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# **Choice & Innovation Subcommittee**

**Wednesday, December 2, 2015**

**4:00 PM – 6:00 PM**

**306 HOB**

**Meeting Packet**

**Steve Crisafulli  
Speaker**

**Manny Diaz  
Chair**



## AGENDA

Choice & Innovation Subcommittee  
Wednesday, December 2, 2015  
4:00 PM – 6:00 PM  
306 HOB

- I. Call to Order/Roll Call
- II. Welcome/Opening Remarks
- III. Update on District Schools of Choice
  - Linda Champion, Deputy Commissioner for Finance and Operations, Florida Department of Education
- IV. Consideration of the following proposed committee substitute(s):
  - PCS for HB 4013 -- Blended Learning Courses
- V. Consideration of the following proposed committee bill(s):
  - PCB CIS 16-01 -- School Choice
- VI. Closing Remarks and Adjournment

**Update on District Schools of Choice  
Florida Department of Education**



FLORIDA DEPARTMENT OF  
**EDUCATION**  
fldoe.org

# **Class Size Reduction District-Operated Schools of Choice**

Florida House of Representatives  
Choice and Innovation Subcommittee  
December 2, 2015

[www.FLDOE.org](http://www.FLDOE.org)

# District-Operated Schools of Choice Class Size Reduction

- **Section 1002.31, F.S., specifies that the average number of students at the school level shall be used as the basis for determining compliance with maximum class size requirements for a school or program that is a public school of choice.**



## District-Operated Schools of Choice

	2013-14	2014-15
Number of District-Operated Schools	3,052	3,041
Number of District-Operated Schools of Choice	1,193	1,861
Percentage of District Schools	39.09%	61.20%
Number of District-Operated Schools of Choice Not in Compliance with Class Size Requirements	37	22

\* Data above is prior to appeals for reporting errors and does not include lab or charter schools.

## District-Operated Schools of Choice Class Size Funding Reduction

	2013-14	2014-15
Pre-Appeals Reduction	\$1,000,534	\$396,703
Post-Appeals Reduction	\$475,592	\$177,347
Final Reduction after Restoration	\$118,340	\$44,233

## District-Operated Schools of Choice

2014-15	School Average Actual	Class Average Pro Forma	Difference
FTE Students Out of Compliance	77.80	31,231.75	31,153.95
Funding Adjustment (prior to appeals)	\$396,703	\$162,397,493	\$162,000,790





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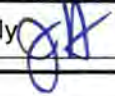


[www.FLDOE.org](http://www.FLDOE.org)

**PCS for HB 4013**  
**Blended Learning Courses**

**HOUSE OF REPRESENTATIVES STAFF ANALYSIS**

**BILL #:** PCS for HB 4013 Blended Learning Courses  
**SPONSOR(S):** Choice & Innovation Subcommittee  
**TIED BILLS:** **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Choice & Innovation Subcommittee		DD Dehmer	Healy 

**SUMMARY ANALYSIS**

Schools districts are authorized to provide blended learning courses that include both traditional classroom instruction and online instruction techniques; however, the law requires the student in the blended learning course to receive the online instruction in a classroom setting at the school. This prohibits a number of blended learning models from being implemented. The bill removes the requirement that online instruction occur in a classroom setting at a school, expanding the blended learning models available to districts.

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

This bill takes effect July 1, 2016.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### Current Situation

In 2011, the legislature authorized districts to provide direct instruction through a virtual environment or through a blended virtual and physical environment. Blended learning courses consist of both traditional classroom and online instructional techniques. Students in a blended learning course must be full-time students of the school and receive the online instruction in a classroom setting at the school. The funding, performance, and accountability requirements for blended learning courses are the same as traditional courses.<sup>1</sup>

Blended learning is defined as a formal education program in which a student learns:

- at least in part through online learning, with some element of student control over time, place, path, and/or pace;
- at least in part in a supervised brick-and-mortar location away from home and;
- the modalities along each student's learning path within a course or subject that are connected to provide an integrated learning experience.<sup>2</sup>

The requirement that students must receive the online instruction in the classroom at the school eliminates several blended learning models that could benefit students and school districts, such as:

- **Flipped Classroom** - a course or subject in which students participate in online learning off-site in place of traditional homework and then attend the brick-and-mortar school for face-to-face, teacher-guided practice or projects.
- **Flex model** - a course or subject in which online learning is the backbone of student learning, even if it directs students to offline activities at times. Students move on an individually customized, fluid schedule among learning modalities. The teacher of record is on-site, and students learn mostly on the brick-and-mortar campus, except for any homework assignments. The teacher of record or other adults provide face-to-face support on a flexible and adaptive as-needed basis through activities such as small-group instruction, group projects, and individual tutoring.
- **A La Carte model** - a course that a student takes entirely online to accompany other experiences that the student is having at a brick-and-mortar school or learning center.<sup>3</sup>

##### Effect of Proposed Changes

The bill removes the requirement that online instruction in a blended learning course take place in a classroom setting at a school while still requiring the student to be a full-time student of the school.

#### B. SECTION DIRECTORY:

**Section 1.** Amends s. 1003.498, F.S. related to school district virtual course offerings.

**Section 2.** Provides an effective date of July 1, 2016.

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<sup>1</sup> Section 1003.498 (1), F.S.

<sup>2</sup> Blended Learning Definitions, Clayton Christensen Institute, at <http://www.christenseninstitute.org/blended-learning-definitions-and-models/>

<sup>3</sup> *Id.*



## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

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

None.

### D. FISCAL COMMENTS:

There is no anticipated fiscal impact associated with this bill.

## 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 blended learning courses; amending  
 3           s. 1003.498, F.S.; deleting a requirement that  
 4           students in a blended learning course receive online  
 5           instruction in a classroom setting at the school;  
 6           providing an effective date.

7  
 8   Be It Enacted by the Legislature of the State of Florida:

9  
 10           Section 1. Subsection (1) of section 1003.498, Florida  
 11   Statutes, is amended to read:

12           1003.498 School district virtual course offerings.—

13           (1) School districts may deliver courses in the  
 14   traditional school setting by personnel certified pursuant to s.  
 15   1012.55 who provide direct instruction through virtual  
 16   instruction or through blended learning courses consisting of  
 17   both traditional classroom and online instructional techniques.  
 18   Students in a blended learning course must be full-time students  
 19   of the school ~~and receive the online instruction in a classroom~~  
 20   ~~setting at the school~~. The funding, performance, and  
 21   accountability requirements for blended learning courses are the  
 22   same as those for traditional courses. To facilitate the  
 23   delivery and coding of blended learning courses, the department  
 24   shall provide identifiers for existing courses to designate that  
 25   they are being used for blended learning courses for the purpose  
 26   of ensuring the efficient reporting of such courses. A district

PCS for HB 4013

ORIGINAL

2016

27 | may report full-time equivalent student membership for credit  
28 | earned by a student who is enrolled in a virtual education  
29 | course provided by the district which is completed after the end  
30 | of the regular school year if the FTE is reported no later than  
31 | the deadline for amending the final student membership report  
32 | for that year.

33 |       Section 2. This act shall take effect July 1, 2016.





## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** PCB CIS 16-01 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		Dehmer <i>DD</i>	Healy <i>JH</i>

### SUMMARY ANALYSIS

The bill creates the Florida Institute for Charter School Innovation to provide technical assistance and support to charter school applicants and sponsors; conduct research on policy and practice related to charter school authorizing, accountability, instructional practices, finance, management, and operations; approve replication of high-performing charter schools to contract with district school boards and 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 shall consider a charter school applicant's, governing board member's, and any education services provider's past performance operating charter schools when deciding to approve or deny an application.
- Authorizing a charter school that has been granted a charter to defer opening for up to two years to conduct facilities planning.
- 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.
- Prohibiting a charter school with financial emergency conditions noted in its most recent annual audit from receiving capital outlay funding.
- Creating a High-Impact Charter Network status for charter operators serving educationally disadvantaged students, defining eligibility criteria, and providing incentives for qualifying operators.
- Authorizing a high-performing charter school to submit an application to replicate its school to the Florida Institute for Charter School Innovation.

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 the amount and distribution of Florida Education Finance Program (FEFP) funds based on projected and actual enrollment in a charter school.
- Authorize a nonprofit organization or municipality that operates a charter school to use unrestricted surplus or unrestricted net assets for K-12 educational purposes for other schools they operate in the district.
- Prohibit the sponsor from delaying payments to charter schools based upon the timing of receipt of local funds.

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 instruction provider's contract and removal from the list of state approved providers.

See fiscal impact on state government.

The bill takes effect July 1, 2016.

## 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>

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

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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*].

<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



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 the governing board will 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 data 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>

After approval of the charter by the sponsor, the charter school must begin operation at the beginning of the upcoming school year. The sponsor may waive this requirement for good cause.<sup>19</sup> Additionally, the law prohibits a sponsor from requiring a charter school's governing board to have a certificate of occupancy for its facility earlier than 15 days before the first day of school.<sup>20</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>21</sup> the sponsor and charter school governing board must develop a corrective action plan.<sup>22</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>23</sup> for two consecutive years.<sup>24</sup> The date by which a newly established charter school must

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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 Florida Department of Education, *Model Florida Charter School Application* (May 2012), [http://www.fldoe.org/core/fileparse.php/7700/urlt/IEPC\\_M1.pdf](http://www.fldoe.org/core/fileparse.php/7700/urlt/IEPC_M1.pdf) [hereinafter *Model Application*].

<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 15, at 11 and 14.

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

<sup>19</sup> Section 1002.33(6)(b)5., F.S.

<sup>20</sup> Section 1002.33(7)(a)13., F.S.

<sup>21</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>22</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>23</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>24</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>25</sup>

Beginning in 2013, sponsors were required to submit an annual report to the DOE with the following information:

- The number of draft applications received on or before May 1 and each applicant's contact information.
- The number of final applications received on or before August 1 and each applicant's contact information.
- The date each application was approved, denied, or withdrawn.
- The date each final contract was executed.

The DOE must post a compiled annual report on its website by November 1 of each year.<sup>26</sup> In the report, the DOE concluded that “. . . district practices regarding charter schools vary widely,” and there were two notable findings:

- Three districts accounted for nearly half of the state's total number of applicants.
- Approval rates among districts differed markedly.<sup>27</sup>

### **Effect of Proposed Changes**

The bill establishes the Florida Institute for Charter School Innovation to advance charter school accountability, quality, and innovation by:

- Providing support and technical assistance to charter school applicants and sponsors;
- Researching and analyzing the circumstances that lead to specific charter school closings in order to provide guidance and technical assistance on best practices to future applicants and sponsors.
- Researching and analyzing best practices among sponsors and, based upon those results, create and conduct professional development for sponsors.
- Connecting aspiring teachers to opportunities to experience teaching in schools of choice; and
- Conducting research and developing and promoting 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 and sponsors. Technical assistance to applicants should include 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. Technical assistance to sponsors should include gathering and researching best practices among sponsors; developing professional development trainings for sponsors, and assisting sponsors in implementing *Florida Principals & Standards for Quality Charter School Authorizing*.

The bill requires the Commissioner of Education to appoint a director of the institute to oversee implementation of the institute's mission. The institute must annually submit a report of 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 fulfill its mission and changes to statewide charter school policy. The bill also requires the institute to

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<sup>25</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>26</sup> Section 1002.33(5)(b)1.k, F.S.

<sup>27</sup> Florida Department of Education, *Annual Authorizer Report – 2013* at 1, <http://www.fldoe.org/schools/school-choice/charter-schools/authorizers/annual-authorizer-reports.stml>.



provide for an annual financial audit by a certified public account and submit the audit to the Auditor General and the State Board of Education.

Each charter school applicant must disclose in its application the name of each applicant, governing board member, and proposed education services provider; the name and sponsor of any charter school operated by such parties that closed and the reason for closure; 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*."

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 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.

Currently, after approval of the charter by the sponsor, the charter school must begin operation at the beginning of the upcoming school year. The sponsor may waive this requirement for good cause.<sup>28</sup> The bill allows a charter school that has been granted a charter to defer opening for up to two years to conduct facilities planning. The charter school must provide written notice of such deferral to the sponsor and parents of enrolled students at least 30 calendar days before the first day of school. Among other things, this change will enable a charter school more time to acquire adequate facilities if difficulties securing facilities arise.

## **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>29</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>30</sup> on each annual financial audit; and
- Has not received an annual financial audit that reveals a financial emergency condition.<sup>31</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>32</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>33</sup>

<sup>28</sup> Section 1002.33(6)(b)5., F.S.

<sup>29</sup> Section 1002.331(1), F.S.; see s. 218.503(1), F.S. (financial emergency conditions).

