



PreK-12 Quality Subcommittee

January 17, 2018

1:00 PM

Reed Hall (102 HOB)

Meeting Packet

**Richard Corcoran
Speaker**

**Jake Raburn
Chair**

Committee Meeting Notice

HOUSE OF REPRESENTATIVES

PreK-12 Quality Subcommittee

Start Date and Time: Wednesday, January 17, 2018 01:00 pm
End Date and Time: Wednesday, January 17, 2018 03:00 pm
Location: Reed Hall (102 HOB)
Duration: 2.00 hrs

Consideration of the following bill(s):

HB 887 Reading Instruction by Harrell
HJR 1031 Limitation of Terms of Office for Members of a District School Board by Fischer, Raburn
HB 1175 Early Learning Coalitions by Sullivan
HB 1279 School District Accountability by Sullivan

NOTICE FINALIZED on 01/12/2018 4:21PM by Jones.Missy

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 887 Reading Instruction
SPONSOR(S): Harrell
TIED BILLS: None **IDEN./SIM. BILLS:** SB 1306

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) PreK-12 Quality Subcommittee		Brink	DavisGreene
2) PreK-12 Appropriations Subcommittee			
3) Education Committee			

SUMMARY ANALYSIS

Florida law provides for a multitude of programs, initiatives, and requirements to assist in implementing effective reading instruction and interventions for struggling readers, particularly in early grades. To further increase the quality of reading interventions, the bill:

- beginning with the 2020-2021 school year, requires teachers who provide reading interventions under a school district's K-12 comprehensive reading plan to be certified or endorsed in reading;
- requires the Florida Department of Education (DOE), as part of its review of certain certification and endorsement requirements, to consider awarding a reading endorsement to teachers who are certified by an internationally recognized reading intervention organization or who complete a program accredited by the organization; and
- requires school districts to provide teachers access to training for a reading endorsement consistent with the DOE's review of endorsement requirements.

The bill does not appear to have a fiscal impact.

The bill takes effect on July 1, 2018.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Educator Certification Coverage Areas and Endorsements

Present Situation

In order for a person to serve as an educator in a traditional public school, charter school, virtual school, or other publicly operated school, the person must hold a certificate issued by the Florida Department of Education (DOE).¹ Persons seeking employment at a public school as a school supervisor, school principal, teacher, library media specialist, school counselor, athletic coach, or in another instructional capacity must be certified.² The purpose of certification is to require school-based personnel to “possess the credentials, knowledge, and skills necessary to allow the opportunity for a high-quality education in the public schools.”³

Each educator certificate has subject area “coverage”--a designation on the certificate that indicates the field in which the educator has content knowledge (e.g., Mathematics, grades 6-12). An “endorsement” is a “rider” shown on an educator certificate that signifies the educator has knowledge of instructional strategies that target particular levels, stages of development, or circumstances (e.g., Reading Endorsement or Endorsement in English for Speakers of Other Languages).⁴

To add subject area coverage or an endorsement to a professional certificate or temporary certificate, an educator must submit an application and the required fee and complete requirements as specified in state board rule.

The specialization requirements for a K-12 reading certification are:

- a master’s or higher degree with a graduate major in reading; or
- a bachelor’s or higher degree with 30 semester hours in reading to include the following areas:
 - Six semester hours in foundations of reading instruction to include the elementary and secondary levels
 - Six semester hours in diagnosis of reading disabilities and techniques of corrective or remedial reading
 - Three semester hours in educational measurement
 - Three semester hours in literature for children or adolescents
 - Three semester hours in methods of teaching language arts at the elementary or secondary level
 - Three semester hours in administration and interpretation of instructional assessments with instructional strategies and materials based upon scientifically based reading research for the prevention and remediation of reading difficulties
 - Three semester hours in a supervised reading practicum to obtain practical experience in increasing the reading performance of a student(s) with the prescription and utilization

¹ Sections 1012.55(1) and 1002.33(12)(f), F.S.

² Sections 1002.33(12)(f) (charter school teachers) and 1012.55(1), F.S. District school boards and charter school governing boards are authorized to hire non-certificated individuals who possess expertise in a given field to serve in an instructional capacity. Rule 6A-1.0502, F.A.C.; ss. 1002.33(12)(f) and 1012.55(1)(c), F.S. Occupational therapists, physical therapists, audiologists, and speech therapists are not required to be certified educators. Rule 6A-1.0502(10) and (11), F.A.C.

³ Section 1012.54, F.S.; see rule 6A-4.001(1), F.A.C.

⁴ See Florida Department of Education, *Certificate Additions*, <http://www.fldoe.org/teaching/certification/additions/> (last visited Jan. 11, 2018).

of appropriate strategies and materials based upon scientifically based reading research to address the prevention, identification, and intervention of reading difficulties⁵

The specialization requirements for a reading endorsement are a bachelor's or higher degree with certification in an academic, degreed vocational, administrative, or specialty class coverage and 15 semester hours in reading coursework, based upon scientifically based reading research with a focus on both the prevention and remediation of reading difficulties, to include the following:

- Six semester hours in understanding reading as a process of student engagement in both fluent decoding of words and construction of meaning
- Three semester hours in the administration and interpretation of instructional assessments to include screening, diagnosis, and progress monitoring with purposes of prevention, identification, and remediation of reading difficulties
- Three semester hours in understanding how to prescribe, differentiate instruction, and utilize appropriate strategies and materials based upon scientifically based reading research in order to address the prevention, identification, and remediation of reading difficulties in order to increase reading performance
- Three semester hours in a supervised practicum to obtain practical experience in increasing the reading performance of a student(s) with the prescription and utilization of appropriate strategies and materials based upon scientifically based reading research to address the prevention, identification, and remediation of reading difficulties⁶

By July 1, 2018, and at least once every five years thereafter, the DOE must review specialization and coverage area requirements in the elementary, reading, and exceptional student educational areas. At the conclusion of each review, the DOE must recommend to the State Board of Education changes to the specialization and coverage area requirements based upon any instructional or intervention strategies identified by the DOE that are proven to improve student reading performance.⁷

Effect of Proposed Changes

The bill requires the DOE's review of specialization and endorsement coverage areas to consider the award of an endorsement to an individual who holds a certificate issued by an internationally recognized organization that establishes standards for providing evidence-based interventions to struggling readers or who completes a postsecondary program that is accredited by such an organization. The bill specifies that any such certificate must require an individual who completes the certificate or accredited program to demonstrate competence in reading intervention strategies through clinical experience.

Research-Based Reading Allocation

Present Situation

The Florida Education Finance Program (FEFP), which is used to provide equalized funding for all school districts across the state, includes a research-based reading allocation for districts to provide a K-12 comprehensive system of research-based reading instruction.⁸ The Legislature appropriates the allocation each year. In 2017, the Legislature appropriated \$130 million for the allocation for the 2017-18 school year.⁹ Among other things, funds from the allocation may be used to provide intensive interventions for students in kindergarten through grade 12 who have been identified as having a

⁵ Rule 6A-4.0291, F.A.C.

⁶ Rule 6A-4.0292, F.A.C.

⁷ Section 1012.586(1)(b), F.S., as amended by s. 12, ch. 2017-116, L.O.F.

⁸ See s. 1011.62(9)(d), F.S.; s. 6, ch. 2017-234, L.O.F. See also Florida Department of Education, *2017-18 Funding for Florida School Districts* (2017) at 18, available at www.fldoe.org/core/fileparse.php/7507/urlt/Fefpdist.pdf.

⁹ See s. 6, ch. 2017-234, L.O.F.

reading deficiency or who are reading below grade level as determined by the statewide, standardized English Language Arts assessment.¹⁰

In order to be eligible to receive funds from the allocation, a school district must annually submit a K-12 comprehensive reading plan for review and approval by the Just Read, Florida! Office within the DOE.¹¹ The plan is deemed approved unless the JRFO rejects the plan on or before June 1. The plan format must be developed with input from school district personnel and must allow courses in core, career, and alternative programs that deliver intensive reading remediation through integrated curricula by a teacher who is deemed "highly qualified to teach reading or working toward that status."¹²

The DOE must release a school district's allocation of appropriated funds no later than July 1 if its plan is deemed approved. The DOE may withhold funds if it determines that the reading allocation funds are not being used to implement the school district's approved plan. The DOE must monitor implementation of each district's plan, including through site visits and collecting data on expenditures and reading improvement results.¹³

The JRFO was established by the Legislature in 2006 to implement the Just Read, Florida! initiative, which aimed to help students become successful, independent readers.¹⁴ Among other things, the office must:

- work with the Lastinger Center for Learning at the University of Florida to develop training for K-12 teachers, reading coaches, and school principals on effective content-area-specific reading strategies and the integration of content-rich curriculum from other core subject areas into reading instruction;
- develop and provide access to sequenced, content-rich curriculum programming, instructional practices, and resources that help elementary schools use state-adopted instructional materials to increase students' background knowledge and literacy skills; and
- work with the Florida Center for Reading Research to identify scientifically researched and evidence-based reading instructional and intervention programs that incorporate explicit, systematic, and sequential approaches to teaching phonemic awareness, phonics, vocabulary, fluency, and text comprehension and incorporate decodable or phonetic text instructional strategies.¹⁵

Effect of Proposed Changes

The bill requires that, beginning with the 2020-2021 school year, intensive reading interventions provided pursuant to a school district's reading plan must be delivered by a teacher who is certified or endorsed in reading. The intensive interventions must incorporate the evidence-based intervention strategies identified by the JRFO.

Professional Development

Present Situation

Florida law requires a number of entities, including the DOE, public postsecondary educational institutions, public school districts, public schools, state education foundations, consortia, and professional organizations, to work collaboratively to develop a coordinated system of professional development. The purpose of the system is to increase student achievement, enhance classroom

¹⁰ See s. 1011.62(9)(c)7., F.S. Section 1008.22, F.S. establishes requirements related to statewide, standardized assessments.

¹¹ Section 1011.62(9)(d)1., F.S.

¹² *Id.*

¹³ *Id.*

¹⁴ Section 8, ch. 2006-74, L.O.F. The initiative was established by Governor Jeb Bush in 2001. See Exec. Order No. 01-260 (2001).

