the department's review of performance data. The  
 1086 department shall review the performance data as a part of the  
 1087 periodic review of each school district's professional  
 1088 development system required under s. 1012.98.

1089 Section 10. Paragraph (a) of subsection (1) of section  
 1090 1013.62, Florida Statutes, is amended to read:

1091 1013.62 Charter schools capital outlay funding.—

1092 (1) In each year in which funds are appropriated for

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1093 charter school capital outlay purposes, the Commissioner of  
 1094 Education shall allocate the funds among eligible charter  
 1095 schools.

1096 (a) To be eligible for a funding allocation, a charter  
 1097 school must:

1098 1.a. Have been in operation for 3 or more years;

1099 b. Be governed by a governing board established in the  
 1100 state for 3 or more years which operates both charter schools  
 1101 and conversion charter schools within the state;

1102 c. Be an expanded feeder chain of a charter school within  
 1103 the same school district that is currently receiving charter  
 1104 school capital outlay funds;

1105 d. Have been accredited by the Commission on Schools of  
 1106 the Southern Association of Colleges and Schools; or

1107 e. Serve students in facilities that are provided by a  
 1108 business partner for a charter school-in-the-workplace pursuant  
 1109 to s. 1002.33(15)(b).

1110 2. Have an annual audit that does not reveal any of the  
 1111 financial emergency conditions provided in s. 218.503(1) for the  
 1112 most recent fiscal year for which such audit results are  
 1113 available ~~stability for future operation as a charter school.~~

1114 3. Have satisfactory student achievement based on state  
 1115 accountability standards applicable to the charter school.

1116 4. Have received final approval from its sponsor pursuant  
 1117 to s. 1002.33 for operation during that fiscal year.

1118 5. Serve students in facilities that are not provided by

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1119 | the charter school's sponsor.

1120 |       Section 11. This act shall take effect July 1, 2015.