<sup>30</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>31</sup> Section 1002.331(1), F.S.; see s. 218.503(1), F.S. (financial emergency conditions).

<sup>32</sup> Section 1002.332(1), F.S.

<sup>33</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.

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>34</sup>

High-performing charter schools may take advantage of various benefits. Among other benefits, 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>35</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>36</sup> Systems may replicate their high-performing charter schools using the same process applicable to high-performing charter schools.<sup>37</sup> Additionally, a high-performing charter school may have the term of its charter extended to up to 15 years.<sup>38</sup>

As of November 2015, 167 charter schools in 32 school districts and 1 state university were designated as "high-performing" and three systems were designated as high-performing systems – Doral, Inc., McKeel Academy, and Plato. Doral, Inc. is comprised of six charter schools, five of which are high-performing charter schools. McKeel Academy is comprised of three charter schools, each of which is a high-performing charter school. Plato is comprised of seven charter schools, five of which are high-performing charter schools.<sup>39</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.

The bill provides that a charter school, whose initial application, as a high-performing school, is denied by the sponsor, shall be exempt from the administrative fee requirement. Additionally, the bill provides that a high-performing charter school may submit an application to replicate its school and program in any school district to the Florida Institute for Charter School Innovation. The institute must deny or approve the application within 60 days after receipt of the application. An applicant that is approved must work with the district to develop and execute a contract. If an application is denied, the applicant may appeal to the State Board of Education. This process is similar to *Sch. Bd. of Volusia Cty. v. Acad. of Excellence, Inc.*, where the court held that the state board approval of a previously denied charter application was constitutional because the school board retained authority over the operation, control and supervision of the charter school.<sup>40</sup> The approval of an application is just the beginning of the process to open a charter school.<sup>41</sup> Once the charter application has been granted, the school board still has control over the process because the applicant and the school board must agree on the provisions of the charter.<sup>42</sup> The Florida Institute of Charter School Innovation only approves or denies

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<sup>34</sup> Sections 1002.331(5) and 1002.332(2)(a), F.S.

<sup>35</sup> Section 1002.331(2), F.S.

<sup>36</sup> Section 1002.331(3)(b), F.S.

<sup>37</sup> Section 1002.332(2), F.S.

<sup>38</sup> Section 1002.331(4), F.S.

<sup>39</sup> Email, Office of Independent Education and Parental Choice (Nov. 16, 2015).

<sup>40</sup> 974 So. 2d 1186 (Fla. Dist. Ct. App. 2008), *But see Duval Cty Sch Bd. v. State, Bd. of Educ.*, 998 So. 2d 641 (Fla. Dist. Ct. App. 2008) (holding that the Excellence Commission's authority over charter schools was unconstitutional because it usurped the district's power to operate, control and supervise charter schools).

<sup>41</sup> *Id.*

<sup>42</sup> *Id.*

applications for replication of high-performing charter schools, while the contracting school board retains authority over the operation, control and supervision of the charter school.

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. Accordingly, the bill repeals provisions regarding consequences for "C" grades.

The bill outlines specific timelines for modifications to a high-performing charter school's charter and clarifies that it can be for an additional 15 years or a 15-year renewal. The sponsor has 30 days after a charter school receives its high-performing designation to provide a charter renewal to the charter school. A charter school and sponsor have 20 days to negotiate and notice the charter contract for final approval by the sponsor. The proposed contract must be provided to the charter school at least 7 calendar days prior to the date of the meeting at which the charter is scheduled to be voted upon by the sponsor. Any dispute goes directly to the Division of Administrative Hearings.

The bill creates a High Impact Charter Network status for the charter operators serving educationally disadvantaged students. A qualifying entity must be a non-profit organization under s. 501(c)(3) that successfully operates a system of charter schools that serve primarily educationally disadvantaged students as defined in the Elementary and Secondary Education Act. The entity must apply to the state board for status as a High-Impact Charter Network. The bill requires the state board to adopt rules prescribing the process for determining eligibility as a High-Impact Charter Network which must include a review of all schools currently and previously operated by the entity in the areas of student achievement and financial performance.

Schools operated by a High-Impact Charter Network will receive the following incentives, provided the network maintains its status:

- Automatic eligibility for capital outlay funds;
- Waiver of the administrative fee for the provision of services by the sponsor; and
- Priority in the DOE's Public Charter School Grant Program competitions.

The bill provides that the initial High-Impact Charter Network status shall be valid for up to 4 years. For an entity seeking renewal, the state board shall review the academic and financial performance of the charter schools in accordance with the rules established to define eligibility.

## **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>43</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>44</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>45</sup>

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.

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 the 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>46</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 the 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 decides to cease operations voluntarily to make such determination at a public meeting and to notify the parents and sponsor of the public meeting prior to its official notice. Following the meeting, the governing board must notify the sponsor, parents of enrolled students, and the DOE in writing within 24 hours of its decision. The notice must state the charter school's intent to continue operations or 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 the DOE regarding the reasons leading to voluntary closure.

### **Eligible Students**

The bill provides that a charter school that has not reached capacity may be open to any student in the state and authorizes a charter school to give enrollment preference to students who attended or are assigned to a failing school.

The bill also prohibits a charter school from denying enrollment or withdrawing a student based on the student's academic performance.

### **Charter School Cooperatives**

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<sup>44</sup> Section 1002.33(8)(d), F.S.

<sup>45</sup> Sections 1002.33(6)(c) and (8)(b)-(d), F.S.

<sup>46</sup> Section 1002.33(8)(e), F.S.



## **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>47</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.

## **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>48</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 the DOE specifying how it will use the reading allocation.<sup>49</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>50</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>51</sup>

Currently, a district school board (school board) must make timely and efficient payments and reimbursements to charter schools. A school board may distribute funds to a charter school for up to 3 months based on the projected full-time equivalent student membership of the charter school. Thereafter, the results of the full-time equivalent student membership surveys are used to adjust the amount of funds distributed to the charter school. 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>52</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>53</sup>

### **Effect of Proposed Changes**

The bill requires a sponsor to deny a charter application if the proposed charter school reading curriculum is not evidence-based and does not include explicit, systematic, and multisensory reading

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<sup>47</sup> Section 1002.33(13), F.S.

<sup>48</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>49</sup> Section 1011.62(9), F.S.

<sup>50</sup> Section 1002.33(6)(a)4. and (7)(a)2.a., F.S.

<sup>51</sup> Florida Department of Education, *Legislative Bill Analysis on School Choice Priorities*, (Nov. 6, 2014).

<sup>52</sup> Section 1002.33(17)(e), F.S.

<sup>53</sup> Florida Department of Education, *Legislative Bill Analysis on School Choice Priorities*, (Nov. 6, 2014).

instructional strategies. It also prohibits sponsors from requiring charter schools to adopt the school district's reading curriculum as a condition to receiving the research-based reading allocation.

The bill clarifies that school board payments must be made monthly or bi-monthly, beginning with the start of a school board's fiscal year. Each payment must be one-twelfth (1/12) or one-twenty-fourth (1/24), as applicable. In the first two years of a charter school's operation, a school board must distribute funds for the months of July – October based on the projected full-time equivalent student membership if a minimum of 75 percent of the projected enrollment is entered into the sponsor's student information system by the first day of the current month. If less than 75 percent of the projected enrollment is entered into the sponsor's system, the sponsor shall base payments on the actual number entered into the sponsor's student information system.<sup>54</sup> This will generate a more accurate distribution of funds prior to the October student count and prevent over-funding and under-enrollment. The bill also 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.

Additionally, the bill authorizes a nonprofit organization or municipality that operates a charter school that has use any unrestricted surplus or unrestricted net assets identified in its annual audit to use those funds for K-12 educational purposes for charter schools within the district operated by that nonprofit entity or municipality, while meeting expenditure requirements specific to operating funds and capital outlay funds.

## **Facilities**

### **Present Situation**

Currently, startup and conversion charter schools are not required to comply with the State Requirement for Educational Facilities pursuant to s. 1013.37, F.S. The local governing authority cannot adopt or impose any local building requirements or site-development restrictions that are addressed by and more stringent than those found in the State Requirements for Educational Facilities of the Florida Building Code. The local governing authority must treat charter schools equitably in comparison to similar requirements, restrictions, and processes imposed upon public schools that are not charter schools.<sup>55</sup>

### **Effect of Proposed Changes**

The bill permits an aggrieved school the immediate right to bring an action in circuit court to enforce its rights against any authority who fails to comply with this section. An aggrieved school that receives injunctive relief may collect attorney fees and court cost.

## **Charter School Capital Outlay**

### **Present Situation**

To be eligible for charter school capital outlay funding, a charter school must:

- Have been in operation for at least three years, be governed by a governing board established in Florida for three or more years which operates both charter schools and conversion charter schools within the state, be part of an expanded feeder chain<sup>56</sup> with an existing charter school in the district that is currently receiving charter school capital outlay funds, be accredited by the Commission on Schools of the Southern Association of Colleges and Schools, or serve students in facilities that are provided by a business partner for a charter school-in-the-workplace;

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<sup>54</sup> Note: this language is currently found in the model charter school contract at <http://www.fldoe.org/schools/school-choice/charter-schools/charter-school-reference> page 20 -21 (last visited November 24, 2015).

<sup>55</sup> Section 1002.33(18)(a), F.S.

<sup>56</sup> A charter school may be considered a part of an expanded feeder chain under s. 1013.62, F.S., if it either sends or receives a majority of its students directly to or from a charter school that is currently receiving capital outlay funding pursuant to Section 1013.62, F.S. Rule 6A-2.0020 (1), F.A.C.

- Demonstrate financial stability for future operation as a charter school;
- Have satisfactory student achievement based upon the state accountability standards applicable to charter schools;
- Have received final approval from its sponsor for operation during that fiscal year; and
- Serve students in facilities that are not provided by the charter school sponsor.<sup>57</sup>

Charter school capital outlay funding is allocated based upon the following priorities:

- First priority is given to charter schools that received capital outlay funding in FY 2005-06. Such a school receives the same per-student amount that it received in FY 2005-06 up to the lesser of:
  - The actual number of students enrolled in the current year; or
  - The number of students enrolled in FY 2005-06.
- After calculating the first priority, remaining funds are allocated with the same per-student amount to:
  - Those schools not included in the first priority allocation; and
  - Those schools in the first priority allocation with growth in excess of FY 2005-06 student enrollments.

Any excess funds remaining after the first and second priority calculations are allocated among all eligible charter schools.<sup>58</sup>

### **Effect of Proposed Changes**

The bill clarifies “financial stability” by specifying that a charter school may not have financial emergency conditions noted in its most recent annual audit in order to receive capital outlay funding.

### **Other Charter School Changes**

#### **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>59</sup> The bill relocates the aforementioned governing board meeting provisions to a more appropriate section 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>60</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

<sup>57</sup> Section 1013.62(1)(a), F.S. A conversion charter school, i.e., a charter school created by the conversion of an existing public school to charter status, is not eligible for capital outlay funding if it operates in facilities provided by its sponsor at no charge or for a nominal fee or if it is directly or indirectly operated by the school district. Section 1013.62(1)(d), F.S.

<sup>58</sup> Section 1013.62(1)(b), F.S.

<sup>59</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>60</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.



professional certification. 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 the DOE prior to implementation and approval is reevaluated annually.<sup>61</sup> The bill clarifies that a charter school, as a "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>62</sup>
- Full-time enrollment in a virtual charter school.<sup>63</sup>
- Enrollment in individual virtual courses offered by school districts and approved by the DOE.<sup>64</sup>
- Full-time or part-time enrollment in the Florida Virtual School (FLVS) or school district FLVS franchises.<sup>65</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>66</sup>

- Attended a Florida public school during the prior year and was enrolled and reported for funding during the October and February FEFPS 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>67</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>68</sup>

<b>Eligibility for Virtual Instruction</b>							
<b>Students Not Enrolled in Public School During the Previous School Year</b>							
<b>Grade Level</b>	<b>Full-Time</b>			<b>Part-Time</b>			
	<b>FLVS</b>	<b>District VIP</b>	<b>District FLVS Franchise</b>	<b>FLVS</b>	<b>District VIP</b>	<b>District FLVS Franchise</b>	<b>District Virtual Course</b>
<b>K</b>							
<b>1</b>							
<b>2</b>							

<sup>61</sup> Section 1012.56(8)(b), F.S.; rule 6A-5.066(1)(d) and (2), F.A.C.

<sup>62</sup> Section 1002.45, F.S.

<sup>63</sup> Sections 1002.33(1) and 1002.45(1)(d), F.S.

<sup>64</sup> Section 1003.498, F.S.