¹⁵ See s. 1001.215(3), (4), and (8), F.S. Reading intervention includes evidence-based strategies frequently used to remediate reading deficiencies and includes, but is not limited to, individual instruction, multisensory approaches, tutoring, mentoring, or the use of technology that targets specific reading skills and abilities. Section 1001.215(8), F.S.

instructional strategies that promote rigor and relevance throughout the curriculum, and prepare students for continuing education and the workforce.¹⁶

Each school district is required to develop a professional development system in consultation with teachers, teacher-educators of Florida College System institutions and state universities, business and community representatives, and local education foundations, consortia, and professional organizations.¹⁷

Currently, each school district's system must provide training to reading coaches, classroom teachers, and school administrators in effective methods of identifying characteristics of conditions such as dyslexia and other causes of diminished phonological processing skills; incorporating instructional techniques into the general education setting which are proven to improve reading performance for all students; and using predictive and other data to make instructional decisions based on individual student needs.¹⁸ The training must help teachers integrate phonemic awareness; phonics, word study, and spelling; reading fluency; vocabulary, including academic vocabulary; and text comprehension strategies into an explicit, systematic, and sequential approach to reading instruction, including multisensory intervention strategies.¹⁹ Each district must provide all elementary grades instructional personnel access to training sufficient to meet certain certification renewal requirements.²⁰

Effect of Proposed Changes

The bill requires each district school board professional development system to provide all elementary grades instructional personnel access to training sufficient to earn a reading endorsement consistent with any changes made as a result of the DOE's review of certification subject area and endorsement requirements.

B. SECTION DIRECTORY:

Section 1. Amends s. 1011.62, F.S.; requiring K-12 comprehensive reading plans to provide for intensive reading interventions that are delivered by teachers who meet certain criteria beginning with a specified school year; providing requirements for such interventions.

Section 2. Amends s. 1012.586, F.S.; requiring the Department of Education to consider the award of endorsements for a teaching certificate to individuals who hold specified certifications or who complete specified programs that meet certain criteria in a specified review.

Section 3. Amends s. 1012.98, F.S.; requiring school districts to provide access to training sufficient to earn an endorsement in reading.

Section 4. Provides an effective date of July 1, 2018.

¹⁶ Section 1012.98(1), F.S.

¹⁷ Section 1012.98(4)(b), F.S.

¹⁸ Section 1012.98(4)(b)11., F.S.

¹⁹ *Id.*

²⁰ *Id.* Section 1012.585(3)(f), F.S., requires that an applicant for renewal of a professional certificate in any area of certification identified by State Board of Education rule that includes reading instruction or intervention for any students in kindergarten through grade 6, with a beginning validity date of July 1, 2020, or thereafter, must earn a minimum of 2 college credits or the equivalent inservice points in the use of explicit, systematic, and sequential approaches to reading instruction, developing phonemic awareness, and implementing multisensory intervention strategies. Such training must be provided by teacher preparation programs or approved school district professional development systems.

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:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None.

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 reading instruction; amending s.
 3 1011.62, F.S.; requiring K-12 comprehensive reading
 4 plans to provide for intensive reading interventions
 5 that are delivered by teachers who meet certain
 6 criteria beginning with a specified school year;
 7 providing requirements for such interventions;
 8 amending s. 1012.586, F.S.; requiring the Department
 9 of Education to consider the award of endorsements for
 10 a teaching certificate to individuals who hold
 11 specified certifications or who complete specified
 12 programs that meet certain criteria in a specified
 13 review; amending s. 1012.98, F.S.; requiring school
 14 districts to provide access to training sufficient to
 15 earn an endorsement in reading; providing an effective
 16 date.

17
 18 Be It Enacted by the Legislature of the State of Florida:

19
 20 Section 1. Paragraph (d) of subsection (9) of section
 21 1011.62, Florida Statutes, is amended to read:

22 1011.62 Funds for operation of schools.—If the annual
 23 allocation from the Florida Education Finance Program to each
 24 district for operation of schools is not determined in the
 25 annual appropriations act or the substantive bill implementing

26 the annual appropriations act, it shall be determined as
27 follows:

28 (9) RESEARCH-BASED READING INSTRUCTION ALLOCATION.—

29 (d)1. Annually, by a date determined by the Department of
30 Education but before May 1, school districts shall submit a K-12
31 comprehensive reading plan for the specific use of the research-
32 based reading instruction allocation in the format prescribed by
33 the department for review and approval by the Just Read,
34 Florida! Office created pursuant to s. 1001.215. The plan
35 annually submitted by school districts shall be deemed approved
36 unless the department rejects the plan on or before June 1. If a
37 school district and the Just Read, Florida! Office cannot reach
38 agreement on the contents of the plan, the school district may
39 appeal to the State Board of Education for resolution. School
40 districts shall be allowed reasonable flexibility in designing
41 their plans and shall be encouraged to offer reading
42 intervention through innovative methods, including career
43 academies. The plan format shall be developed with input from
44 school district personnel, including teachers and principals,
45 and shall provide for ~~allow courses in core, career, and~~
46 ~~alternative programs that deliver~~ intensive reading
47 interventions ~~remediation~~ through integrated curricula, provided
48 that, beginning with the 2020-2021 school year, the
49 interventions are delivered by a teacher who is certified or
50 endorsed in reading. Such interventions must incorporate

51 strategies identified by the Just Read, Florida! Office pursuant
52 to s. 1001.215(8) deemed highly qualified to teach reading or
53 ~~working toward that status.~~ No later than July 1 annually, the
54 department shall release the school district's allocation of
55 appropriated funds to those districts having approved plans. A
56 school district that spends 100 percent of this allocation on
57 its approved plan shall be deemed to have been in compliance
58 with the plan. The department may withhold funds upon a
59 determination that reading instruction allocation funds are not
60 being used to implement the approved plan. The department shall
61 monitor and track the implementation of each district plan,
62 including conducting site visits and collecting specific data on
63 expenditures and reading improvement results. By February 1 of
64 each year, the department shall report its findings to the
65 Legislature.

66 2. Each school district that has a school designated as
67 one of the 300 lowest-performing elementary schools as specified
68 in paragraph (a) shall specifically delineate in the
69 comprehensive reading plan, or in an addendum to the
70 comprehensive reading plan, the implementation design and
71 reading intervention strategies that will be used for the
72 required additional hour of reading instruction. The term
73 "reading intervention" includes evidence-based strategies
74 frequently used to remediate reading deficiencies and also
75 includes individual instruction, tutoring, mentoring, or the use

76 of technology that targets specific reading skills and
 77 abilities.

78 Section 2. Paragraph (b) of subsection (1) of section
 79 1012.586, Florida Statutes, is amended to read:

80 1012.586 Additions or changes to certificates; duplicate
 81 certificates.—A school district may process via a Department of
 82 Education website certificates for the following applications of
 83 public school employees:

84 (1) Addition of a subject coverage or endorsement to a
 85 valid Florida certificate on the basis of the completion of the
 86 appropriate subject area testing requirements of s.
 87 1012.56(5)(a) or the completion of the requirements of an
 88 approved school district program or the inservice components for
 89 an endorsement.

90 (b) By July 1, 2018, and at least once every 5 years
 91 thereafter, the department shall conduct a review of existing
 92 subject coverage or endorsement requirements in the elementary,
 93 reading, and exceptional student educational areas. The review
 94 must include reciprocity requirements for out-of-state
 95 certificates and requirements for demonstrating competency in
 96 the reading instruction professional development topics listed
 97 in s. 1012.98(4)(b)11. The review must also consider the award
 98 of an endorsement to an individual who holds a certificate
 99 issued by an internationally recognized organization that
 100 establishes standards for providing evidence-based interventions

101 to struggling readers or who completes a postsecondary program
102 that is accredited by such organization. Any such certificate or
103 program must require an individual who completes the certificate
104 or program to demonstrate competence in reading intervention
105 strategies through clinical experience. At the conclusion of
106 each review, the department shall recommend to the state board
107 changes to the subject coverage or endorsement requirements
108 based upon any identified instruction or intervention strategies
109 proven to improve student reading performance. This paragraph
110 does not authorize the state board to establish any new
111 certification subject coverage.

112
113 The employing school district shall charge the employee a fee
114 not to exceed the amount charged by the Department of Education
115 for such services. Each district school board shall retain a
116 portion of the fee as defined in the rules of the State Board of
117 Education. The portion sent to the department shall be used for
118 maintenance of the technology system, the web application, and
119 posting and mailing of the certificate.

120 Section 3. Paragraph (b) of subsection (4) of section
121 1012.98, Florida Statutes, is amended to read:

122 1012.98 School Community Professional Development Act.—

123 (4) The Department of Education, school districts,
124 schools, Florida College System institutions, and state
125 universities share the responsibilities described in this

126 section. These responsibilities include the following:

127 (b) Each school district shall develop a professional
 128 development system as specified in subsection (3). The system
 129 shall be developed in consultation with teachers, teacher-
 130 educators of Florida College System institutions and state
 131 universities, business and community representatives, and local
 132 education foundations, consortia, and professional
 133 organizations. The professional development system must:

134 1. Be approved by the department. All substantial
 135 revisions to the system shall be submitted to the department for
 136 review for continued approval.

137 2. Be based on analyses of student achievement data and
 138 instructional strategies and methods that support rigorous,
 139 relevant, and challenging curricula for all students. Schools
 140 and districts, in developing and refining the professional
 141 development system, shall also review and monitor school
 142 discipline data; school environment surveys; assessments of
 143 parental satisfaction; performance appraisal data of teachers,
 144 managers, and administrative personnel; and other performance
 145 indicators to identify school and student needs that can be met
 146 by improved professional performance.

147 3. Provide inservice activities coupled with followup
 148 support appropriate to accomplish district-level and school-
 149 level improvement goals and standards. The inservice activities
 150 for instructional personnel shall focus on analysis of student

151 achievement data, ongoing formal and informal assessments of
152 student achievement, identification and use of enhanced and
153 differentiated instructional strategies that emphasize rigor,
154 relevance, and reading in the content areas, enhancement of
155 subject content expertise, integrated use of classroom
156 technology that enhances teaching and learning, classroom
157 management, parent involvement, and school safety.

158 4. Provide inservice activities and support targeted to
159 the individual needs of new teachers participating in the
160 professional development certification and education competency
161 program under s. 1012.56(8)(a).

162 5. Include a master plan for inservice activities,
163 pursuant to rules of the State Board of Education, for all
164 district employees from all fund sources. The master plan shall
165 be updated annually by September 1, must be based on input from
166 teachers and district and school instructional leaders, and must
167 use the latest available student achievement data and research
168 to enhance rigor and relevance in the classroom. Each district
169 inservice plan must be aligned to and support the school-based
170 inservice plans and school improvement plans pursuant to s.
171 1001.42(18). Each district inservice plan must provide a
172 description of the training that middle grades instructional
173 personnel and school administrators receive on the district's
174 code of student conduct adopted pursuant to s. 1006.07;
175 integrated digital instruction and competency-based instruction

176 and CAPE Digital Tool certificates and CAPE industry
 177 certifications; classroom management; student behavior and
 178 interaction; extended learning opportunities for students; and
 179 instructional leadership. District plans must be approved by the
 180 district school board annually in order to ensure compliance
 181 with subsection (1) and to allow for dissemination of research-
 182 based best practices to other districts. District school boards
 183 must submit verification of their approval to the Commissioner
 184 of Education no later than October 1, annually. Each school
 185 principal may establish and maintain an individual professional
 186 development plan for each instructional employee assigned to the
 187 school as a seamless component to the school improvement plans
 188 developed pursuant to s. 1001.42(18). An individual professional
 189 development plan must be related to specific performance data
 190 for the students to whom the teacher is assigned, define the
 191 inservice objectives and specific measurable improvements
 192 expected in student performance as a result of the inservice
 193 activity, and include an evaluation component that determines
 194 the effectiveness of the professional development plan.