<sup>65</sup> Sections 1002.37 and 1002.45(1)(a)1. and (c)1., F.S.

<sup>66</sup> Sections 1002.45(5) and 1002.455(2), F.S.

<sup>67</sup> Section 1002.455(2), F.S.

<sup>68</sup> Section 1002.37(8)(a), F.S.



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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						

Consequently, students in 2nd through 5th grades are not eligible for enrollment in part-time virtual instruction unless they were enrolled in public school in the prior year or are dependent children of military personnel, or siblings.<sup>69</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 6th through 12th grades may enroll in full-time school district VIP programs.
- Students in 2nd through 5th grades may enroll in part-time FLVS or district FLVS franchises.
- Students in 2nd through 12th grades may enroll in part-time school district VIP.
- Students in 2nd through 12th grades may enroll in school district virtual course offerings.

Most notably, this change gives students in 2nd through 5th 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

The law designates the FLVS, school district FLVS franchises, and Florida College System institutions as "approved providers." The law also prescribes a process in which other virtual instruction providers may obtain DOE-approval to offer services to public school districts. The DOE must annually publish a list of approved providers.<sup>70</sup> Currently, a DOE-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. In such cases, the provider must be removed from the DOE-approved provider list for a period of at least one year. Among other things, the provider may not regain "approved provider" status until it demonstrates to the DOE that academic performance deficiencies have been remedied.<sup>71</sup>

<sup>69</sup> Section 1002.455(2), F.S.

<sup>70</sup> Section 1002.45(2)(a), F.S.

<sup>71</sup> Section 1002.45(8)(d), F.S.

## **Effect of Proposed Changes**

The bill provides that a virtual instruction provider's contract must be terminated, and the provider loses "approved provider" status, if the provider earns two consecutive school grades of "F" after grade appeals are final or 2 consecutive school improvement ratings of "Unsatisfactory."

## **Acceleration Options**

The bill clarifies language for the acceleration options and allows passage of an Advanced Placement (AP) Examination to qualify for high school course credits. The bill also clarifies that a district shall allow any public or home education student not enrolled in the corresponding course to take an end-of-course assessment or AP exam during the regular administration of the assessment.

Finally, the bill clarifies language regarding the minimum term requirement for purposes of the FEFP and removes the requirement that students in a blended learning course receive the online instruction in a classroom setting at the school so more blended learning models can be utilized by public schools and students.

## **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.** Creates s. 1002.333, F.S., relating to High Impact Charter Networks.

**Section 4.** Amends s. 1002.37, F.S., relating to the Florida Virtual School.

**Section 5.** Repeals s. 1002.45, F.S., relating to virtual instruction programs.

**Section 6.** Repeals s. 1003.445, F.S., relating to student eligibility for K-12 virtual instruction.

**Section 7.** Amends s. 1003.4295, F.S., relating to the Credit Acceleration program.

**Section 8.** Amends s. 1003.498, F.S., relating to school district virtual course offerings.

**Section 9.** Creates s. 1004.650, F.S., relating to the Florida Institute for Charter School Innovation.

**Section 10.** Amends s. 1011.61, F.S., relating to definitions.

**Section 11.** Amends s. 1011.62, F.S., relating to funds for operation of schools.

**Section 12.** Amends s. 1012.56, F.S., relating to educator certification.

**Section 13.** Amends s. 1013.62, F.S., relating to charter school capital outlay funding.

**Section 14.** Provides an effective date of July 1, 2016.

## **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 fiscal impact on the FEFP to fund the expansion of student eligibility for public virtual education is \$2,374,420.

The bill establishes the Florida Institute for Charter School Innovation. 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. Recurring funding in the amount of \$250,000 was provided in the 2015-2016 fiscal year to the Florida State University to begin the implementation of Institute. The total estimated fiscal impact for the creation implementation of the Institute is \$1,000,000. An additional \$750,000 would be necessary for 2016-2017 to meet the requirements of the bill.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

See Fiscal Comments.

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 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.

The bill authorizes a nonprofit organization or municipality that operates a charter school to use unrestricted surplus or unrestricted net assets of the charter school identified in an annual financial audit for K-12 educational purposes for charter schools within the district operated by the not-for-profit or municipal entity organizing or operating the charter school with the surplus. Surplus operating funds shall be used in accordance with s. 1011.62, and surplus capital outlay funds shall be used in accordance with s. 1013.62(2).

The bill provides clearer guidance to the 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.



1                                   A bill to be entitled  
 2       An act relating to school choice; amending s. 1002.33,  
 3       F.S.; making technical changes relating to  
 4       requirements for the creation of a virtual charter  
 5       school; conforming cross-references; specifying that a  
 6       sponsor may not require a charter school to adopt the  
 7       sponsor's reading plan and that charter schools are  
 8       eligible for the research-based reading allocation if  
 9       certain criteria are met; revising required contents  
 10      of charter school applications; conforming provisions  
 11      regarding the appeal process for denial of a high-  
 12      performing charter school application; requiring an  
 13      applicant to provide the sponsor with a copy of an  
 14      appeal to an application denial; authorizing a charter  
 15      school to defer the opening of its operations for up  
 16      to a specified time; requiring the charter school to  
 17      provide written notice to certain entities by a  
 18      specified date; revising provisions relating to long-  
 19      term charters and charter terminations; specifying  
 20      notice requirements for voluntary closure of a charter  
 21      school; deleting a requirement that students in a  
 22      blended learning course receive certain instruction in  
 23      a classroom setting; providing that a student may not  
 24      be dismissed from a charter school based on his or her  
 25      academic performance; requiring a charter school  
 26      applicant to provide monthly financial statements

27 before opening; requiring a sponsor to review each  
 28 financial statement of a charter school to identify  
 29 the existence of certain conditions; providing for the  
 30 automatic termination of a charter contract if certain  
 31 conditions are met; requiring a sponsor to notify  
 32 certain parties when a charter contract is terminated  
 33 for specific reasons; authorizing governing board  
 34 members to hold a certain number of public meetings  
 35 and participate in such meetings in person or through  
 36 communications media technology; revising charter  
 37 school student eligibility requirements; revising  
 38 requirements for payments to charter schools; allowing  
 39 for the use of certain surpluses and assets by  
 40 specific entities for certain educational purposes;  
 41 providing for an injunction under certain  
 42 circumstances; providing an exemption from certain  
 43 administrative fees; amending s. 1002.331, F.S.;  
 44 providing an exemption from the replication  
 45 limitations for a high-performing charter school;  
 46 conforming a cross-reference; deleting obsolete  
 47 provisions; authorizing a high-performing charter  
 48 school to submit an application for a new charter  
 49 school to the Florida Institute for Charter School  
 50 Innovation; requiring the institute to deny or approve  
 51 an application within specified timeframes; providing  
 52 deadlines for a high-performing charter contract

53 renewal; providing for an appeal to an administrative  
 54 law judge under certain circumstances; creating s.  
 55 1002.333, F.S.; providing definitions; establishing a  
 56 High Impact Charter Network status for charter school  
 57 operators serving educationally disadvantaged  
 58 students; defining eligibility criteria; authorizing  
 59 charter operators holding the High Impact Charter  
 60 Network status to submit applications for charter  
 61 schools in certain areas; exempting certain charter  
 62 schools from specified fees; requiring the department  
 63 to give priority to certain charter schools applying  
 64 for specified grants; prohibiting the use of certain  
 65 school grades when determining areas of critical need;  
 66 providing for rulemaking; amending s. 1002.37, F.S.;  
 67 revising the calculation of "full-time equivalent  
 68 student"; conforming a cross-reference; amending s.  
 69 1002.45, F.S.; conforming a cross-reference; revising  
 70 conditions for termination of a virtual instruction  
 71 provider's contract; repealing s. 1002.455, F.S.,  
 72 relating to student eligibility for K-12 virtual  
 73 instruction; amending s. 1003.4295, F.S.; revising the  
 74 purpose of the Credit Acceleration Program; requiring  
 75 students to earn passing scores on specified  
 76 assessments and examinations to earn course credit;  
 77 amending s. 1003.498, F.S.; deleting a requirement  
 78 that students in a blended learning course must

79 receive certain instruction in a classroom setting;  
 80 conforming a cross-reference; creating s. 1004.650,  
 81 F.S.; establishing the Florida Institute for Charter  
 82 School Innovation; providing the purpose and duties of  
 83 the institute; providing for the appointment of a  
 84 director of the institute; establishing duties of the  
 85 director; requiring a report be posted annually on the  
 86 institute's website and an annual financial report to  
 87 certain entities; amending s. 1011.61, F.S.; revising  
 88 the definition of "full-time equivalent student";  
 89 amending s. 1011.62, F.S.; conforming a cross-  
 90 reference; amending s. 1012.56, F.S.; authorizing a  
 91 charter school to develop and operate a professional  
 92 development certification and education competency  
 93 program; amending s. 1013.62, F.S.; revising  
 94 eligibility requirements for charter school capital  
 95 outlay funding; revising charter school funding  
 96 allocations; providing an effective date.

97

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

99

100 Section 1. Subsection (1), paragraph (a) of subsection  
 101 (2), paragraphs (a) and (b) of subsection (6), paragraphs (a)  
 102 and (d) of subsection (7), paragraphs (g), (n), and (p) of  
 103 subsection (9), paragraphs (a) and (d) of subsection (10),  
 104 subsection (13), paragraphs (b) and (e) of subsection (17),



105 paragraph (a) of subsection (18), and paragraph (a) of  
 106 subsection (20) of section 1002.33, Florida Statutes, are  
 107 amended to read:

108 1002.33 Charter schools.—

109 (1) AUTHORIZATION.—Charter schools shall be part of the  
 110 state's program of public education. All charter schools in  
 111 Florida are public schools. A charter school may be formed by  
 112 creating a new school or converting an existing public school to  
 113 charter status. A charter school may operate a virtual charter  
 114 school pursuant to s. 1002.45(1)(d) to provide full-time online  
 115 instruction to eligible students, ~~pursuant to s. 1002.455,~~ in  
 116 kindergarten through grade 12. An existing A charter school that  
 117 is seeking to become a virtual charter school must amend its  
 118 charter or submit a new application pursuant to subsection (6)  
 119 to become a virtual charter school. A virtual charter school is  
 120 subject to the requirements of this section; however, a virtual  
 121 charter school is exempt from subsections (18) and (19),  
 122 subparagraphs (20)(a)2., 4., 5., and 7., paragraph (20)(c), and  
 123 s. 1003.03. A public school may not use the term charter in its  
 124 name unless it has been approved under this section.

125 (2) GUIDING PRINCIPLES; PURPOSE.—

126 (a) Charter schools in Florida shall be guided by the  
 127 following principles:

- 128 1. Meet high standards of student achievement while
- 129 providing parents flexibility to choose among diverse
- 130 educational opportunities within the state's public school

131 system.

132 2. Promote enhanced academic success and financial  
133 efficiency by aligning responsibility with accountability.

134 3. Provide parents with sufficient information on whether  
135 their child is reading at grade level and whether the child  
136 gains at least a year's worth of learning for every year spent  
137 in the charter school. For a student who exhibits a substantial  
138 deficiency in reading, as determined by the charter school, the  
139 school shall notify the parent of the deficiency, the intensive  
140 interventions and supports used, and the student's progress in  
141 accordance with s. 1008.25(5).

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

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

147 1. Demonstrates how the school will use the guiding  
148 principles and meet the statutorily defined purpose of a charter  
149 school.

150 2. Provides a detailed curriculum plan that illustrates  
151 how students will be provided services to attain the Sunshine  
152 State Standards.

153 3. Contains goals and objectives for improving student  
154 learning and measuring that improvement. These goals and  
155 objectives must indicate how much academic improvement students  
156 are expected to show each year, how success will be evaluated,

157 and the specific results to be attained through instruction.

158 4. Describes the reading curriculum and differentiated  
 159 strategies that will be used for students reading at grade level  
 160 or higher and a separate curriculum and strategies for students  
 161 who are reading below grade level. A sponsor shall deny an  
 162 application ~~a charter~~ if the school does not propose a reading  
 163 curriculum that is evidence-based and includes explicit,  
 164 systematic, and multisensory reading instructional strategies;  
 165 however, a sponsor may not require the charter school to  
 166 implement the reading plan adopted by the school district  
 167 pursuant to s. 1011.62(9) consistent with effective teaching  
 168 ~~strategies that are grounded in scientifically based reading~~  
 169 ~~research.~~

170 5. Contains an annual financial plan for each year  
 171 requested by the charter for operation of the school for up to 5  
 172 years. This plan must contain anticipated fund balances based on  
 173 revenue projections, a spending plan based on projected revenues  
 174 and expenses, and a description of controls that will safeguard  
 175 finances and projected enrollment trends.

176 6. Discloses the name of each applicant, governing board  
 177 member, and all proposed education services providers; the name  
 178 and sponsor of any charter school operated by each applicant,  
 179 each governing board member, and each proposed education  
 180 services provider that has closed and the reasons for the  
 181 closure; and the academic and financial history of such charter  
 182 schools, which the sponsor shall consider in deciding whether to

183 | approve or deny the application.

184 |       ~~7.6-~~ Contains additional information a sponsor may  
 185 | require, which shall be attached as an addendum to the charter  
 186 | school application described in this paragraph.

187 |       ~~8.7-~~ For the establishment of a virtual charter school,  
 188 | documents that the applicant has contracted with a provider of  
 189 | virtual instruction services pursuant to s. 1002.45(1)(d).

190 |       (b) A sponsor shall receive and review all applications  
 191 | for a charter school using the ~~an~~ evaluation instrument  
 192 | developed by the Department of Education. A sponsor shall  
 193 | receive and consider charter school applications received on or  
 194 | before August 1 of each calendar year for charter schools to be  
 195 | opened at the beginning of the school district's next school  
 196 | year, or to be opened at a time agreed to by the applicant and  
 197 | the sponsor. A sponsor may not refuse to receive a charter  
 198 | school application submitted before August 1 and may receive an  
 199 | application submitted later than August 1 if it chooses. In  
 200 | order to facilitate greater collaboration in the application  
 201 | process, an applicant may submit a draft charter school  
 202 | application on or before May 1 with an application fee of \$500.  
 203 | If a draft application is timely submitted, the sponsor shall  
 204 | review and provide feedback as to material deficiencies in the  
 205 | application by July 1. The applicant shall then have until  
 206 | August 1 to resubmit a revised and final application. The  
 207 | sponsor may approve the draft application. Except as provided  
 208 | for a draft application, a sponsor may not charge an applicant



209 for a charter any fee for the processing or consideration of an  
 210 application, and a sponsor may not base its consideration or  
 211 approval of a final application upon the promise of future  
 212 payment of any kind. Before approving or denying any final  
 213 application, the sponsor shall allow the applicant, upon receipt  
 214 of written notification, at least 7 calendar days to make  
 215 technical or nonsubstantive corrections and clarifications,  
 216 including, but not limited to, corrections of grammatical,  
 217 typographical, and like errors or missing signatures, if such  
 218 errors are identified by the sponsor as cause to deny the final  
 219 application.

220 1. In order to facilitate an accurate budget projection  
 221 process, a sponsor shall be held harmless for FTE students who  
 222 are not included in the FTE projection due to approval of  
 223 charter school applications after the FTE projection deadline.  
 224 In a further effort to facilitate an accurate budget projection,  
 225 within 15 calendar days after receipt of a charter school  
 226 application, a sponsor shall report to the Department of  
 227 Education the name of the applicant entity, the proposed charter  
 228 school location, and its projected FTE.

229 2. In order to ensure fiscal responsibility, an  
 230 application for a charter school shall include a full accounting  
 231 of expected assets, a projection of expected sources and amounts  
 232 of income, including income derived from projected student  
 233 enrollments and from community support, and an expense  
 234 projection that includes full accounting of the costs of

235 operation, including start-up costs.

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

249 b. An application submitted by a high-performing charter  
 250 school identified pursuant to s. 1002.331 may be denied by the  
 251 sponsor only if the sponsor demonstrates by clear and convincing  
 252 evidence that:

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

255 (II) The charter school proposed in the application does  
 256 not materially comply with the requirements in paragraphs  
 257 (9) (a) - (f);

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

261 (IV) The applicant has made a material misrepresentation  
 262 or false statement or concealed an essential or material fact  
 263 during the application process; or

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

267  
 268 Material noncompliance is a failure to follow requirements or a  
 269 violation of prohibitions applicable to charter school  
 270 applications, which failure is quantitatively or qualitatively  
 271 significant either individually or when aggregated with other  
 272 noncompliance. An applicant is considered to be replicating a  
 273 high-performing charter school if the proposed school is  
 274 substantially similar to at least one of the applicant's high-  
 275 performing charter schools and the organization or individuals  
 276 involved in the establishment and operation of the proposed  
 277 school are significantly involved in the operation of replicated  
 278 schools.

279 c. If the sponsor denies an application submitted by a  
 280 high-performing charter school, the sponsor must, within 10  
 281 calendar days after such denial, state in writing the specific  
 282 reasons, based upon the criteria in sub-subparagraph b.,  
 283 supporting its denial of the application and must provide the  
 284 letter of denial and supporting documentation to the applicant  
 285 and to the Department of Education. The applicant may appeal the  
 286 sponsor's denial of the application directly to the State Board

287 of Education and, if an appeal is filed, must provide a copy of  
 288 the appeal to the sponsor pursuant to paragraph (c) sub-  
 289 subparagraph (e)3.b.

290 4. For budget projection purposes, the sponsor shall  
 291 report to the Department of Education the approval or denial of  
 292 an a-charter application within 10 calendar days after such  
 293 approval or denial. In the event of approval, the report to the  
 294 Department of Education shall include the final projected FTE  
 295 for the approved charter school.

296 5. Upon approval of an a-charter application, the initial  
 297 startup shall commence with the beginning of the public school  
 298 calendar for the district in which the charter is granted. A  
 299 charter school may defer the opening of the school's operations  
 300 for up to 2 years to provide time for adequate facility  
 301 planning. The charter school must provide written notice of such  
 302 intent to the sponsor and the parents of enrolled students at  
 303 least 30 calendar days before the first day of school unless the  
 304 sponsor allows a waiver of this subparagraph for good cause.

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



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 evidence-based ~~grounded~~  
 327 ~~in scientifically based reading research~~.

328 b. In order to provide students with access to diverse  
 329 instructional delivery models, to facilitate the integration of  
 330 technology within traditional classroom instruction, and to  
 331 provide students with the skills they need to compete in the  
 332 21st century economy, the Legislature encourages instructional  
 333 methods for blended learning courses consisting of both  
 334 traditional classroom and online instructional techniques.  
 335 Charter schools may implement blended learning courses which  
 336 combine traditional classroom instruction and virtual  
 337 instruction. Students in a blended learning course must be full-  
 338 time students of the charter school pursuant to s.

339 | 1011.61(1)(a)1. ~~and receive the online instruction in a~~  
 340 | ~~classroom setting at the charter school.~~ Instructional personnel  
 341 | certified pursuant to s. 1012.55 who provide virtual instruction  
 342 | for blended learning courses may be employees of the charter  
 343 | school or may be under contract to provide instructional  
 344 | services to charter school students. At a minimum, such  
 345 | instructional personnel must hold an active state or school  
 346 | district adjunct certification under s. 1012.57 for the subject  
 347 | area of the blended learning course. The funding and performance  
 348 | accountability requirements for blended learning courses are the  
 349 | same as those for traditional courses.

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

354 |             a. How the baseline student academic achievement levels  
 355 | and prior rates of academic progress will be established.

356 |             b. How these baseline rates will be compared to rates of  
 357 | academic progress achieved by these same students while  
 358 | attending the charter school.

359 |             c. To the extent possible, how these rates of progress  
 360 | will be evaluated and compared with rates of progress of other  
 361 | closely comparable student populations.

362 |

363 | The district school board is required to provide academic  
 364 | student performance data to charter schools for each of their

365 students coming from the district school system, as well as  
 366 rates of academic progress of comparable student populations in  
 367 the district school system.

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

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

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

382 7. The admissions procedures and dismissal procedures,  
 383 including the school's code of student conduct. Admission or  
 384 dismissal must not be based on a student's academic performance.

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

389 9. The financial and administrative management of the  
 390 school, including a reasonable demonstration of the professional

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

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

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

414 |         12. The term of the charter which shall provide for  
 415 | cancellation of the charter if insufficient progress has been  
 416 | made in attaining the student achievement objectives of the



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

433 13. The facilities to be used and their location. The  
434 sponsor may not require a charter school to have a certificate  
435 of occupancy or a temporary certificate of occupancy for such a  
436 facility earlier than 15 calendar days before the first day of  
437 school.

438 14. The qualifications to be required of the teachers and  
439 the potential strategies used to recruit, hire, train, and  
440 retain qualified staff to achieve best value.

441 15. The governance structure of the school, including the  
442 status of the charter school as a public or private employer as

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443 required in paragraph (12)(i).

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

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

459 18. Full disclosure of the identity of all relatives  
460 employed by the charter school who are related to the charter  
461 school owner, president, chairperson of the governing board of  
462 directors, superintendent, governing board member, principal,  
463 assistant principal, or any other person employed by the charter  
464 school who has equivalent decisionmaking authority. For the  
465 purpose of this subparagraph, the term "relative" means father,  
466 mother, son, daughter, brother, sister, uncle, aunt, first  
467 cousin, nephew, niece, husband, wife, father-in-law, mother-in-  
468 law, son-in-law, daughter-in-law, brother-in-law, sister-in-law,

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

469 stepfather, stepmother, stepson, stepdaughter, stepbrother,  
 470 stepsister, half brother, or half sister.

471 19. Implementation of the activities authorized under s.  
 472 1002.331 by the charter school when it satisfies the eligibility  
 473 requirements for a high-performing charter school. A high-  
 474 performing charter school shall notify its sponsor in writing by  
 475 March 1 if it intends to increase enrollment or expand grade  
 476 levels the following school year. The written notice shall  
 477 specify the amount of the enrollment increase and the grade  
 478 levels that will be added, as applicable.

479 ~~(d)1-~~ A charter may be terminated by a charter school's  
 480 governing board through voluntary closure. The decision to cease  
 481 operations must be determined at a public meeting. The governing  
 482 board shall notify the parents and sponsor of the public meeting  
 483 in writing before the public meeting. The governing board must  
 484 notify the sponsor, parents of enrolled students, and the  
 485 department in writing within 24 hours after the public meeting  
 486 of its determination. The notice shall state the charter  
 487 school's intent to continue operations or the reason for the  
 488 closure and acknowledge that the governing board agrees to  
 489 follow the procedures for dissolution and reversion of public  
 490 funds pursuant to paragraphs (8)(e)-(g) and (9)(o) Each charter  
 491 school's governing board must appoint a representative to  
 492 facilitate parental involvement, provide access to information,  
 493 assist parents and others with questions and concerns, and  
 494 resolve disputes. The representative must reside in the school

495 ~~district in which the charter school is located and may be a~~  
 496 ~~governing board member, charter school employee, or individual~~  
 497 ~~contracted to represent the governing board. If the governing~~  
 498 ~~board oversees multiple charter schools in the same school~~  
 499 ~~district, the governing board must appoint a separate individual~~  
 500 ~~representative for each charter school in the district. The~~  
 501 ~~representative's contact information must be provided annually~~  
 502 ~~in writing to parents and posted prominently on the charter~~  
 503 ~~school's website if a website is maintained by the school. The~~  
 504 ~~sponsor may not require that governing board members reside in~~  
 505 ~~the school district in which the charter school is located if~~  
 506 ~~the charter school complies with this paragraph.~~

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

515 (9) CHARTER SCHOOL REQUIREMENTS.—

516 (g)1. In order to provide financial information that is  
 517 comparable to that reported for other public schools, charter  
 518 schools are to maintain all financial records that constitute  
 519 their accounting system:

520 a. In accordance with the accounts and codes prescribed in



521 the most recent issuance of the publication titled "Financial  
 522 and Program Cost Accounting and Reporting for Florida Schools";  
 523 or

524 b. At the discretion of the charter school's governing  
 525 board, a charter school may elect to follow generally accepted  
 526 accounting standards for not-for-profit organizations, but must  
 527 reformat this information for reporting according to this  
 528 paragraph.

529 2. Charter schools shall provide annual financial report  
 530 and program cost report information in the state-required  
 531 formats for inclusion in district reporting in compliance with  
 532 s. 1011.60(1). Charter schools that are operated by a  
 533 municipality or are a component unit of a parent nonprofit  
 534 organization may use the accounting system of the municipality  
 535 or the parent but must reformat this information for reporting  
 536 according to this paragraph.

537 3. A charter school shall, upon approval of the charter  
 538 contract, provide the sponsor with a concise, uniform, monthly  
 539 financial statement summary sheet that contains a balance sheet  
 540 and a statement of revenue, expenditures, and changes in fund  
 541 balance. The balance sheet and the statement of revenue,  
 542 expenditures, and changes in fund balance shall be in the  
 543 governmental funds format prescribed by the Governmental  
 544 Accounting Standards Board. A high-performing charter school  
 545 pursuant to s. 1002.331 may provide a quarterly financial  
 546 statement in the same format and requirements as the uniform

547 monthly financial statement summary sheet. The sponsor shall  
 548 review each monthly or quarterly financial statement to identify  
 549 the existence of any conditions identified in s. 1002.345(1)(a).