195 6. Include inservice activities for school administrative
 196 personnel that address updated skills necessary for
 197 instructional leadership and effective school management
 198 pursuant to s. 1012.986.

199 7. Provide for systematic consultation with regional and
 200 state personnel designated to provide technical assistance and

201 evaluation of local professional development programs.

202 8. Provide for delivery of professional development by
 203 distance learning and other technology-based delivery systems to
 204 reach more educators at lower costs.

205 9. Provide for the continuous evaluation of the quality
 206 and effectiveness of professional development programs in order
 207 to eliminate ineffective programs and strategies and to expand
 208 effective ones. Evaluations must consider the impact of such
 209 activities on the performance of participating educators and
 210 their students' achievement and behavior.

211 10. For middle grades, emphasize:

212 a. Interdisciplinary planning, collaboration, and
 213 instruction.

214 b. Alignment of curriculum and instructional materials to
 215 the state academic standards adopted pursuant to s. 1003.41.

216 c. Use of small learning communities; problem-solving,
 217 inquiry-driven research and analytical approaches for students;
 218 strategies and tools based on student needs; competency-based
 219 instruction; integrated digital instruction; and project-based
 220 instruction.

221

222 Each school that includes any of grades 6, 7, or 8 must include
 223 in its school improvement plan, required under s. 1001.42(18), a
 224 description of the specific strategies used by the school to
 225 implement each item listed in this subparagraph.

226 11. Provide training to reading coaches, classroom
227 teachers, and school administrators in effective methods of
228 identifying characteristics of conditions such as dyslexia and
229 other causes of diminished phonological processing skills;
230 incorporating instructional techniques into the general
231 education setting which are proven to improve reading
232 performance for all students; and using predictive and other
233 data to make instructional decisions based on individual student
234 needs. The training must help teachers integrate phonemic
235 awareness; phonics, word study, and spelling; reading fluency;
236 vocabulary, including academic vocabulary; and text
237 comprehension strategies into an explicit, systematic, and
238 sequential approach to reading instruction, including
239 multisensory intervention strategies. Each district must provide
240 all elementary grades instructional personnel access to training
241 sufficient to meet the requirements of s. 1012.585(3)(f) and to
242 earn an endorsement in reading consistent with s.
243 1012.586(1)(b).
244 Section 4. This act shall take effect July 1, 2018.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HJR 1031 Limitation of Terms of Office for Members of a District School Board

SPONSOR(S): Fischer and Raburn

TIED BILLS: None **IDEN./SIM. BILLS:** SJR 194

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) PreK-12 Quality Subcommittee		Brink	DavisGreene
2) Public Integrity & Ethics Committee			
3) Education Committee			

SUMMARY ANALYSIS

District school board members are elected constitutional officials of Florida who serve four-year terms without limit. Term limits on other elected officials, including Florida representatives; Florida senators; the Florida lieutenant governor; Florida Cabinet members, including the Governor; U.S. representatives from Florida; and U.S. senators from Florida, were amended into the Florida Constitution by way of a citizens' initiative in 1992. Such officials are ineligible to appear on a ballot for reelection if, by the end of the current term of office, the person will have served for (or, but for resignation, would have served) in that office for eight consecutive years.

The joint resolution proposes an amendment to the Florida Constitution, subject to approval by 60 percent of the voters in the 2018 general election or a special election called for the purpose of voting on the amendment, that limits service as a district school board member to two four-year terms, regardless of whether the terms are consecutive. The joint resolution specifies that time served as a board member before the election following ratification of the amendment must be counted toward the two-term limit. The joint resolution also provides that if a member resigns before completing two terms and subsequently seeks election to the school board, the time served before resignation constitutes one four-year term of office.

A joint resolution proposing an amendment to the State Constitution must be passed by three-fifths of the membership of each house of the Legislature.

The Constitution requires 60 percent voter approval for passage of a proposed constitutional amendment.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

Present Situation

Florida's Constitution provides that each county school district must be governed by a school board composed of no fewer than five members elected to staggered, four-year terms, as provided by law.¹ Each district school board must operate, control, and supervise all free public schools within the school district and determine the rate of school district taxes within constitutional limits.²

Florida's Constitution establishes term limits for the following elected officials:³

- Florida representatives;
- Florida senators;
- Florida Lieutenant governor;
- Florida Cabinet members;
- U.S. representatives from Florida; and
- U.S. senators from Florida.

Terms limits for federal elected officials were held to be unconstitutional, and thus unenforceable, by the U.S. Supreme Court in 1995.⁴

Specifically, the Constitution states that none of these officials may appear on a ballot for re-election if, by the end of the current term of office, the person will have served (or, but for resignation, would have served) in that office for eight consecutive years.⁵ These term limits became effective in 1992 and were prospective, so that officials reelected to a consecutive term in 1992 could serve another consecutive eight-years before reaching the term limit.⁶

There are no term limits for district school board members; however, term limits have been applied to county commissioners by charter counties.⁷

Effect of Proposed Changes

The House joint resolution proposes an amendment to the Florida Constitution that, if approved by the voters at the general election in November 2018, prohibits a person from serving as a member of a district school board for more than two four-year terms.

Additionally, the resolution provides that if a member resigns before completing two terms and subsequently seeks election to the school board, the time served before resignation constitutes one four-year term of office. This provision appears to allow a board member to serve more than a total of eight years by allowing service in a second term to count towards only the first term if he or she resigns during the second term and seeks election at a later date. The resolution also provides that time served as a school board member before the election following ratification of the amendment is counted towards determining two terms of service.

¹ Art. IX, s. 4(a), Fla. Const.

² See art. IX, s. 4(b), Fla. Const.

³ Art. VI, s. 4(b), Fla. Const.

⁴ *U.S. Term Limits, Inc. v. Thornton*, 514 U.S. 779 (1995). See also *Ray v. Mortham*, 742 So.2d 1276 (Fla. 1999) (holding that term limits imposed on elected state officials were severable from provisions imposing the limits on federal offices).

⁵ See *id.*

⁶ See Florida Department of State, Proposed Constitutional Amendment #9 (1992), available at <http://dos.elections.myflorida.com/initiatives/fulltext/pdf/1066-1.pdf>.

⁷ See *Telli v. Broward County*, 94 So.3d 504 (Fla. 2012) (holding that an amendment to the Broward County charter limiting commissioners to no more than three consecutive four-year terms was constitutional).

Unlike the term limits currently in place for other elected officials in Florida, the resolution does not apply to consecutive years of service, but rather to any two four-year terms as a school board member. Except as noted above, this would limit service as a school board member to eight years total. It is unclear whether the resolution prohibits service as a board member in another school district if a person has already served two terms in another school district.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

Article XI, Section 5(d) of the Florida Constitution requires proposed amendments or constitutional revisions to be published in a newspaper of general circulation in each county where a newspaper is published. The amendment or revision must be published once in the 10th week and again in the sixth week immediately preceding the week the election is held. The division of Elections within the Department of State has not estimated the publication costs for advertising the joint resolution.

However, based on 2016 advertising costs, staff estimates full publication costs for advertising the proposed constitutional amendment to be less than \$50,000. This would likely be paid from non-recurring General Revenue funds.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

The joint resolution provides that if a member resigns before completing two terms and subsequently seeks election to the school board, the time served before resignation constitutes one four-year term of office. This provision appears to allow a board member to serve more than a total of eight years by allowing service in a second term to count towards only the first term if he or she resigns during the second term and seeks election at a later date. If the intent of the joint resolution is to cap service as a board member to eight total years, the resolution may need to be amended to provide that resignation during any four-year term constitutes full service of the term.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

Not applicable.

1 House Joint Resolution

2 A joint resolution proposing an amendment to Section 4
3 of Article IX of the State Constitution to limit the
4 terms of office for a member of a district school
5 board.

6
7 Be It Resolved by the Legislature of the State of Florida:

8
9 That the following amendment to Section 4 of Article IX of
10 the State Constitution is agreed to and shall be submitted to
11 the electors of this state for approval or rejection at the next
12 general election or at an earlier special election specifically
13 authorized by law for that purpose:

14 ARTICLE IX
15 EDUCATION

16 SECTION 4. School districts; school boards.—

17 (a) Each county shall constitute a school district;
18 provided, two or more contiguous counties, upon vote of the
19 electors of each county pursuant to law, may be combined into
20 one school district. In each school district there shall be a
21 school board composed of five or more members chosen by vote of
22 the electors in a nonpartisan election for appropriately
23 staggered terms of four years, as provided by law.

24 (b) The school board shall operate, control and supervise
25 all free public schools within the school district and determine

26 the rate of school district taxes within the limits prescribed
 27 herein. Two or more school districts may operate and finance
 28 joint educational programs.

29 (c) A person may not serve as a member of a district
 30 school board for more than two four-year terms. If a member of a
 31 district school board resigns before completing two terms and
 32 subsequently seeks election to the school board, the time served
 33 before resignation shall constitute one four-year term of office
 34 for purposes of determining applicability of this subsection.
 35 Time served as a school board member before the first term to
 36 which a person is elected following the election at which this
 37 subsection is ratified shall be counted in determining two terms
 38 of service.

39 BE IT FURTHER RESOLVED that the following statement be
 40 placed on the ballot:

41 CONSTITUTIONAL AMENDMENT

42 ARTICLE IX, SECTION 4

43 LIMITATION ON TERMS OF OFFICE FOR MEMBERS OF A DISTRICT
 44 SCHOOL BOARD.—Proposing an amendment to the State Constitution
 45 to limit the years of district school board member service to 2
 46 terms; to provide that if a member resigns before completing
 47 such terms and seeks reelection, time served before resignation
 48 shall constitute one 4-year term; and to provide that a member's
 49 time served before the election at which this amendment is
 50 ratified is counted in determining 2 terms of service.



Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

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

1 Committee/Subcommittee hearing bill: PreK-12 Quality
 2 Subcommittee

3 Representative Fischer offered the following:
 4

5 **Amendment (with ballot amendment)**

6 Remove everything after the resolving clause and insert:

7 That the following amendment to Section 4 of Article IX of the
 8 State Constitution is agreed to and shall be submitted to the
 9 electors of this state for approval or rejection at the next
 10 general election or at an earlier special election specifically
 11 authorized by law for that purpose:

12 ARTICLE IX

13 EDUCATION

14 SECTION 4. School districts; school boards.—

15 (a) Each county shall constitute a school district;
 16 provided, two or more contiguous counties, upon vote of the



Amendment No. 1

17 electors of each county pursuant to law, may be combined into
18 one school district. In each school district there shall be a
19 school board composed of five or more members chosen by vote of
20 the electors in a nonpartisan election for appropriately
21 staggered terms of four years, as provided by law.

22 (b) The school board shall operate, control and supervise
23 all free public schools within the school district and determine
24 the rate of school district taxes within the limits prescribed
25 herein. Two or more school districts may operate and finance
26 joint educational programs.

27 (c) A person may not appear on the ballot for re-election
28 to the office of school board if, by the end of the current term
29 of office, the person will have served, or but for resignation
30 would have served, in that office for eight consecutive years.
31 Service to the office of school board after 2013 accrues toward
32 the limitations prescribed herein.

33
34 -----
35 **B A L L O T A M E N D M E N T**

36 Remove lines 45-50 and insert:
37 to limit terms for school board members by prohibiting incumbent
38 members who have held the office for the preceding eight years
39 from appearing on a ballot for re-election to that office and to
40 provide that time served in that office after 2013 accrues
41 toward the eight-year limitation.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1175 Early Learning Coalitions
SPONSOR(S): Sullivan
TIED BILLS: None **IDEN./SIM. BILLS:** SB 1532

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) PreK-12 Quality Subcommittee		Dehmer	DavisGreene
2) Education Committee			

SUMMARY ANALYSIS

The School Readiness Program provides subsidies for childcare services and early childhood education for children of low-income families; children in protective services who are at risk of abuse, neglect, or abandonment; and children with disabilities. The School Readiness Program is a state-federal partnership between Florida's Office of Early Learning (OEL) and the Office of Child Care of the United States Department of Health and Human Services. It is administered by early learning coalitions (ELC) at the county or regional level. Florida's OEL administers the program at the state level, including statewide coordination of the ELCs.

In order to be eligible to deliver the School Readiness program, a provider must be properly licensed, meet basic health and safety requirements for its premises and comply with the age-appropriate immunizations of children enrolled in the school readiness program.

Provider responsibilities include, but are not limited, to:

- employing childcare personnel who have satisfied background screening and training requirements;
- providing instruction to enhance progress of children to attain child development standards;
- providing activities to foster brain development in infants and toddlers;
- executing the standard statewide provider contract adopted by OEL;
- implementing a character development program;
- maintaining general liability, worker's compensation and unemployment insurance coverage; and
- administering approved assessments.

If a school readiness program provider fails or refuses to comply with any contractual obligation of the statewide provider contract, the ELC may revoke the provider's eligibility to deliver the school readiness program or receive state or federal funds for a period of 5 years.

The bill authorizes the ELC to refuse to contract with a school readiness program provider if the provider has been cited for a class I violation. Class I violations are the most serious in nature, pose an imminent threat to a child including abuse or neglect and which could or does result in death or serious harm to the health, safety or well-being of a child.

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

This bill takes effect July 1, 2018.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Established in 1999,¹ the School Readiness Program provides subsidies for childcare services and early childhood education for children of low-income families; children in protective services who are at risk of abuse, neglect, or abandonment; and children with disabilities.² The School Readiness Program offers financial assistance for child care to support working families and children to develop skills for success in school and provides developmental screening and referrals to health and education specialists where needed. These services are provided in conjunction with other programs for young children such as Head Start, Early Head Start, and the Voluntary Prekindergarten Education (VPK) Program.³

The School Readiness Program is a state-federal partnership between Florida's Office of Early Learning (OEL)⁴ and the Office of Child Care of the United States Department of Health and Human Services.⁵ It is administered by early learning coalitions (ELCs) at the county or regional level.⁶

Florida's OEL administers the program at the state level, including statewide coordination of the ELCs.⁷ The OEL administers the federal Child Care and Development Fund, which funds are used to implement the School Readiness Program. Florida law requires OEL to focus on improving the educational quality of all program providers participating in the School Readiness Program while preserving parental choice by permitting parents to choose from a variety of child care categories.⁸ OEL must adopt, in rule, a statewide provider contract to be used by each School Readiness Program provider, review and approve each ELC's school readiness plan every 2 years, and monitor and evaluate the performance of each ELC in administering the School Readiness Program and the VPK.⁹

The Florida Department of Children and Families' Office of Child Care Regulation (DCF), as the agency responsible for the state's childcare provider licensing program, inspects licensed and license exempt childcare providers that provide the School Readiness Program for specified health and safety standards.¹⁰ The law authorizes a county to designate a local licensing agency to license providers if its licensing standards meet or exceed DCF's standards. Five counties have done this – Broward, Hillsborough, Palm Beach, Pinellas, and Sarasota. Thus, in these five counties the local licensing

¹ Section 1, ch. 99-357, L.O.F.

² Section 1002.87, F.S.

³ Florida Office of Early Learning, *Parents*,

http://www.floridaearlylearning.com/parents/early_learning_programs_and_services/school_readiness.aspx (last visited January 10, 2018).

⁴ In 2013, the Legislature established the Office of Early Learning in the Office of Independent Education and Parental Choice within the Department of Education (DOE). The office is administered by an executive director and is fully accountable to the Commissioner of Education but shall independently exercise all powers, duties, and functions prescribed by law, as well as adopt rules for the establishment and operation of the School Readiness Program and the VPK Program. Section 1, ch. 2013-252, L.O.F., *codified as s.* 1002.213, F.S.

⁵ See U.S. Department of Health and Human Services, *Child Care and Development Fund Fact Sheet*, <http://www.acf.hhs.gov/programs/occ/fact-sheet-occ> (last visited January 10, 2018).

⁶ Section 1002.83, F.S.

⁷ Section 1001.213(3), F.S.

⁸ Section 1002.82(1) and (2)(a)-(b), F.S. Care and curriculum by a faith-based provider must not be limited or excluded in any of these categories. Section 435.07(4)(c), F.S.

⁹ Section 1002.82(2)(e), (m), and (p), F.S.

¹⁰ See ss. 402.301-319, F.S., and Parts V and VI, ch. 1002, F.S.

agency, not DCF, inspects childcare providers that provide the School Readiness Program¹¹ for health and safety standards.

In order to be eligible to deliver the School Readiness program, a provider must be:

- a licensed child care facility;
- a licensed or registered family day care home (FDCH);
- a licensed large family child care home (LFCCH);
- a public school or nonpublic school;
- a license-exempt faith-based child care provider;
- a before-school or after-school program; or
- an informal childcare provider authorized in the state's Child Care and Development Fund plan.¹²

All school readiness providers must meet basic health and safety for its premises and comply with the age-appropriate immunizations of children enrolled in the school readiness program. For licensed providers, compliance with the requirements for licensure meets these requirements. DCF or the local licensing agency verify compliance with the specified health and safety requirements. School Readiness registered family day care homes and providers not subject to licensure by the DCF must also meet these requirements as verified by inspection by DCF or the local licensing agency.¹³ In addition, each childcare facility, family day care home, and large family day care home must annually submit an affidavit of compliance with the requirement to report instances of child abuse, abandonment, or neglect.¹⁴

Provider responsibilities include, but are not limited, to:

- employing childcare personnel who have satisfied background screening and training requirements;
- providing instruction and activities to enhance the age-appropriate progress of each child to attain the child development standards adopted by OEL;
- providing activities to foster brain development in infants and toddlers in an environment rich in language and music and visual, tactile, auditory, and linguistic stimulation and including 30 minutes of reading to children each day;
- executing the standard statewide provider contract adopted by OEL;
- implementing a character development program;
- maintaining minimum general liability insurance coverage;
- maintaining any required worker's compensation insurance and any required unemployment compensation insurance;
- administering pre-assessments and post-assessments that have been approved by the OEL, but only if the provider chooses to administer such assessments;¹⁵

If a school readiness program provider fails or refuses to comply with any contractual obligation of the statewide provider contract, the ELC may revoke the provider's eligibility to deliver the school readiness program or receive state or federal funds for a period of 5 years.¹⁶

¹¹ Section 402.306(1), F.S.; Department of Children and Families, *Licensing Information*, <http://www.myflfamilies.com/service-programs/child-care/licensing-information> (last visited January 10, 2018).

¹² Section 1002.88(1)(a), F.S. Generally speaking, informal childcare is care provided by a relative. See *CCDF State Plan*, *supra* note 10.

¹³ Section 1002.88(1)(c), F.S.

¹⁴ Section 402.319(3), F.S.

¹⁵ Section 1002.88(1), F.S.

¹⁶ Section 1002.88(2), F.S.

Currently, ELCs may terminate a provider's contract if the provider has one or more Class I violations, five or more Class II violations or six or more Class III violation, and the violation(s) pose an immediate and serious danger to the health, safety or welfare of the children in care.¹⁷

Class I violations are the most serious in nature, pose an imminent threat to a child including abuse or neglect and which could or does result in death or serious harm to the health, safety or well-being of a child. Class II violations are less serious than Class I violations, and could pose a threat to the health, safety or well-being of a child, although the threat is not imminent. Class III violations are less serious than either Class I or Class II violations, and pose a low potential for harm to children.¹⁸ A list of Class I, II and III violations are provided in the Office of Early Learning, School Readiness Program, Health and Safety Checklist.¹⁹

Effect of Proposed Changes

The bill authorizes ELCs to refuse to contract with a school readiness program provider if the provider has been cited for a Class I violation.

B. SECTION DIRECTORY:

Section 1. Amends s. 1002.88, F.S., relating to school readiness program provider standards and eligibility to deliver the school readiness program.

Section 2. Provides and effective date of July 1, 2018.

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.

¹⁷ The Office of Early Learning, *School Readiness Program Health and Safety Standards Handbook, February 2017*, at 51-51, available at http://www.floridaearlylearning.com/sites/www/Uploads/files/Statewide%20Initiatives/Health%20and%20Safety/HS%20Handbook%20Facilities_OEL-SR-6202_ADA.pdf (last visited January 10, 2018).

¹⁸ *Id.* at 50.

¹⁹ Office of Early Learning, *School Readiness Program, Health and Safety Checklist, Licensed /Registered Family Child Care Homes and Informal Provides*, available at <https://www.flrules.org/Gateway/reference.asp?No=Ref-07457> (last visited January 10, 2018).

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None.

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 early learning coalitions; amending
3 s. 1002.88, F.S.; authorizing an early learning
4 coalition to refuse to contract with certain school
5 readiness program providers; providing an effective
6 date.