550 4. A charter school shall maintain and provide financial  
 551 information as required in this paragraph. The financial  
 552 statement required in subparagraph 3. must be in a form  
 553 prescribed by the Department of Education.

554 (n)1. The director and a representative of the governing  
 555 board of a charter school that has earned a grade of "D" or "F"  
 556 pursuant to s. 1008.34 shall appear before the sponsor to  
 557 present information concerning each contract component having  
 558 noted deficiencies. The director and a representative of the  
 559 governing board shall submit to the sponsor for approval a  
 560 school improvement plan to raise student performance. Upon  
 561 approval by the sponsor, the charter school shall begin  
 562 implementation of the school improvement plan. The department  
 563 shall offer technical assistance and training to the charter  
 564 school and its governing board and establish guidelines for  
 565 developing, submitting, and approving such plans.

566 2.a. If a charter school earns three consecutive grades of  
 567 "D," two consecutive grades of "D" followed by a grade of "F,"  
 568 or two nonconsecutive grades of "F" within a 3-year period, the  
 569 charter school governing board shall choose one of the following  
 570 corrective actions:

571 (I) Contract for educational services to be provided  
 572 directly to students, instructional personnel, and school

573 administrators, as prescribed in state board rule;

574 (II) Contract with an outside entity that has a

575 demonstrated record of effectiveness to operate the school;

576 (III) Reorganize the school under a new director or

577 principal who is authorized to hire new staff; or

578 (IV) Voluntarily close the charter school.

579 b. The charter school must implement the corrective action

580 in the school year following receipt of a third consecutive

581 grade of "D," a grade of "F" following two consecutive grades of

582 "D," or a second nonconsecutive grade of "F" within a 3-year

583 period.

584 c. The sponsor may annually waive a corrective action if

585 it determines that the charter school is likely to improve a

586 letter grade if additional time is provided to implement the

587 intervention and support strategies prescribed by the school

588 improvement plan. Notwithstanding this sub-subparagraph, a

589 charter school that earns a second consecutive grade of "F" is

590 subject to subparagraph 4.

591 d. A charter school is no longer required to implement a

592 corrective action if it improves by at least one letter grade.

593 However, the charter school must continue to implement

594 strategies identified in the school improvement plan. The

595 sponsor must annually review implementation of the school

596 improvement plan to monitor the school's continued improvement

597 pursuant to subparagraph 5.

598 e. A charter school implementing a corrective action that

599 does not improve by at least one letter grade after 2 full  
 600 school years of implementing the corrective action must select a  
 601 different corrective action. Implementation of the new  
 602 corrective action must begin in the school year following the  
 603 implementation period of the existing corrective action, unless  
 604 the sponsor determines that the charter school is likely to  
 605 improve a letter grade if additional time is provided to  
 606 implement the existing corrective action. Notwithstanding this  
 607 sub-subparagraph, a charter school that earns a second  
 608 consecutive grade of "F" while implementing a corrective action  
 609 is subject to subparagraph 4.

610 3. A charter school with a grade of "D" or "F" that  
 611 improves by at least one letter grade must continue to implement  
 612 the strategies identified in the school improvement plan. The  
 613 sponsor must annually review implementation of the school  
 614 improvement plan to monitor the school's continued improvement  
 615 pursuant to subparagraph 5.

616 4. A charter school's charter contract is automatically  
 617 terminated if the school earns two consecutive grades of "F"  
 618 after all school grade appeals are final ~~The sponsor shall~~  
 619 ~~terminate a charter if the charter school earns two consecutive~~  
 620 ~~grades of "F" unless:~~

621 a. The charter school is established to turn around the  
 622 performance of a district public school pursuant to s.  
 623 1008.33(4)(b)3. Such charter schools shall be governed by s.  
 624 1008.33;



625           b. The charter school serves a student population the  
626 majority of which resides in a school zone served by a district  
627 public school that earned a grade of "F" in the year before the  
628 charter school opened and the charter school earns at least a  
629 grade of "D" in its third year of operation. The exception  
630 provided under this sub-subparagraph does not apply to a charter  
631 school in its fourth year of operation and thereafter; or

632           c. The state board grants the charter school a waiver of  
633 termination. The charter school must request the waiver within  
634 15 days after the department's official release of school  
635 grades. The state board may waive termination if the charter  
636 school demonstrates that the Learning Gains of its students on  
637 statewide assessments are comparable to or better than the  
638 Learning Gains of similarly situated students enrolled in nearby  
639 district public schools. The waiver is valid for 1 year and may  
640 only be granted once. Charter schools that have been in  
641 operation for more than 5 years are not eligible for a waiver  
642 under this sub-subparagraph.

643  
644 The sponsor shall notify the charter school's governing board,  
645 the charter school principal, and the department in writing when  
646 a charter contract is terminated under this subparagraph. The  
647 letter of termination must meet the requirements of paragraph  
648 (8)(c). A charter terminated under this subparagraph must follow  
649 the procedures for dissolution and reversion of public funds  
650 pursuant to paragraphs (8)(e)-(g) and (9)(o).

651           5. The director and a representative of the governing  
 652 board of a graded charter school that has implemented a school  
 653 improvement plan under this paragraph shall appear before the  
 654 sponsor at least once a year to present information regarding  
 655 the progress of intervention and support strategies implemented  
 656 by the school pursuant to the school improvement plan and  
 657 corrective actions, if applicable. The sponsor shall communicate  
 658 at the meeting, and in writing to the director, the services  
 659 provided to the school to help the school address its  
 660 deficiencies.

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

664           (p)1. Each charter school shall maintain a website that  
 665 enables the public to obtain information regarding the school;  
 666 the school's academic performance; the names of the governing  
 667 board members; the programs at the school; any management  
 668 companies, service providers, or education management  
 669 corporations associated with the school; the school's annual  
 670 budget and its annual independent fiscal audit; the school's  
 671 grade pursuant to s. 1008.34; and, on a quarterly basis, the  
 672 minutes of governing board meetings.

673           2. Each charter school's governing board must appoint a  
 674 representative to facilitate parental involvement, provide  
 675 access to information, assist parents and others with questions  
 676 and concerns, and resolve disputes. The representative must

677 reside in the school district in which the charter school is  
 678 located and may be a governing board member, a charter school  
 679 employee, or an individual contracted to represent the governing  
 680 board. If the governing board oversees multiple charter schools  
 681 in the same school district, the governing board must appoint a  
 682 separate representative for each charter school in the district.  
 683 The representative's contact information must be provided  
 684 annually in writing to parents and posted prominently on the  
 685 charter school's website. The sponsor may not require governing  
 686 board members to reside in the school district in which the  
 687 charter school is located if the charter school complies with  
 688 this subparagraph.

689 3. Each charter school's governing board must hold at  
 690 least two public meetings per school year in the school district  
 691 where the charter school is located. The meetings must be  
 692 noticed, open, and accessible to the public, and attendees must  
 693 be provided an opportunity to receive information and provide  
 694 input regarding the charter school's operations. The appointed  
 695 representative and charter school principal or director, or his  
 696 or her designee, must be physically present at each meeting.  
 697 Members of the governing board may attend in person or by means  
 698 of communications media technology used in accordance with rules  
 699 adopted by the Administration Commission under s. 120.54(5).

700 (10) ELIGIBLE STUDENTS.—

701 (a) A charter school shall be open to any student covered  
 702 in an interdistrict agreement or residing in the school district

703 | in which the charter school is located; however, in the case of  
 704 | a charter lab school, the charter lab school shall be open to  
 705 | any student eligible to attend the lab school as provided in s.  
 706 | 1002.32 or who resides in the school district in which the  
 707 | charter lab school is located. Any eligible student shall be  
 708 | allowed interdistrict transfer to attend a charter school when  
 709 | based on good cause. Good cause shall include, but is not  
 710 | limited to, geographic proximity to a charter school in a  
 711 | neighboring school district. A charter school that has not  
 712 | reached capacity, as determined by the charter school's  
 713 | governing board, may be open for enrollment to any student in  
 714 | the state.

715 | (d) A charter school may give enrollment preference to the  
 716 | following student populations:

717 | 1. Students who are siblings of a student enrolled in the  
 718 | charter school.

719 | 2. Students who are the children of a member of the  
 720 | governing board of the charter school.

721 | 3. Students who are the children of an employee of the  
 722 | charter school.

723 | 4. Students who are the children of:

724 | a. An employee of the business partner of a charter  
 725 | school-in-the-workplace established under paragraph (15)(b) or a  
 726 | resident of the municipality in which such charter school is  
 727 | located; or

728 | b. A resident of a municipality that operates a charter



729 school-in-a-municipality pursuant to paragraph (15)(c).

730 5. Students who have successfully completed a voluntary  
 731 prekindergarten education program under ss. 1002.51-1002.79  
 732 provided by the charter school or the charter school's governing  
 733 board during the previous year.

734 6. Students who are the children of an active duty member  
 735 of any branch of the United States Armed Forces.

736 7. Students who attended or are assigned to failing  
 737 schools pursuant to s. 1002.38(2).

738 (13) CHARTER SCHOOL COOPERATIVES.—Charter schools may  
 739 enter into cooperative agreements to form charter school  
 740 cooperative organizations that may provide ~~the following~~  
 741 services to further educational, operational, and administrative  
 742 initiatives in which the participating charter schools share  
 743 common interests: charter school planning and development,  
 744 direct instructional services, and contracts with charter school  
 745 governing boards to provide personnel administrative services,  
 746 payroll services, human resource management, evaluation and  
 747 assessment services, teacher preparation, and professional  
 748 development.

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

754 (b) The basis for the agreement for funding students

755 enrolled in a charter school shall be the sum of the school  
 756 district's operating funds from the Florida Education Finance  
 757 Program as provided in s. 1011.62 and the General Appropriations  
 758 Act, including gross state and local funds, discretionary  
 759 lottery funds, and funds from the school district's current  
 760 operating discretionary millage levy; divided by total funded  
 761 weighted full-time equivalent students in the school district;  
 762 multiplied by the weighted full-time equivalent students for the  
 763 charter school. Charter schools whose students or programs meet  
 764 the eligibility criteria in law are entitled to their  
 765 proportionate share of categorical program funds included in the  
 766 total funds available in the Florida Education Finance Program  
 767 by the Legislature, including transportation, the research-based  
 768 reading allocation, and the Florida digital classrooms  
 769 allocation. Total funding for each charter school shall be  
 770 recalculated during the year to reflect the revised calculations  
 771 under the Florida Education Finance Program by the state and the  
 772 actual weighted full-time equivalent students reported by the  
 773 charter school during the full-time equivalent student survey  
 774 periods designated by the Commissioner of Education. Any  
 775 unrestricted surplus or unrestricted net assets identified in  
 776 the charter school's annual audit may be used for K-12  
 777 educational purposes for charter schools within the district  
 778 operated by the not-for-profit or municipal entity operating the  
 779 charter school with the surplus. Surplus operating funds shall  
 780 be used in accordance with s. 1011.62, and surplus capital

781 outlay funds shall be used in accordance with s. 1013.62(2).  
 782 (e) District school boards shall make timely and efficient  
 783 payment and reimbursement to charter schools, including  
 784 processing paperwork required to access special state and  
 785 federal funding for which they may be eligible. Payments of  
 786 funds under paragraph (b) shall be made monthly or twice a  
 787 month, beginning with the start of the district school board's  
 788 fiscal year. Each payment shall be one-twelfth, or one twenty-  
 789 fourth, as applicable, of the total state and local funds  
 790 described in paragraph (b) and adjusted as set forth therein.  
 791 For the first 2 years of a charter school's operation, if a  
 792 minimum of 75 percent of the projected enrollment is entered  
 793 into the sponsor's student information system by the first day  
 794 of the current month, the district school board shall may  
 795 distribute funds to the a-charter school for the up-to-3 months  
 796 of July through October based on the projected full-time  
 797 equivalent student membership of the charter school as submitted  
 798 in the approved application. If less than 75 percent of the  
 799 projected enrollment is entered into the sponsor's student  
 800 information system by the first day of the current month, the  
 801 sponsor shall base payments on the actual number of student  
 802 enrollment entered into the sponsor's student information  
 803 system. Thereafter, the results of full-time equivalent student  
 804 membership surveys shall be used in adjusting the amount of  
 805 funds distributed monthly to the charter school for the  
 806 remainder of the fiscal year. The payments ~~payment~~ shall be

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

820 (18) FACILITIES.—

821 (a) A startup charter school shall utilize facilities  
822 which comply with the Florida Building Code pursuant to chapter  
823 553 except for the State Requirements for Educational  
824 Facilities. Conversion charter schools shall utilize facilities  
825 that comply with the State Requirements for Educational  
826 Facilities provided that the school district and the charter  
827 school have entered into a mutual management plan for the  
828 reasonable maintenance of such facilities. The mutual management  
829 plan shall contain a provision by which the district school  
830 board agrees to maintain charter school facilities in the same  
831 manner as its other public schools within the district. Charter  
832 schools, with the exception of conversion charter schools, are



833 not required to comply, but may choose to comply, with the State  
 834 Requirements for Educational Facilities of the Florida Building  
 835 Code adopted pursuant to s. 1013.37. The local governing  
 836 authority shall not adopt or impose any local building  
 837 requirements or site-development restrictions, such as parking  
 838 and site-size criteria, that are addressed by and more stringent  
 839 than those found in the State Requirements for Educational  
 840 Facilities of the Florida Building Code. ~~Beginning July 1, 2011,~~  
 841 A local governing authority must treat charter schools equitably  
 842 in comparison to similar requirements, restrictions, and site  
 843 planning processes imposed upon public schools that are not  
 844 charter schools. The agency having jurisdiction for inspection  
 845 of a facility and issuance of a certificate of occupancy or use  
 846 shall be the local municipality or, if in an unincorporated  
 847 area, the county governing authority. If an official or employee  
 848 of the local governing authority refuses to comply with this  
 849 paragraph, the aggrieved school or entity has an immediate right  
 850 to bring an action in circuit court to enforce its rights by  
 851 injunction. An aggrieved party that receives injunctive relief  
 852 may be awarded attorney fees and court costs.

853 (20) SERVICES.—

854 (a)1. A sponsor shall provide certain administrative and  
 855 educational services to charter schools. These services shall  
 856 include contract management services; full-time equivalent and  
 857 data reporting services; exceptional student education  
 858 administration services; services related to eligibility and

859 reporting duties required to ensure that school lunch services  
860 under the federal lunch program, consistent with the needs of  
861 the charter school, are provided by the school district at the  
862 request of the charter school, that any funds due to the charter  
863 school under the federal lunch program be paid to the charter  
864 school as soon as the charter school begins serving food under  
865 the federal lunch program, and that the charter school is paid  
866 at the same time and in the same manner under the federal lunch  
867 program as other public schools serviced by the sponsor or the  
868 school district; test administration services, including payment  
869 of the costs of state-required or district-required student  
870 assessments; processing of teacher certificate data services;  
871 and information services, including equal access to student  
872 information systems that are used by public schools in the  
873 district in which the charter school is located. Student  
874 performance data for each student in a charter school,  
875 including, but not limited to, FCAT scores, standardized test  
876 scores, previous public school student report cards, and student  
877 performance measures, shall be provided by the sponsor to a  
878 charter school in the same manner provided to other public  
879 schools in the district.

880 2. A total administrative fee for the provision of such  
881 services shall be calculated based upon up to 5 percent of the  
882 available funds defined in paragraph (17)(b) for all students,  
883 except that when 75 percent or more of the students enrolled in  
884 the charter school are exceptional students as defined in s.

885 1003.01(3), the 5 percent of those available funds shall be  
 886 calculated based on unweighted full-time equivalent students.  
 887 However, a sponsor may only withhold up to a 5-percent  
 888 administrative fee for enrollment for up to and including 250  
 889 students. For charter schools with a population of 251 or more  
 890 students, the difference between the total administrative fee  
 891 calculation and the amount of the administrative fee withheld  
 892 may only be used for capital outlay purposes specified in s.  
 893 1013.62(2).

894 3. For high-performing charter schools, as defined in s.  
 895 1002.331 ~~eh. 2011-232~~, a sponsor may withhold a total  
 896 administrative fee of up to 2 percent for enrollment up to and  
 897 including 250 students per school.

898 4. In addition, a sponsor may withhold only up to a 5-  
 899 percent administrative fee for enrollment for up to and  
 900 including 500 students within a system of charter schools which  
 901 meets all of the following:

- 902 a. Includes both conversion charter schools and
- 903 nonconversion charter schools;
- 904 b. Has all schools located in the same county;
- 905 c. Has a total enrollment exceeding the total enrollment
- 906 of at least one school district in the state;
- 907 d. Has the same governing board; and
- 908 e. Does not contract with a for-profit service provider
- 909 for management of school operations.

910 5. The difference between the total administrative fee

911 calculation and the amount of the administrative fee withheld  
 912 pursuant to subparagraph 4. may be used for instructional and  
 913 administrative purposes as well as for capital outlay purposes  
 914 specified in s. 1013.62(2).

915 6. For a high-performing charter school system that also  
 916 meets the requirements in subparagraph 4., a sponsor may  
 917 withhold a 2-percent administrative fee for enrollments up to  
 918 and including 500 students per system.

919 7. Sponsors shall not charge charter schools any  
 920 additional fees or surcharges for administrative and educational  
 921 services in addition to the maximum 5-percent administrative fee  
 922 withheld pursuant to this paragraph.

923 8. The sponsor of a virtual charter school may withhold a  
 924 fee of up to 5 percent. The funds shall be used to cover the  
 925 cost of services provided under subparagraph 1. and  
 926 implementation of the school district's digital classrooms plan  
 927 pursuant to s. 1011.62.

928 9. A charter school whose initial application is submitted  
 929 under s. 1002.331 and denied by the district school board is  
 930 exempt from the administrative fee requirements of this  
 931 paragraph.

932 Section 2. Paragraph (e) of subsection (2) and subsections  
 933 (3), (4), and (5) of section 1002.331, Florida Statutes, are  
 934 amended to read:

935 1002.331 High-performing charter schools.—

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



937 (e) Receive a modification of its charter to an additional  
 938 a term of 15 years or a 15-year charter renewal. The charter may  
 939 be modified or renewed for a shorter term at the option of the  
 940 high-performing charter school. The sponsor has 30 days after  
 941 the charter school receives its high-performing designation to  
 942 provide a charter renewal to the charter school. The charter  
 943 school and sponsor have 20 days to negotiate and provide notice  
 944 of the charter contract for final approval by the sponsor. The  
 945 proposed charter contract must be provided to the charter school  
 946 at least 7 days before the date of the meeting at which the  
 947 charter is scheduled for final approval by the sponsor. A  
 948 dispute may be appealed to an administrative law judge appointed  
 949 by the Division of Administrative Hearings pursuant to s.  
 950 1002.33(6)(h). The charter must be consistent with s.  
 951 1002.33(7)(a)19. and (10)(h) and (i), is subject to annual  
 952 review by the sponsor, and may be terminated during its term  
 953 pursuant to s. 1002.33(8).

954  
 955 A high-performing charter school shall notify its sponsor in  
 956 writing by March 1 if it intends to increase enrollment or  
 957 expand grade levels the following school year. The written  
 958 notice shall specify the amount of the enrollment increase and  
 959 the grade levels that will be added, as applicable. If a charter  
 960 school notifies the sponsor of its intent to expand, the sponsor  
 961 shall modify the charter within 90 days to include the new  
 962 enrollment maximum and may not make any other changes. The

963 sponsor may deny a request to increase the enrollment of a high-  
 964 performing charter school if the commissioner has declassified  
 965 the charter school as high-performing. If a high-performing  
 966 charter school requests to consolidate multiple charters, the  
 967 sponsor has ~~shall have~~ 40 days after receipt of that request to  
 968 provide an initial draft charter to the charter school. The  
 969 sponsor and charter school has ~~shall have~~ 50 days thereafter to  
 970 negotiate and notice the charter contract for final approval by  
 971 the sponsor.

972 (3) (a) A high-performing charter school may submit an  
 973 application to the Florida Institute for Charter School  
 974 Innovation for ~~pursuant to s. 1002.33(6)~~ in any school district  
 975 in the state to establish and operate a new charter school that  
 976 will substantially replicate its educational program. An  
 977 application submitted by a high-performing charter school must  
 978 state that the application is being submitted pursuant to this  
 979 paragraph and must include the verification letter provided by  
 980 the Commissioner of Education pursuant to subsection ~~(4)~~ ~~(5)~~. The  
 981 institute has ~~If the sponsor fails to act on the application~~  
 982 ~~within~~ 60 days after receipt of 7 the application to deny or  
 983 approve the application. If the application is ~~deemed~~ approved,  
 984 ~~and~~ the procedure in s. 1002.33(6) (h) applies. If the ~~sponsor~~  
 985 ~~denies the application~~ is denied, the high-performing charter  
 986 school may appeal pursuant to s. 1002.33(6).

987 (b) A high-performing charter school may not establish  
 988 more than one charter school within the state under paragraph

989 (a) in any year. A subsequent application to establish a charter  
 990 school under paragraph (a) may not be submitted unless each  
 991 charter school established in this manner achieves high-  
 992 performing charter school status. This paragraph does not apply  
 993 to charter schools established by a high-performing charter  
 994 school in the attendance zone of a public school that earns a  
 995 grade of "F" or three consecutive grades of "D" pursuant to s.  
 996 1008.34 or to meet capacity needs or needs for innovative school  
 997 choice options identified by the district school board.

998 ~~(4) A high performing charter school may not increase~~  
 999 ~~enrollment or expand grade levels following any school year in~~  
 1000 ~~which it receives a school grade of "C" or below. If the charter~~  
 1001 ~~school receives a school grade of "C" or below in any 2 years~~  
 1002 ~~during the term of the charter awarded under subsection (2), the~~  
 1003 ~~term of the charter may be modified by the sponsor and the~~  
 1004 ~~charter school loses its high performing charter school status~~  
 1005 ~~until it regains that status under subsection (1).~~

1006 (4)~~(5)~~ The Commissioner of Education, upon request by a  
 1007 charter school, shall verify that the charter school meets the  
 1008 criteria in subsection (1) and provide a letter to the charter  
 1009 school and the sponsor stating that the charter school is a  
 1010 high-performing charter school pursuant to this section. The  
 1011 commissioner shall annually determine whether a high-performing  
 1012 charter school under subsection (1) continues to meet the  
 1013 criteria in that subsection. Such high-performing charter school  
 1014 shall maintain its high-performing status unless the

1015 commissioner determines that the charter school no longer meets  
 1016 the criteria in subsection (1), at which time the commissioner  
 1017 shall send a letter to the charter school and its sponsor  
 1018 providing notification that the charter school has been  
 1019 declassified ~~of its declassification~~ as a high-performing  
 1020 charter school.

1021 Section 3. Section 1002.333, Florida Statutes, is created  
 1022 to read:

1023 1002.333 High Impact Charter Network.—

1024 (1) As used in this section, the term:

1025 (a) "Critical need area" means an area that is served by  
 1026 one or more nonalternative, traditional public schools that  
 1027 received a school grade of "D" or "F" pursuant to s. 1008.34 in  
 1028 4 of the most recent 5 years.

1029 (b) "Entity" means a nonprofit organization with tax  
 1030 exempt status under s. 501(c)(3) of the Internal Revenue Code  
 1031 that is authorized by law to operate a public charter school.

1032 (2) An entity that successfully operates a system of  
 1033 charter schools that primarily serves educationally  
 1034 disadvantaged students, as defined in the Elementary and  
 1035 Secondary Education Act, 20 U.S.C. s. 1115(b)(2), may apply to  
 1036 the state board for status as a High Impact Charter Network. The  
 1037 state board shall adopt rules prescribing a process for  
 1038 determining whether the entity meets the requirements of this  
 1039 subsection by reviewing student demographic, academic, and  
 1040 financial performance data. The process shall include a review



1041 of all schools currently or previously operated by the entity,  
 1042 including schoolwide and subgroup performance on all statewide,  
 1043 standardized assessments for the most recent 3 years as compared  
 1044 to all students at the same grade level, and as compared with  
 1045 other schools serving similar demographics of students, and  
 1046 school-level financial performance. The review may also include  
 1047 performance on nationally norm-referenced assessments, student  
 1048 attendance and retention rates, graduation rates, college  
 1049 attendance rates, college persistence rates, and other outcome  
 1050 measures as determined by the state board.

1051 (3) An entity that is designated as a High Impact Charter  
 1052 Network pursuant to this subsection may submit an application  
 1053 pursuant to s. 1002.33 to establish and operate charter schools  
 1054 in critical need areas. Notwithstanding s. 1013.62(1)(a), a  
 1055 charter school operated by a High Impact Charter Network in a  
 1056 critical need area is eligible to receive charter school capital  
 1057 outlay.