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

9
10 Section 1. Subsection (2) of section 1002.88, Florida
11 Statutes, is amended to read:

12 1002.88 School readiness program provider standards;
13 eligibility to deliver the school readiness program.—

14 (2) (a) If a school readiness program provider fails or
15 refuses to comply with this part or any contractual obligation
16 of the statewide provider contract under s. 1002.82(2)(m), the
17 coalition may revoke the provider's eligibility to deliver the
18 school readiness program or receive state or federal funds under
19 this chapter for a period of 5 years.

20 (b) Notwithstanding any other provision of law, if a
21 school readiness program provider has been cited for a class I
22 violation, as defined by rule, the coalition may refuse to
23 contract with the provider.

24 Section 2. This act shall take effect July 1, 2018.



Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

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

1 Committee/Subcommittee hearing bill: PreK-12 Quality
 2 Subcommittee

3 Representative Sullivan offered the following:

5 **Amendment (with title amendment)**

6 Remove lines 22-23 and insert:

7 violation, as defined by rule, the coalition may refuse to
 8 contract with the provider or revoke the provider's eligibility
 9 to deliver the school readiness program.

11 -----

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

13 Remove lines 4-5 and insert:

14 coalition to refuse to contract with or revoke the eligibility
 15 of certain school readiness providers; providing an effective

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1279 School District Accountability

SPONSOR(S): Sullivan

TIED BILLS: None **IDEN./SIM. BILLS:** SB 1804

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) PreK-12 Quality Subcommittee		Dehmer	DavisGreene
2) PreK-12 Appropriations Subcommittee			
3) Education Committee			

SUMMARY ANALYSIS

School districts provide detailed budget information to the public. However, this information does not include summary financial performance or efficiency data that allows a comparison of expenditure trends of other schools and districts over time. Combining student outcome data with per pupil expenditures will provide new information to drive productivity at the school, district and state level. To increase fiscal transparency of educational spending, the bill:

- requires school boards to provide financial efficiency data and fiscal trend information;
- requires the Department of Education to develop a web-based tool that identifies schools and districts with high academic achievement based on per pupil expenditures; and
- requires school boards to provide a full explanation of, and approve, any budget amendment at the boards' next public meeting.

Generally, school districts have sufficient monetary reserves to recover from financial difficulties and emergencies. However, some school districts do not promptly correct audit findings or reduce expenditures in response to a decrease in revenue. To increase fiscal accountability of districts, the bill:

- requires school districts with revenues over \$500 million to employ an internal auditor;
- requires school districts with low ending fund balances to reduce administrative costs and other expenditures;
- requires districts in a financial emergency to withhold the salaries of superintendents and school board members until the emergency is addressed;
- clarifies that the Department of Education's Office of Inspector General must investigate allegations and reports of fraud and abuse from certain government officials; and
- requires the Auditor General to perform follow-up procedures to determine a school board's progress in addressing audit findings.

The bill also:

- prohibits appointed, along with elected superintendents, from lobbying school districts for a period of two years after vacating the position;
- aligns school board member salaries with beginning teacher salary or the amount calculated by statute, whichever is less;
- requires prior school board approval for reimbursement of out-of-district travel expenses;
- requires school boards to withhold a portion of an employee's salary who owes a public financial disclosure fine;
- repeals s. 1011.64, F.S., relating to school district minimum classroom expenditure requirements; and
- prohibits superintendents, along with district school board members, from employing or appointing a relative to work under their direct supervision.

This bill has an indeterminate fiscal impact on state or local governments.

This bill takes effect July 1, 2018.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

FISCAL ACCOUNTABILITY

Auditor General

Present Situation

The Auditor General (AG) or a Certificated Public Accountant (CPA) is required to perform annual financial audits of district school boards.¹ If the AG does not perform a financial audit of a district school board, the school board must have a financial audit completed within nine months of its fiscal year end by an independent CPA.² The scope of financial audits include an examination of the financial statements, the issuance of a report on compliance and internal control in accordance with generally accepted government auditing standards, and the issuance of a report on compliance and internal control for each major Federal program.³

The AG also conducts operational audits of district school boards in accordance with Government Auditing Standards at least every 3 years.⁴ Operational audits must include an evaluation of management's performance in establishing and maintaining internal controls, including controls designed to prevent and detect fraud, waste, and abuse, and in administering assigned responsibilities. The examination of internal controls is designed to promote and encourage the achievement of management's control objectives in economic and efficient operations, reliability of records and reports, and safeguarding of assets.⁵

The AG is required to report material weaknesses in internal control and significant control deficiencies that are disclosed during the course of a financial audit. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the financial statements would not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention. The AG must report material noncompliance or abuse that has a material effect on a financial statement audit. The classification of an audit finding is dependent upon its potential impact on the specific school district under audit. Therefore, the classification of an audit finding could vary from school district to school district.⁶

The AG must annually compile and transmit a summary of significant findings and financial trends to the Senate President, the Speaker of the House of Representatives, and the Legislative Auditing Committee (LAC).⁷ If an audit contains any significant findings, district school boards, must conduct an audit overview during a public meeting.⁸

¹ State of Florida Auditor General, *Summary of Significant Findings and Financial Trends Identified in District School Board Audit Reports for the Fiscal Year Ended June 30, 2016*, at 1, available at https://flauditor.gov/pages/pdf_files/2018-030.pdf. Section 11.45(2), F.S. and s. 218.39(1), F.S.

² Section 218.39(1), F.S.

³ State of Florida Auditor General, *Summary of Significant Findings and Financial Trends Identified in District School Board Audit Reports for the Fiscal Year Ended June 30, 2016*, at 1, available at https://flauditor.gov/pages/pdf_files/2018-030.pdf. Section 11.45(1)(c), F.S.

⁴ *Id.* Section 11.45(2)(f), F.S.

⁵ *Id.* Section 11.45(1)(g), F.S.

⁶ *Id.* at 2.

⁷ Section 11.45(7)(f), F.S. *See also* s. 11.40, F.S.

⁸ Section 1010.30(2), F.S.

The AG has authority to perform follow-up procedures necessary to determine a district school board's progress in addressing the findings and recommendations in the previous audit report.⁹ The AG must also notify the LAC of any financial or operational audit report which indicates that a district school board failed to take full corrective action in response to a finding included in the two preceding financial or operational audits.¹⁰

Upon notification, the LAC may direct a school board to provide a written statement explaining the reason the school board failed to take corrective action or, if the school board intends to take full corrective action, describing the corrective action and state when it will occur.¹¹ If the LAC determines that the written statement is not sufficient, it may require the chair of the school board to appear before the committee. If the LAC determines that the school board has failed to take full corrective action for which there is no justifiable reason or has failed to comply with committee requests, the committee must refer the matter to the State Board of Education (SBE) to proceed in accordance with its oversight enforcement authority.¹²

On February 2, 2014, the LAC conducted a workshop on Financial Oversight for District School Boards. As part of its presentation, the AG's office recommended that operational audits include testing for previous operational audit findings with questionable costs. Individual members of the Manatee County School Board submitted written comments and suggested the following:

- Require districts with audit findings to implement an immediate compliance process.
- Shorten the timeframe to comply with audit findings.
- Increase the frequency of the AG's financial and operational audits when audit findings occur.
- Expand the scope of AG audits to include all management areas.¹³

Effect of Proposed Changes

The bill requires the AG to perform appropriate follow-up procedures to determine a school board's progress in addressing findings and recommendations that require corrective action and requires notification to the Commissioner of Education (commissioner) of the school board's progress.

The bill requires district school boards, the Florida College System institution board of trustees, and the university board of trustees to conduct an audit overview when an audit contains a finding classified as a material weakness or significant deficiency instead of any significant finding, which is not defined in statute. The audit overview must describe the corrective action to be taken and the timeline for completion.

Inspector General

Present Situation

Each state agency is required to have an Inspector General (IG),¹⁴ including the DOE, to provide a central point for the coordination of activities that promote accountability, integrity, and efficiency in government.¹⁵ The Office of the Chief Inspector General (CIG) is within the Executive Office of the Governor. The CIG monitors the activities of the agency inspectors general under the Governor's jurisdiction, including the DOE's IG.

⁹ Section 11.45(2)(j), F.S.

¹⁰ Section 11.45(7)(j)1., F.S.

¹¹ *Id.*

¹² Sections 11.45(7)(j)3. and 1008.32, F.S.

¹³ Joint Legislative Auditing Committee, *Meeting Packet, February 10, 2014*, available at <http://www.leg.state.fl.us/Data/Committees/Joint/JCLA/Meetingpackets/021014.pdf>.

¹⁴ Section 20.055(2), F.S. The Department of Education is created pursuant to s. 20.15, F.S.

¹⁵ Section 20.005(2), F.S.

The IG:

- advises in the development of performance measures, standards, and procedures for the evaluation of state agency programs;
- assesses the reliability and validity of information provided by the agency on performance measures and standards;
- reviews the actions taken by the agency to improve agency performance, and making recommendations, if necessary;
- supervises and coordinates audits, investigations, and reviews relating to the operations of the state agency;
- conducts, supervises, or coordinates other activities carried out or financed by the agency for the purpose of promoting economy and efficiency in the administration of, or preventing and detecting fraud and abuse in its programs and operations;
- provides central coordination of efforts to identify and remedy waste, abuse, and deficiencies to the CIG; recommends corrective action concerning fraud, abuses, and deficiencies; and reports on the progress made in implementing corrective action;
- coordinates agency-specific audit activities between the AG, federal auditors, and other governmental bodies to avoid duplication;
- reviews rules relating to the programs and operations of the agency and makes recommendations concerning their impact.
- maintains an appropriate balance between audit, investigative, and other accountability activities; and
- complies with the General Principles and Standards for Offices of Inspector General as published and revised by the Association of Inspectors General.¹⁶

The inspector general for the DOE is appointed by the CIG.¹⁷ The DOE inspector general must report to and be under the general supervision of the commissioner and is not subject to supervision by any other employee of the DOE. The DOE inspector general must report to the CIG, and may hire and remove staff within the IG in consultation with the CIG but independently of the DOE.¹⁸

The DOE's IG is responsible for promoting accountability, efficiency, and effectiveness and detects fraud and abuse within school districts. If the commissioner determines that the district school board is unwilling or unable to address substantiated allegations made by any person relating to waste, fraud, or financial mismanagement, the office must conduct, coordinate, or request investigations into such substantiated allegations.¹⁹

Effect of Proposed Change

The bill requires the DOE's IG to investigate allegations and reports of possible fraud or abuse made by:

- any member of the Cabinet;
- any presiding officer of the Senate or House;
- a chair of a substantive or appropriations committee with appropriate jurisdiction; or
- a member of the board for which investigation is sought.

¹⁶ Section 20.055(2)(a)-(j), F.S.

¹⁷ Section 20.055(3)(a), F.S.

¹⁸ *Id.*

¹⁹ Section 1001.20(4)(e), F.S.