1058 (4) The administrative fee provided for in s.  
 1059 1002.33(20)(a)2. shall be waived for a charter school  
 1060 established by a High Impact Charter Network in a critical need  
 1061 area as long as the network maintains its status as a High  
 1062 Impact Charter Network.

1063 (5) The department shall give priority to charter schools  
 1064 operated by a High Impact Charter Network in the department's  
 1065 Public Charter School Grant Program competitions. Priority shall  
 1066 only be provided for new charter schools that will operate in a

1067 critical need area.

1068 (6) The initial High Impact Charter Network status is  
 1069 valid for up to 4 years. If an entity seeks renewal of its  
 1070 status, the state board shall review the academic and financial  
 1071 performance of the charter schools established in areas of  
 1072 critical need pursuant to subsection (2).

1073 (7) For purposes of determining areas of critical need,  
 1074 school grades issued for the 2014-2015 school year may not be  
 1075 considered.

1076 (8) The State Board of Education shall adopt rules to  
 1077 administer this section.

1078 Section 4. Paragraph (a) of subsection (3) and paragraph  
 1079 (a) of subsection (8) of section 1002.37, Florida Statutes, are  
 1080 amended to read:

1081 1002.37 The Florida Virtual School.—

1082 (3) Funding for the Florida Virtual School shall be  
 1083 provided as follows:

1084 (a)1. The calculation of "full-time equivalent student"  
 1085 shall be as prescribed in s. 1011.61(1)(c)1.b.(V) and is subject  
 1086 to s. 1011.61(4) For a student in grades 9 through 12, a "full-  
 1087 time equivalent student" is one student who has successfully  
 1088 completed six full-credit courses that count toward the minimum  
 1089 number of credits required for high school graduation. A student  
 1090 who completes fewer than six full-credit courses is a fraction  
 1091 of a full-time equivalent student. Half-credit course  
 1092 completions shall be included in determining a full-time

1093 ~~equivalent student.~~

1094 ~~2. For a student in kindergarten through grade 8, a "full-~~  
 1095 ~~time equivalent student" is one student who has successfully~~  
 1096 ~~completed six courses or the prescribed level of content that~~  
 1097 ~~counts toward promotion to the next grade. A student who~~  
 1098 ~~completes fewer than six courses or the prescribed level of~~  
 1099 ~~content shall be a fraction of a full-time equivalent student.~~

1100 2.3. For a student in a home education program, funding  
 1101 shall be provided in accordance with this subsection upon course  
 1102 completion if the parent verifies, upon enrollment for each  
 1103 course, that the student is registered with the school district  
 1104 as a home education student pursuant to s. 1002.41(1)(a).

1105 ~~Beginning in the 2016-2017 fiscal year, the reported full-time~~  
 1106 ~~equivalent students and associated funding of students enrolled~~  
 1107 ~~in courses requiring passage of an end-of-course assessment~~  
 1108 ~~under s. 1003.4282 to earn a standard high school diploma shall~~  
 1109 ~~be adjusted if the student does not pass the end-of-course~~  
 1110 ~~assessment. However, no adjustment shall be made for home~~  
 1111 ~~education program students who choose not to take an end-of-~~  
 1112 ~~course assessment or for a student who enrolls in a segmented~~  
 1113 ~~remedial course delivered online.~~

1114  
 1115 ~~For purposes of this paragraph, the calculation of "full-time~~  
 1116 ~~equivalent student" shall be as prescribed in s.~~  
 1117 ~~1011.61(1)(c)1.b.(V) and is subject to the requirements in s.~~  
 1118 ~~1011.61(4).~~

1119 (8) (a) The Florida Virtual School may provide full-time  
 1120 and part-time instruction for students in kindergarten through  
 1121 grade 12. ~~To receive part-time instruction in kindergarten~~  
 1122 ~~through grade 5, a student must meet at least one of the~~  
 1123 ~~eligibility criteria in s. 1002.455(2).~~

1124 Section 5. Subsection (5) and paragraphs (c) and (d) of  
 1125 subsection (8) of section 1002.45, Florida Statutes, are amended  
 1126 to read:

1127 1002.45 Virtual instruction programs.—

1128 (5) STUDENT ELIGIBILITY.—Students in kindergarten through  
 1129 grade 12 ~~A student~~ may enroll in a virtual instruction program  
 1130 provided by the school district or by a virtual charter school  
 1131 operated in the district in which he or she resides ~~if the~~  
 1132 ~~student meets eligibility requirements for virtual instruction~~  
 1133 ~~pursuant to s. 1002.455.~~

1134 (8) ASSESSMENT AND ACCOUNTABILITY.—

1135 (c) An approved provider that receives a school grade of  
 1136 "D" or "F" under s. 1008.34 or a school improvement rating of  
 1137 "Unsatisfactory" ~~"Declining"~~ under s. 1008.341 must file a  
 1138 school improvement plan with the department for consultation to  
 1139 determine the causes for low performance and to develop a plan  
 1140 for correction and improvement.

1141 (d) An approved provider's contract is automatically ~~must~~  
 1142 ~~be terminated~~ if the provider earns two consecutive school  
 1143 grades of receives a school grade of "D" or "F" under s. 1008.34  
 1144 after all school grade appeals are final, receives two



1145 consecutive ~~or a~~ school improvement ratings rating of  
 1146 "unsatisfactory" ~~"Declining"~~ under s. 1008.341, ~~for 2 years~~  
 1147 ~~during any consecutive 4 year period~~ or has violated any  
 1148 qualification requirement pursuant to subsection (2). A provider  
 1149 that has a contract terminated under this paragraph may not be  
 1150 an approved provider for a period of at least 1 year after the  
 1151 date upon which the contract was terminated and until the  
 1152 department determines that the provider is in compliance with  
 1153 subsection (2) and has corrected each cause of the provider's  
 1154 low performance.

1155 Section 6. Section 1002.455, Florida Statutes, is  
 1156 repealed.

1157 Section 7. Subsection (3) of section 1003.4295, Florida  
 1158 Statutes, is amended to read:

1159 1003.4295 Acceleration options.-

1160 (3) The Credit Acceleration Program (CAP) is created for  
 1161 the purpose of allowing a student to earn high school credit in  
 1162 courses required for high school graduation through passage of  
 1163 an end-of-course assessment Algebra I, Algebra II, geometry,  
 1164 ~~United States history, or biology if the student passes the~~  
 1165 ~~statewide, standardized assessment~~ administered under s. 1008.22  
 1166 or an Advanced Placement Examination. Notwithstanding s.  
 1167 1003.436, a school district shall award course credit to a  
 1168 student who is not enrolled in the course, or who has not  
 1169 completed the course, if the student attains a passing score on  
 1170 the corresponding end-of-course assessment or Advanced Placement

1171 ~~Examination statewide, standardized assessment.~~ The school  
 1172 district shall permit a public school or home education student  
 1173 who is not enrolled in the course, or who has not completed the  
 1174 course, to take the assessment during the regular administration  
 1175 of the assessment.

1176 Section 8. Subsections (1) and (2) of section 1003.498,  
 1177 Florida Statutes, are amended to read:

1178 1003.498 School district virtual course offerings.—

1179 (1) School districts may deliver courses in the  
 1180 traditional school setting by personnel certified pursuant to s.  
 1181 1012.55 who provide direct instruction through virtual  
 1182 instruction or through blended learning courses consisting of  
 1183 both traditional classroom and online instructional techniques.  
 1184 Students in a blended learning course must be full-time students  
 1185 of the school pursuant to s. 1011.61(1)(a)1. ~~and receive the~~  
 1186 ~~online instruction in a classroom setting at the school.~~ The  
 1187 funding, performance, and accountability requirements for  
 1188 blended learning courses are the same as those for traditional  
 1189 courses. To facilitate the delivery and coding of blended  
 1190 learning courses, the department shall provide identifiers for  
 1191 existing courses to designate that they are being used for  
 1192 blended learning courses for the purpose of ensuring the  
 1193 efficient reporting of such courses. A district may report full-  
 1194 time equivalent student membership for credit earned by a  
 1195 student who is enrolled in a virtual education course provided  
 1196 by the district which is completed after the end of the regular

1197 school year if the FTE is reported no later than the deadline  
 1198 for amending the final student membership report for that year.

1199 (2) School districts may offer virtual courses for  
 1200 students enrolled in the school district. These courses must be  
 1201 identified in the course code directory. ~~Students who meet the~~  
 1202 ~~eligibility requirements of s. 1002.455 may participate in these~~  
 1203 ~~virtual course offerings.~~

1204 (a) Any eligible student who is enrolled in a school  
 1205 district may register and enroll in an online course offered by  
 1206 his or her school district.

1207 (b)1. Any eligible student who is enrolled in a school  
 1208 district may register and enroll in an online course offered by  
 1209 any other school district in the state. The school district in  
 1210 which the student completes the course shall report the  
 1211 student's completion of that course for funding pursuant to s.  
 1212 1011.61(1)(c)1.b.(VI), and the home school district shall not  
 1213 report the student for funding for that course.

1214 2. The full-time equivalent student membership calculated  
 1215 under this subsection is subject to the requirements in s.  
 1216 1011.61(4). The Department of Education shall establish  
 1217 procedures to enable interdistrict coordination for the delivery  
 1218 and funding of this online option.

1219 Section 9. Section 1004.650, Florida Statutes, is created  
 1220 to read:

1221 1004.650 Florida Institute for Charter School Innovation.-

1222 (1) There is established the Florida Institute for Charter

1223 School Innovation. The primary mission of the institute is to  
 1224 advance charter school accountability, quality, and innovation  
 1225 by providing support for and technical assistance to charter  
 1226 school applicants and sponsors. Additionally, the institute  
 1227 shall conduct research for the development and promotion of best  
 1228 practices for the sponsorship, accountability, finance,  
 1229 management, operation, and instructional practices of charter  
 1230 schools and may provide opportunities for aspiring teachers to  
 1231 experience teaching in schools of choice.

1232 (2) The institute:

1233 (a) Shall provide technical assistance and support to  
 1234 charter school applicants and sponsors.

1235 (b) Shall collect data and conduct research on all  
 1236 voluntary closures under s. 1002.33(7)(d) and all charter  
 1237 schools that close within the first 3 years of operation;  
 1238 analyze the circumstances that led to the closures, including  
 1239 actions of the charter school and the sponsor; and, based on  
 1240 those results, provide guidance and technical assistance to  
 1241 future applicants and sponsors. Charter schools and sponsors  
 1242 must provide all requested information to the institute.

1243 (c) Shall research and analyze best practices among  
 1244 sponsors and, based upon the results of the research, create and  
 1245 conduct professional development for sponsors.

1246 (d) Shall conduct research to inform policy and practices  
 1247 related to charter school sponsorship, accountability,  
 1248 instructional practices, finance, management, and operations.



1249 (e) May partner with state-approved teacher preparation  
 1250 programs around the state to provide opportunities for aspiring  
 1251 teachers to experience teaching in schools of choice.

1252 (3) The commissioner shall appoint a director of the  
 1253 institute. The director is responsible for the overall  
 1254 management of the institute and for developing and executing the  
 1255 work of the institute consistent with this section.

1256 (4) By October 1 of each year, the institute shall publish  
 1257 on its website a report of its activities for the preceding  
 1258 year, which shall include, but need not be limited to, the  
 1259 number of applicants and sponsors served, the number of teachers  
 1260 provided opportunities to experience teaching in schools of  
 1261 choice, significant research findings, detailed expenditures of  
 1262 state funds, and specific recommendations for improving the  
 1263 state's charter school policies and the institute's ability to  
 1264 fulfill its mission.

1265 (5) Within 180 days after completion of the institute's  
 1266 fiscal year, the institute must provide to the Auditor General  
 1267 and the State Board of Education a report on the results of an  
 1268 annual financial audit conducted by an independent certified  
 1269 public accountant in accordance with s. 11.45.

1270 Section 10. Subsection (1) of section 1011.61, Florida  
 1271 Statutes, is amended to read:

1272 1011.61 Definitions.—Notwithstanding the provisions of s.  
 1273 1000.21, the following terms are defined as follows for the  
 1274 purposes of the Florida Education Finance Program:

1275 (1) A "full-time equivalent student" in each program of  
 1276 the district is defined in terms of full-time students and part-  
 1277 time students as follows:

1278 (a) A "full-time student" is one student on the membership  
 1279 roll of one school program or a combination of school programs  
 1280 listed in s. 1011.62(1)(c) for the school year or the equivalent  
 1281 for:

1282 1. Instruction in a standard school, comprising not less  
 1283 than 900 net hours for a student in or at the grade level of 4  
 1284 through 12, or not less than 720 net hours for a student in or  
 1285 at the grade level of kindergarten through grade 3 or in an  
 1286 authorized prekindergarten exceptional program; or

1287 ~~2. Instruction in a double-session school or a school~~  
 1288 ~~utilizing an experimental school calendar approved by the~~  
 1289 ~~Department of Education, comprising not less than the equivalent~~  
 1290 ~~of 810 net hours in grades 4 through 12 or not less than 630 net~~  
 1291 ~~hours in kindergarten through grade 3; or~~

1292 2. 3- Instruction comprising the appropriate number of net  
 1293 hours set forth in subparagraph 1. ~~or subparagraph 2.~~ for  
 1294 students who, within the past year, have moved with their  
 1295 parents for the purpose of engaging in the farm labor or fish  
 1296 industries, if a plan furnishing such an extended school day or  
 1297 week, or a combination thereof, has been approved by the  
 1298 commissioner. Such plan may be approved to accommodate the needs  
 1299 of migrant students only or may serve all students in schools  
 1300 having a high percentage of migrant students. The plan described

1301 in this subparagraph is optional for any school district and is  
 1302 not mandated by the state.

1303 (b) A "part-time student" is a student on the active  
 1304 membership roll of a school program or combination of school  
 1305 programs listed in s. 1011.62(1)(c) who is less than a full-time  
 1306 student. A student who receives instruction in a school that  
 1307 operates for less than the minimum term shall generate full-time  
 1308 equivalent student membership proportional to the amount of  
 1309 instructional hours provided by the school divided by the  
 1310 minimum term requirement as provided in s. 1011.60(2).

1311 (c)1. A "full-time equivalent student" is:

1312 a. A full-time student in any one of the programs listed  
 1313 in s. 1011.62(1)(c); or

1314 b. A combination of full-time or part-time students in any  
 1315 one of the programs listed in s. 1011.62(1)(c) which is the  
 1316 equivalent of one full-time student based on the following  
 1317 calculations:

1318 (I) A full-time student in a combination of programs  
 1319 listed in s. 1011.62(1)(c) shall be a fraction of a full-time  
 1320 equivalent membership in each special program equal to the  
 1321 number of net hours per school year for which he or she is a  
 1322 member, divided by the appropriate number of hours set forth in  
 1323 subparagraph (a)1. ~~or subparagraph (a)2.~~ The difference between  
 1324 that fraction or sum of fractions and the maximum value as set  
 1325 forth in subsection (4) for each full-time student is presumed  
 1326 to be the balance of the student's time not spent in a special

1327 program and shall be recorded as time in the appropriate basic  
 1328 program.

1329 (II) A prekindergarten student with a disability shall  
 1330 meet the requirements specified for kindergarten students.

1331 (III) A full-time equivalent student for students in  
 1332 kindergarten through grade 12 in a full-time virtual instruction  
 1333 program under s. 1002.45 or a virtual charter school under s.  
 1334 1002.33 shall consist of six full-credit completions or the  
 1335 prescribed level of content that counts toward promotion to the  
 1336 next grade in programs listed in s. 1011.62(1)(c). Credit  
 1337 completions may be a combination of full-credit courses or half-  
 1338 credit courses. ~~Beginning in the 2016-2017 fiscal year, the~~  
 1339 ~~reported full-time equivalent students and associated funding of~~  
 1340 ~~students enrolled in courses requiring passage of an end-of-~~  
 1341 ~~course assessment under s. 1003.4282 to earn a standard high~~  
 1342 ~~school diploma shall be adjusted if the student does not pass~~  
 1343 ~~the end-of course assessment. However, no adjustment shall be~~  
 1344 ~~made for a student who enrolls in a segmented remedial course~~  
 1345 ~~delivered online.~~

1346 (IV) A full-time equivalent student for students in  
 1347 kindergarten through grade 12 in a part-time virtual instruction  
 1348 program under s. 1002.45 shall consist of six full-credit  
 1349 completions in programs listed in s. 1011.62(1)(c)1. and 3.  
 1350 Credit completions may be a combination of full-credit courses  
 1351 or half-credit courses. ~~Beginning in the 2016-2017 fiscal year,~~  
 1352 ~~the reported full-time equivalent students and associated~~



1353 ~~funding of students enrolled in courses requiring passage of an~~  
 1354 ~~end of course assessment under s. 1003.4282 to earn a standard~~  
 1355 ~~high school diploma shall be adjusted if the student does not~~  
 1356 ~~pass the end of course assessment. However, no adjustment shall~~  
 1357 ~~be made for a student who enrolls in a segmented remedial course~~  
 1358 ~~delivered online.~~

1359 (V) A Florida Virtual School full-time equivalent student  
 1360 shall consist of six full-credit completions or the prescribed  
 1361 level of content that counts toward promotion to the next grade  
 1362 in the programs listed in s. 1011.62(1)(c)1. and 3. for students  
 1363 participating in kindergarten through grade 12 part-time virtual  
 1364 instruction and the programs listed in s. 1011.62(1)(c) for  
 1365 students participating in kindergarten through grade 12 full-  
 1366 time virtual instruction. Credit completions may be a  
 1367 combination of full-credit courses or half-credit courses.  
 1368 ~~Beginning in the 2016 2017 fiscal year, the reported full time~~  
 1369 ~~equivalent students and associated funding of students enrolled~~  
 1370 ~~in courses requiring passage of an end of course assessment~~  
 1371 ~~under s. 1003.4282 to earn a standard high school diploma shall~~  
 1372 ~~be adjusted if the student does not pass the end of course~~  
 1373 ~~assessment. However, no adjustment shall be made for a student~~  
 1374 ~~who enrolls in a segmented remedial course delivered online.~~

1375 (VI) Each successfully completed full-credit course earned  
 1376 through an online course delivered by a district other than the  
 1377 one in which the student resides shall be calculated as 1/6  
 1378 FTE.

1379 (VII) A full-time equivalent student for courses requiring  
 1380 passage of a statewide, standardized end-of-course assessment  
 1381 under s. 1003.4282 to earn a standard high school diploma shall  
 1382 be defined and reported based on the number of instructional  
 1383 hours as provided in this subsection ~~until the 2016-2017 fiscal~~  
 1384 ~~year. Beginning in the 2016-2017 fiscal year, the FTE for the~~  
 1385 ~~course shall be assessment based and shall be equal to 1/6 FTE.~~  
 1386 ~~The reported FTE shall be adjusted if the student does not pass~~  
 1387 ~~the end of course assessment. However, no adjustment shall be~~  
 1388 ~~made for a student who enrolls in a segmented remedial course~~  
 1389 ~~delivered online.~~

1390 (VIII) For students enrolled in a school district as a  
 1391 full-time student, the district may report 1/6 FTE for each  
 1392 student who passes a statewide, standardized end-of-course  
 1393 assessment without being enrolled in the corresponding course.

1394 2. A student in membership in a program scheduled for more  
 1395 or less than 180 school days or the equivalent on an hourly  
 1396 basis as specified by rules of the State Board of Education is a  
 1397 fraction of a full-time equivalent membership equal to the  
 1398 number of instructional hours in membership divided by the  
 1399 appropriate number of hours set forth in subparagraph (a)1.;  
 1400 however, for the purposes of this subparagraph, membership in  
 1401 programs scheduled for more than 180 days is limited to students  
 1402 enrolled in:

- 1403 a. Juvenile justice education programs.
- 1404 b. The Florida Virtual School.

1405 c. Virtual instruction programs and virtual charter  
 1406 schools for the purpose of course completion and credit recovery  
 1407 pursuant to ss. 1002.45 and 1003.498. Course completion applies  
 1408 only to a student who is reported during the second or third  
 1409 membership surveys and who does not complete a virtual education  
 1410 course by the end of the regular school year. The course must be  
 1411 completed no later than the deadline for amending the final  
 1412 student enrollment survey for that year. Credit recovery applies  
 1413 only to a student who has unsuccessfully completed a traditional  
 1414 or virtual education course during the regular school year and  
 1415 must re-take the course in order to be eligible to graduate with  
 1416 the student's class.

1417  
 1418 The full-time equivalent student enrollment calculated under  
 1419 this subsection is subject to the requirements in subsection  
 1420 (4).

1421  
 1422 The department shall determine and implement an equitable method  
 1423 of equivalent funding for ~~experimental schools and for~~ schools  
 1424 operating under emergency conditions, which schools have been  
 1425 approved by the department to operate for less than the minimum  
 1426 term as provided in s. 1011.60(2) school day.

1427 Section 11. Subsection (11) of section 1011.62, Florida  
 1428 Statutes, is amended to read:

1429 1011.62 Funds for operation of schools.—If the annual  
 1430 allocation from the Florida Education Finance Program to each

1431 district for operation of schools is not determined in the  
 1432 annual appropriations act or the substantive bill implementing  
 1433 the annual appropriations act, it shall be determined as  
 1434 follows:

1435 (11) VIRTUAL EDUCATION CONTRIBUTION.—The Legislature may  
 1436 annually provide in the Florida Education Finance Program a  
 1437 virtual education contribution. The amount of the virtual  
 1438 education contribution shall be the difference between the  
 1439 amount per FTE established in the General Appropriations Act for  
 1440 virtual education and the amount per FTE for each district and  
 1441 the Florida Virtual School, which may be calculated by taking  
 1442 the sum of the base FEFP allocation, the discretionary local  
 1443 effort, the state-funded discretionary contribution, the  
 1444 discretionary millage compression supplement, the research-based  
 1445 reading instruction allocation, and the instructional materials  
 1446 allocation, and then dividing by the total unweighted FTE. This  
 1447 difference shall be multiplied by the virtual education  
 1448 unweighted FTE for programs and options identified in ss.  
 1449 1002.33(1), 1002.45(1)(b), and 1003.498 ~~s. 1002.455(3)~~ and the  
 1450 Florida Virtual School and its franchises to equal the virtual  
 1451 education contribution and shall be included as a separate  
 1452 allocation in the funding formula.

1453 Section 12. Paragraph (b) of subsection (8) of section  
 1454 1012.56, Florida Statutes, is amended to read:

1455 1012.56 Educator certification requirements.—

1456 (8) PROFESSIONAL DEVELOPMENT CERTIFICATION AND EDUCATION



1457 COMPETENCY PROGRAM.—

1458 (b)1. Each school district must and a private school or  
 1459 state-supported state-supported public school, including a  
 1460 charter school, or a private school may develop and maintain a  
 1461 system by which members of the instructional staff may  
 1462 demonstrate mastery of professional preparation and education  
 1463 competence as required by law. Each program must be based on  
 1464 classroom application of the Florida Educator Accomplished  
 1465 Practices and instructional performance and, for public schools,  
 1466 must be aligned with the district's or state-supported public  
 1467 school's evaluation system established ~~approved~~ under s.  
 1468 1012.34, as applicable.

1469 2. The Commissioner of Education shall determine the  
 1470 continued approval of programs implemented under this paragraph,  
 1471 based upon the department's review of performance data. The  
 1472 department shall review the performance data as a part of the  
 1473 periodic review of each school district's professional  
 1474 development system required under s. 1012.98.

1475 Section 13. Paragraph (a) of subsection (1) of section  
 1476 1013.62, Florida Statutes, is amended to read:

1477 1013.62 Charter schools capital outlay funding.—

1478 (1) In each year in which funds are appropriated for  
 1479 charter school capital outlay purposes, the Commissioner of  
 1480 Education shall allocate the funds among eligible charter  
 1481 schools.

1482 (a) To be eligible for a funding allocation, a charter

1483 school must:

1484 1.a. Have been in operation for 3 or more years;

1485 b. Be governed by a governing board established in the  
1486 state for 3 or more years which operates both charter schools  
1487 and conversion charter schools within the state;

1488 c. Be an expanded feeder chain of a charter school within  
1489 the same school district that is currently receiving charter  
1490 school capital outlay funds;

1491 d. Have been accredited by the Commission on Schools of  
1492 the Southern Association of Colleges and Schools; or

1493 e. Serve students in facilities that are provided by a  
1494 business partner for a charter school-in-the-workplace pursuant  
1495 to s. 1002.33(15)(b).

1496 2. Have an annual audit that does not reveal any of the  
1497 financial emergency conditions provided in s. 218.503(1) for the  
1498 most recent fiscal year for which such audit results are  
1499 available ~~stability for future operation as a charter school.~~

1500 3. Have satisfactory student achievement based on state  
1501 accountability standards applicable to the charter school.

1502 4. Have received final approval from its sponsor pursuant  
1503 to s. 1002.33 for operation during that fiscal year.

1504 5. Serve students in facilities that are not provided by  
1505 the charter school's sponsor.

1506 Section 14. This act shall take effect July 1, 2016.