Internal Auditor

Present Situation

An internal audit is an independent and objective assurance and consulting activity that provides information on how financial systems and processes are working. Internal audits result in findings and recommendations that help improve processes and mitigate risks surrounding those processes. An internal audit is different from an external audit, which expresses an opinion on the reasonableness of financial statements within materiality limits. Internal audits focus on processes to determine if they are compliant, effective, and efficient.²⁰

Currently, district school boards are permitted, but not required to employ an internal auditor to perform ongoing financial verification of the financial records of the school district. The internal auditor reports directly to the district school board or its designee.²¹

Bay, Brevard, Broward, Clay, Duval, Escambia, Hillsborough, Lake, Lee, Leon, Marion, Martin, Miami Dade, Orange, Palm Beach, Pasco, Pinellas, and Polk district school boards employ internal auditors. However, according to the Office of the Auditor General, the internal auditors in Bay, Clay, Lee and Marion counties only perform audits of school internal funds and are not required to comply with externally established auditing standards.²²

On February 2, 2014, as part of its presentation to the LAC, the AG's office recommended that school districts of a specified size employ internal auditors to periodically report on the effectiveness of budgetary control procedures. The AG's office also recommended laws requiring internal controls designed to:

- prevent and detect fraud, waste and abuse;
- promote and encourage economic and efficient operations;
- ensure the reliability of financial records and reports; and
- safeguard assets.²³

Effect of Proposed Changes

The bill requires school districts with revenues over \$500 million to employ an internal auditor. The internal auditors must perform a comprehensive risk assessment every five years and conduct other audits and reviews as the district school board directs to determine:

- the adequacy of internal controls;
- compliance with applicable laws;
- the efficiency of operation;
- the reliability of financial records;
- financial solvency;
- projected revenues and expenditures; and
- the rate of change in the ending fund balance.

The bill also requires the internal auditor to prepare audit reports and establishes penalties for failure to produce financial records to the internal auditor.²⁴

²⁰ Gibson Consulting Group, *Phase II: Operational Efficiency Audit – Comprehensive Report for Hillsborough County Public Schools*, available at http://www.sdhc.k12.fl.us/docs/00/00/17/86/HCPGibsonPhaseIIFinal_Report.pdf.

²¹ Section 1001.42(12)(l), F.S.

²² Email, Auditor General, Deputy Auditor General – Educational Entities and Local Government Audits, (Oct. 26, 2017).

²³ Joint Legislative Auditing Committee, *Meeting Packet, February 10, 2014*, at 110 and 114, available at <http://www.leg.state.fl.us/Data/Committees/Joint/JCLA/Meetingpackets/021014.pdf>.

²⁴ Section 11.47(3), F.S. Any person who willfully fails or refuses to furnish or produce any book, record, paper, document, data, or sufficient information necessary to a proper audit or examination which the Auditor General or the Office of Program Policy Analysis and Government Accountability is by law authorized to perform is guilty of a misdemeanor of the first degree. Section 11.47(4), F.S.

As a result, in fiscal year 2015-16, five districts (Seminole, Volusia, Osceola, Collier, and Sarasota) would have been required to employ an internal auditor and the scope of Lee county's internal auditor would have been increased.²⁵

Cost Accounting and Reporting

Present Situation

Currently, school districts are required to account for expenditures of all state, local, and federal funds on a school-by-school and a district-aggregate basis including:

- expenditures for in-service training (district level only);
- expenditures for categorical programs (district level only); and
- expenditures for basic programs.

The commissioner must present to the Legislature a district-by-district report of the expenditures reported.²⁶

Districts must spend at least the percent of the funds generated by each of the programs listed on the aggregate total school costs for such programs:

- Ninety percent for kindergarten and grades 1, 2, and 3.
- Eighty percent for grades 4, 5, 6, 7, and 8.
- Eighty percent for grades 9, 10, 11, and 12.
- Ninety percent for programs for exceptional students, on an aggregate program basis.
- Eighty percent for grades 7 through 12 career education programs, on an aggregate program basis.
- Eighty percent for students-at-risk programs, on an aggregate program basis.
- Ninety percent for Juvenile justice programs, on an aggregate program basis.²⁷

Each state is required to calculate the per-pupil expenditures of Federal, State, and local funds, including actual personnel expenditures and actual nonpersonnel expenditures of Federal, State, and local funds, disaggregated by source of funds, for each local educational agency and each school in the state.²⁸

Any officer who willfully fails or refuses to furnish or produce any book, record, paper, document, data, or sufficient information necessary to a proper audit or examination which the Auditor General or the Office of Program Policy Analysis and Government Accountability is by law authorized to perform, is subject to removal from office.

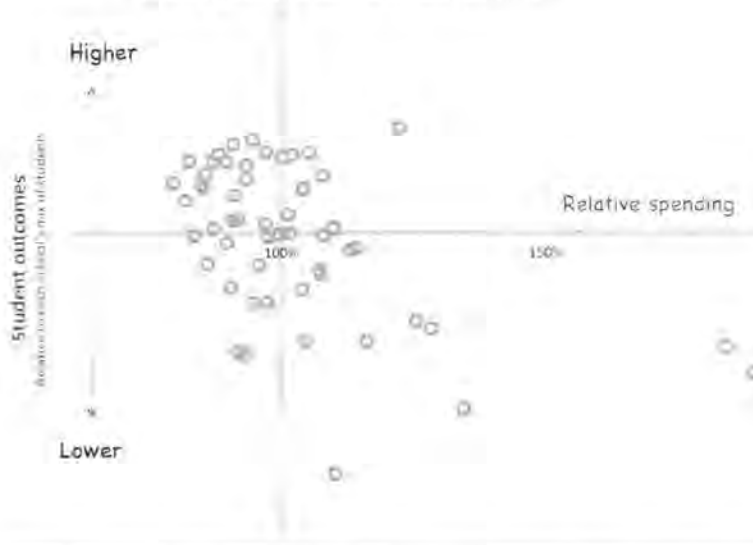
²⁵ Florida Department of Education, *Bureau of School Business Services, Office of Funding and Financial Reporting, Financial Profiles of Florida School Districts, 2015-16 Financial Data Statistical Report, June 2017*, at 15, available at <http://www.fldoe.org/core/fileparse.php/7507/urlt/2015-2016-Profiles.pdf>. *Id.*

²⁶ Section 1010.20(1) and (2), F.S.

²⁷ Section 1010.20(1)-(3), F.S.

²⁸ 20 U.S.C. s. 6311(h)(1)(C)(x).

Relative Spending vs Relative Student Outcomes



Other states use expenditure data, together with student performance data to determine school efficiency.²⁹

Effect of Proposed Changes

The bill requires school districts to report to the DOE total operating costs and classroom instructional expenditures on a school-by-school and aggregate district basis. The bill requires the DOE to calculate the percentage of classroom expenditures to total operating expenditures at school, district and state level. The results must be categorized into peer groups based on the size of each school and district. The DOE must also calculate the average percentage of classroom expenditures to total operating expenditures at the school, district and state level.

The bill also requires the DOE to develop a fiscal transparency tool that identifies public schools and districts that produce high academic achievement by comparing the ratio of classroom instructional expenditures to total expenditures to student performance measures. The results must be displayed on the DOE website in an easy to use format that allows comparison between schools and districts. Each school district is authorized to post a link to the fiscal transparency tool on the district's webpage.

FISCAL TRANSPARENCY

Budget Transparency

Present Situation

It is important for school districts to provide budgetary transparency to enable taxpayers, parents, and education advocates to obtain school district budget and related information in a manner that is easy to understand. Budgetary transparency leads to more responsible spending, more citizen involvement, and improved accountability. A budget that is not transparent, accessible, or accurate cannot be properly analyzed, its implementation thoroughly monitored, or its outcomes evaluated.³⁰

²⁹ Building State Capacity and Productivity Center, *Understanding the Productivity Landscape in Your State*, available at http://www.bscpcenter.org/productivity/pdf/bscp_productivity_webinar2_7_25_13.pdf. Texas Comptroller of Public Accounts, *Financial Allocation Study for Texas 2010*, available at <https://www.heartland.org/publications-resources/publications/fast-financial-allocation-study-for-texas-2010>. Ohio Department of Education, *Expenditure & Revenue Data*, available at <http://education.ohio.gov/Topics/Finance-and-Funding/Finance-Related-Data/Expenditure-and-Revenue/Expenditure-Revenue-Data>.

³⁰ Section 1011.035(1), F.S.
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District school boards are required to post a plain language version of each proposed, tentative, and official budget on their website. The budget must describe each budget item in easily understandable terms. The information must be prominently posted on the school district's website in a manner that is readily accessible to the public. However, these budgets do not have understandable summary financial performance or efficiency information that allows a comparison of expenditure trends.³¹

Effect of Proposed Changes

The bill changes the section title to "school district fiscal transparency" to reflect the additional information that must be provided. The bill also requires district school boards to increase fiscal transparency by providing graphical representations of summary financial efficiency data and fiscal trend information. The data must provide fiscal trend information for the previous three years at the school and district level and must provide calculations on the:

- ratio of students to teachers and administrators;
- total operating and instructional expenditures per student;
- general administrative expenditures as a percentage of total budget; and
- rate of change in the general fund's ending fund balance not classified as restricted.

General Funds Guidelines

Present Situation

District school boards must maintain a general fund ending balance that is sufficient to address normal contingencies.³² If a district school board's general fund's ending fund balance not classified as restricted, committed, or nonspendable in the approved operating budget is projected to fall below 3 percent of projected general fund revenues during the current fiscal year, the district superintendent must provide a written notification to the district school board and the commissioner.³³

If the same ending fund balance is projected to fall below 2 percent of projected general fund revenues during the current fiscal year, the district superintendent must provide written notification to the district school board and the commissioner. Within 14 days after receiving the notification, if the commissioner determines that the district does not have a plan that is reasonably anticipated to avoid a financial emergency, the commissioner must appoint a financial emergency board that must operate under the requirements, powers, and duties specified in law.³⁴

As of June 30, 2016, only the Jefferson County School District had a financial condition ratio below 3 percent. Jefferson County School District's financial condition ratio was negative 0.43 percent and the District's financial condition ratio was below 3 percent in the prior two consecutive fiscal years.³⁵

Effect of Proposed Changes

The bill requires districts with ending fund balances that fall below the 3 percent threshold for two consecutive years to reduce administration expenditures, however, the bill does not provide the amount of this reduction. The bill also prohibits any district school board with an ending fund balance below the 3 percent threshold from making expenditures on out-of-district travel and cellular phones.

³¹ Section 1011.035(2), F.S.

³² Section 1011.051, F.S.

³³ Section 1011.051(1), F.S.

³⁴ Section 1011.051(2), F.S., s. 218.503(3)(g), F.S.

³⁵ State of Florida Auditor General, *Summary of Significant Findings and Financial Trends Identified in District School Board Audit Reports for the Fiscal Year Ended June 30, 2016*, at 11, available at https://flauditor.gov/pages/pdf_files/2018-030.pdf.

Financial Emergency

Present Situation

District school boards are subject to review and oversight by the commissioner when the district is unable to timely pay current debts and liabilities. A district school board is in a state of financial emergency when the district is unable to timely pay current debts and liabilities and state assistance is needed for corrective action.³⁶ While in a state of financial emergency, the commissioner may implement measures which:

- requires commissioner approval of the district school board's budget;
- prohibits a district school board from issuing debt;
- requires inspections and reviews of district school board records, reports and information;
- establishes a financial emergency board to oversee the activities of the district school board; and
- requires a plan of action that will cause the district school board to no longer be in a financial emergency.³⁷

Effect of Proposed Changes

The bill requires the DOE to contract with an independent third party to conduct a forensic audit of any district school board that failed to timely pay any current debt or liability during the 2015-16 fiscal year, or thereafter. The forensic audit must include a financial solvency analysis to prevent fraud, waste, and abuse. The district school board, the DOE, the LAC and the district's financial emergency board, if applicable, must receive the forensic audit results.

The bill also requires the withholding of district school board member's and superintendent's salaries when the district fails to timely pay current debts and liabilities. The salary of each district school board member and superintendent must be withheld until the district school board is addressed.

District School Board Budget Transparency

Present Situation

District school boards must prepare, adopt, and submit an annual budget to the commissioner.³⁸ Estimated expenditures in a school district's tentative budget cannot exceed estimated income.³⁹ District expenditures must be limited to amounts budgeted and no expenditures can be authorized or obligations incurred in excess of the budgetary appropriation.⁴⁰ However, a district school board may establish policies that allow expenditures to exceed amounts budgeted if the district school board approves the expenditure and amends the budget.⁴¹

District school boards are required to post a plain language version of each proposed, tentative, and official budget on its website. The budget must describe each item in terms that are easily understandable. A school district must prominently post budget information on its website in a manner that is readily accessible to the public.⁴²

³⁶ Section 218.503(1) and (3), F.S.

³⁷ Section 218.503(3), F.S.

³⁸ Section 1011.01(3)(a), F.S.

³⁹ Section 1011.02(4), F.S.

⁴⁰ Section 1011.06, F.S. It is the duty of the superintendent and district school board to take whatever action is necessary during the fiscal year to keep expenditures and obligations within the budgeted income. Rules 6A-1.007(1) and 6A-1.007(2), F.A.C. The school board must approve amendments to the budget whenever budget changes occur.

⁴¹ Section 1011.06(2), F.S.

⁴² Section 1011.035(3), F.S.

Effect of Proposed Changes

The bill requires district budget amendments to occur at the school board's next scheduled public meeting. The school board must also provide a full explanation of any budget amendments.

The Department of Education Reporting Requirements

Present Situation

The Legislature may require school districts failing to meet prescribed academic performance standards to increase emphasis on classroom instruction activities by meeting certain classroom expenditure requirements. In determining the classroom expenditure requirement, the DOE is required to calculate the total K-12 operating and classroom instruction expenditures for each district and the percentage of classroom expenditures to total operating expenditures for each district and the state. School districts required to increase emphasis on classroom activities must submit a final report to the DOE explaining proposed budget actions and the district's level of compliance with spending requirements.⁴³

Effect of Proposed Changes

The bill repeals s. 1011.64, F.S., removing the requirement that school districts failing to meet minimum academic performance standards increase emphasis on classroom instruction activities and removing the minimum classroom expenditure calculation. The bill also removes cross-references to s. 1011.64, F.S. Section 1011.64, F.S. has not been implemented because the legislature has not prescribed the minimum academic performance standards required.⁴⁴

OTHER FISCAL ISSUES

Lobbying

Present Situation

Currently, an individual elected to a school district office is prohibited from lobbying the school district for a period of two years after leaving the position; however, current law does not prohibit an appointed superintendent from lobbying immediately after leaving the position.⁴⁵

Effect of Proposed Changes

The bill prohibits appointed, along with elected superintendents, from lobbying school districts for a period of two years after vacating the position.

District School Board Member Salary

Present Situation

Each district school board members is reimbursed for authorized travel expenses⁴⁶ and receives a salary based on the population of the county served. In addition, district school board members receive additional compensation for population increments over the minimum for each population group as follows:⁴⁷

⁴³ Section 1011.64(1)-(4), F.S.

⁴⁴ Email, Florida Department of Education, Governmental Relations (January 12, 2018).

⁴⁵ Section 112.313(14), F.S.

⁴⁶ Section 1001.39, F.S.

⁴⁷ Section 1001.395, F.S.

<u>Pop. Group</u>	<u>County Pop. Range</u>		<u>Base Salary</u>	<u>Group Rate</u>
	Minimum	Maximum		
I	-0-	9,999	\$5,000	\$0.08330
II	10,000	49,999	5,833	0.020830
III	50,000	99,999	6,666	0.016680
IV	100,000	199,999	7,500	0.008330
V	200,000	399,999	8,333	0.004165
VI	400,000	999,999	9,166	0.001390
VII	1,000,000		10,000	0.000000

Effect of Proposed Changes

The bill requires prior school board approval for reimbursement of out-of-district travel expenses. The bill also aligns school board member salaries with beginning teacher salary or the amount calculated by statute, whichever is less. In fiscal year 2016-17, average school board member salary exceeded the average beginning teacher salary in the following districts:

- Alachua (\$782)
- Broward (\$739)
- Dade (\$850).
- Duval (\$1,810).
- Hillsborough (\$3,554).
- Lee (\$1,525).
- Leon (\$435).
- Marion (\$528).
- Orange (\$1,091).
- Palm Beach (\$747).
- Pinellas (\$2,605)
- Putnam (\$3,875).
- Santa Rosa (\$1,263).
- Walton (\$870).⁴⁸

Financial Disclosure Fines

Present Situation

Currently, the Commission on Ethics (COE) determines whether a person owing a public financial disclosure fine is a public officer or public employee.⁴⁹ If the COE determines that the person is a current public officer or public employee, it may notify the Chief Financial Officer (CFO) or governing body of the amount owed. After receipt and verification of the notice, the CFO or governing body must withhold the lesser of 10 percent, or the maximum allowable under federal law, of any payment made from public money to satisfy outstanding fines. Additionally, the CFO or governing body may withhold an amount to compensate for administrative costs.⁵⁰

⁴⁸ Florida Department of Education, Florida District Staff Salaries of Selected Positions, 2016-17, available at <http://www.fldoe.org/accountability/data-sys/edu-info-accountability-services/pk-12-public-school-data-pubs-reports/staff.stml>. Email, House Education Committee (January 11, 2018).

⁴⁹ Sections 112.3144(5) and (7), and 112.3145(7), F.S.

⁵⁰ Section 112.31455(1)-(4), F.S.

Effect of Proposed Changes

The bill includes district school boards as a governing body with the authority to withhold a portion of an employee's salary to pay public financial disclosure fines and permits school boards to withhold a portion of the salary to cover administrative costs.

School District Personnel Policies

Present Situation

District school board members are prohibited from employing or appointing a relative to work under their direct supervision.⁵¹

Effect of Proposed Change

The bill prohibits superintendents, along with district school board members, from employing or appointing a relative to work under their direct supervision. However, employees employed prior to the election or appointment of a family member are exempt from this restriction.

Standards of Ethical Conduct

Present Situation

District school boards are required to adopt policies establishing standards of ethical conduct for instructors and administrators. The policies require instructors and administrators to complete specific training and establish a duty and procedure for reporting misconduct. Current law prohibits district school boards, instructors and administrators from entering into confidentiality agreements regarding termination, dismissal or resignation based on misconduct. District school boards are prohibited from providing references or discussing the performance of instructors or administrators without disclosing misconduct. Any part of an agreement that conceals instructor or administrator misconduct is unenforceable.⁵²

Effect of Proposed Change

The bill clarifies that school officers and administrative personnel are subject to ethics standards, including training, reporting procedures, reference requirements and contract requirements.

The bill also clarifies educational staff disqualified from employment for conviction of certain criminal acts by changing the term "school administrators" to administrative personnel.

B. SECTION DIRECTORY:

Section 1. Amends s. 11.45, F.S., relating to the Florida Auditor General.

Section 2. Amends s. 112.313, F.S., relating to the prohibition of lobbying by former local officials.

Section 3. Amends s. 112.31455, F.S., relating to the collection of unpaid financial disclosure fines.

Section 4. Amends s. 1001.20, F.S., relating to the Department of Education's Office of Inspector General.

⁵¹ Section 1012.23(2), F.S. The term "relative" includes father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, or half-sister

⁵² Section 1001.42(6), F.S.
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Section 5. Amends s. 1001.39, F.S., relating to district school board member's travel expenses.

Section 6. Amends s. 1001.395, F.S., relating to school board member's compensation.

Section 7. Amends s. 1001.42, F.S., relating to the powers and duties of the school board.

Section 8. Amends s. 1010.20, F.S., relating to cost accounting and reporting for school districts.

Section 9. Amends s. 1010.30, F.S., relating to audits.

Section 10. Amends s. 1011.01, F.S., relating to budget systems.

Section 11. Amends s. 1011.03, F.S., relating to public hearings and budgets submitted to the Department of Education.

Section 12. Amends s. 1011.035, F.S., relating to school district fiscal transparency.

Section 13. Amends s. 1011.051, F.S., relating to guidelines for general funds.

Section 14. Amends s. 1011.06, F.S., relating to school district budget expenditures.

Section 15. Amends s. 1011.09, F.S., relating to expenditures of funds by district school boards.

Section 16. Amends s. 1011.10, F.S., relating to penalties for district school board members.

Section 17. Amends s. 1011.60, F.S., relating to requirements of the Florida Education Finance Program.

Section 18. Repeals s. 1011.64, F.S., relating to school district minimum classroom expenditure requirements.

Section 19. Amends s. 1012.23, F.S., relating to school district personnel policies.

Section 20. Provides an effective date of July 1, 2018.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The DOE has not yet provided information regarding the fiscal impact to the department to (a) develop and maintain the web-based fiscal transparency tool and (b) contract for the completion of a forensic audit. As a result, the fiscal impacts are indeterminate at this time.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

School districts that receive \$500 million or more in revenues and do not currently employ an internal auditor may incur additional costs in hiring an internal auditor; however, cost savings provided as a result of action taken based on findings of the internal auditor may offset the additional costs.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None.

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 district accountability;
 3 amending s. 11.45, F.S.; revising the duties of the
 4 Auditor General; amending s. 112.313, F.S.;
 5 prohibiting former appointed district school
 6 superintendents from conducting certain lobbying
 7 activities; amending s. 112.31455, F.S.; requiring the
 8 governing body of a district school board be notified
 9 if an officer or employee of the body owes a certain
 10 fine; requiring the governing body of a district
 11 school board to take specified actions under such
 12 circumstances; amending s. 1001.20, F.S.; requiring
 13 the Office of Inspector General to investigate certain
 14 allegations and reports made by specified individuals;
 15 amending s. 1001.39, F.S.; requiring a district school
 16 board member's travel outside of the school district
 17 to be preapproved and meet certain criteria; amending
 18 s. 1001.395, F.S.; providing that certain requirements
 19 for the salaries of district school board members
 20 apply every fiscal year, rather than one specific
 21 fiscal year; amending s. 1001.42, F.S.; providing that
 22 the standards of ethical conduct apply to
 23 administrative personnel and school officers;
 24 requiring employment of internal auditors in certain
 25 school districts; revising provisions relating to the

26 duties of such internal auditors; amending s. 1010.20,
27 F.S.; requiring each school district to report certain
28 expenditures to the Department of Education; providing
29 department responsibilities; amending s. 1010.30,
30 F.S.; requiring certain entities to provide an audit
31 overview under certain circumstances; providing the
32 contents of the overview; amending ss. 1011.01 and
33 1011.03, F.S.; conforming cross-references; amending
34 s. 1011.035, F.S.; requiring each district school
35 board to post on its website certain graphical
36 representations and a link to a certain web-based tool
37 on the department's website; providing requirements
38 for such graphical representations; amending s.
39 1011.051, F.S.; requiring a district school board to
40 limit certain expenditures by a specified amount if
41 certain financial conditions exist for a specified
42 period of time; requiring the department to contract
43 with a third party to conduct a forensic audit under
44 certain circumstances; requiring the results of such
45 audit to be provided to certain entities; amending s.
46 1011.06, F.S.; requiring each district school board to
47 approve certain expenditures by amending its budget
48 and provide a public explanation for such budget
49 amendments; amending s. 1011.09, F.S.; providing
50 certain expenditure limitations for a school district

51 that meets specified criteria; amending s. 1011.10,
 52 F.S.; requiring certain school districts to withhold
 53 district school board member and school district
 54 superintendent salaries until certain conditions are
 55 met; amending s. 1011.60, F.S.; conforming cross-
 56 references; repealing s. 1011.64, F.S., relating to
 57 school district minimum classroom expenditure
 58 requirements; amending s. 1012.23, F.S.; prohibiting a
 59 school district superintendent and district school
 60 board from appointing or employing certain individuals
 61 in certain positions; providing an exception;
 62 requiring the Commission on Ethics to investigate
 63 alleged violations; providing an effective date.

64

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

66

67 Section 1. Paragraph (j) of subsection (2) of section
 68 11.45, Florida Statutes, is amended to read:

69 11.45 Definitions; duties; authorities; reports; rules.—

70 (2) DUTIES.—The Auditor General shall:

71 (j) Conduct audits of local governmental entities when
 72 determined to be necessary by the Auditor General, when directed
 73 by the Legislative Auditing Committee, or when otherwise
 74 required by law. No later than 18 months after the release of
 75 the audit report, the Auditor General shall:

76 1. Perform such appropriate followup procedures as he or
 77 she deems necessary to determine the audited entity's progress
 78 in addressing the findings and recommendations contained within
 79 the Auditor General's previous report.

80 2. Perform such appropriate followup procedures to
 81 determine a district school board's progress in addressing
 82 findings and recommendations that require corrective action
 83 contained within the Auditor General's previous report. The
 84 Commissioner of Education shall be notified of the district
 85 school board's progress.

86
 87 The Auditor General shall notify each member of the audited
 88 entity's governing body and the Legislative Auditing Committee
 89 of the results of his or her determination.

90
 91 The Auditor General shall perform his or her duties
 92 independently but under the general policies established by the
 93 Legislative Auditing Committee. This subsection does not limit
 94 the Auditor General's discretionary authority to conduct other
 95 audits or engagements of governmental entities as authorized in
 96 subsection (3).

97 Section 2. Subsection (14) of section 112.313, Florida
 98 Statutes, is amended to read:

99 112.313 Standards of conduct for public officers,
 100 employees of agencies, and local government attorneys.-

101 (14) LOBBYING BY FORMER LOCAL OFFICERS; PROHIBITION.—A
 102 person who has been elected to any county, municipal, special
 103 district, or school district office or appointed superintendent
 104 of a school district may not personally represent another person
 105 or entity for compensation before the government body or agency
 106 of which the person was an officer for a period of 2 years after
 107 vacating that office. For purposes of this subsection:

108 (a) The "government body or agency" of a member of a board
 109 of county commissioners consists of the commission, the chief
 110 administrative officer or employee of the county, and their
 111 immediate support staff.

112 (b) The "government body or agency" of any other county
 113 elected officer is the office or department headed by that
 114 officer, including all subordinate employees.

115 (c) The "government body or agency" of an elected
 116 municipal officer consists of the governing body of the
 117 municipality, the chief administrative officer or employee of
 118 the municipality, and their immediate support staff.

119 (d) The "government body or agency" of an elected special
 120 district officer is the special district.

121 (e) The "government body or agency" of an elected school
 122 district officer is the school district.

123 Section 3. Subsection (1) of section 112.31455, Florida
 124 Statutes, is amended to read:

125 112.31455 Collection methods for unpaid automatic fines

126 for failure to timely file disclosure of financial interests.—

127 (1) Before referring any unpaid fine accrued pursuant to
 128 s. 112.3144(5) or s. 112.3145(7) to the Department of Financial
 129 Services, the commission shall attempt to determine whether the
 130 individual owing such a fine is a current public officer or
 131 current public employee. If so, the commission may notify the
 132 Chief Financial Officer or the governing body of the appropriate
 133 county, municipality, district school board, or special district
 134 of the total amount of any fine owed to the commission by such
 135 individual.

136 (a) After receipt and verification of the notice from the
 137 commission, the Chief Financial Officer or the governing body of
 138 the county, municipality, district school board, or special
 139 district shall begin withholding the lesser of 10 percent or the
 140 maximum amount allowed under federal law from any salary-related
 141 payment. The withheld payments shall be remitted to the
 142 commission until the fine is satisfied.

143 (b) The Chief Financial Officer or the governing body of
 144 the county, municipality, district school board, or special
 145 district may retain an amount of each withheld payment, as
 146 provided in s. 77.0305, to cover the administrative costs
 147 incurred under this section.

148 Section 4. Paragraph (e) of subsection (4) of section
 149 1001.20, Florida Statutes, is amended to read:

150 1001.20 Department under direction of state board.—

151 (4) The Department of Education shall establish the
152 following offices within the Office of the Commissioner of
153 Education which shall coordinate their activities with all other
154 divisions and offices:

155 (e) Office of Inspector General.—Organized using existing
156 resources and funds and responsible for promoting
157 accountability, efficiency, and effectiveness and detecting
158 fraud and abuse within school districts, the Florida School for
159 the Deaf and the Blind, and Florida College System institutions
160 in Florida. If the Commissioner of Education determines that a
161 district school board, the Board of Trustees for the Florida
162 School for the Deaf and the Blind, or a Florida College System
163 institution board of trustees is unwilling or unable to address
164 substantiated allegations made by any person relating to waste,
165 fraud, or financial mismanagement within the school district,
166 the Florida School for the Deaf and the Blind, or the Florida
167 College System institution, the office shall conduct,
168 coordinate, or request investigations into such substantiated
169 allegations. The office shall investigate allegations or reports
170 of possible fraud or abuse against a district school board made
171 by any member of the Cabinet; the presiding officer of either
172 house of the Legislature; a chair of a substantive or
173 appropriations committee with jurisdiction; or a member of the
174 board for which an investigation is sought. The office shall
175 have access to all information and personnel necessary to

176 perform its duties and shall have all of its current powers,
 177 duties, and responsibilities authorized in s. 20.055.

178 Section 5. Subsection (1) of section 1001.39, Florida
 179 Statutes, is amended to read:

180 1001.39 District school board members; travel expenses.—

181 (1) In addition to the salary provided in s. 1001.395,
 182 each member of a district school board shall be allowed, from
 183 the district school fund, reimbursement of travel expenses as
 184 authorized in s. 112.061, ~~except as provided~~ that in subsection
 185 ~~(2).~~ any travel outside the district requires prior approval by
 186 the district school board to confirm that such travel is for
 187 official business of the school district and complies with ~~shall~~
 188 ~~also be governed by the~~ rules of the State Board of Education.

189 Section 6. Subsection (3) of section 1001.395, Florida
 190 Statutes, is amended to read:

191 1001.395 District school board members; compensation.—

192 (3) Notwithstanding the provisions of this section and s.
 193 145.19, ~~for the 2010-2011 fiscal year,~~ the salary of each
 194 district school board member shall be the amount calculated
 195 pursuant to subsection (1) or the district's beginning salary
 196 for teachers who hold baccalaureate degrees, whichever is less.

197 Section 7. Subsections (6) and (7), paragraph (1) of
 198 subsection (12), and paragraph (b) of subsection (17) of section
 199 1001.42, Florida Statutes, are amended to read:

200 1001.42 Powers and duties of district school board.—The

201 district school board, acting as a board, shall exercise all
 202 powers and perform all duties listed below:

203 (6) STANDARDS OF ETHICAL CONDUCT FOR INSTRUCTIONAL
 204 PERSONNEL, ADMINISTRATIVE PERSONNEL, AND SCHOOL OFFICERS
 205 ADMINISTRATORS.—Adopt policies establishing standards of ethical
 206 conduct for instructional personnel, administrative personnel,
 207 and school officers ~~administrators~~. The policies must require
 208 all instructional personnel, administrative personnel, and
 209 school officers ~~administrators~~, as defined in s. 1012.01, to
 210 complete training on the standards; establish the duty of
 211 instructional personnel, administrative personnel, and school
 212 officers ~~administrators~~ to report, and procedures for reporting,
 213 alleged misconduct by other instructional or administrative
 214 personnel and school officers ~~school administrators~~ which
 215 affects the health, safety, or welfare of a student; and include
 216 an explanation of the liability protections provided under ss.
 217 39.203 and 768.095. A district school board, or any of its
 218 employees, may not enter into a confidentiality agreement
 219 regarding terminated or dismissed instructional or
 220 administrative personnel or school officers ~~administrators, or~~
 221 ~~personnel or administrators~~ who resign in lieu of termination,
 222 based in whole or in part on misconduct that affects the health,
 223 safety, or welfare of a student, and may not provide
 224 instructional personnel, administrative personnel, or school
 225 officers ~~administrators~~ with employment references or discuss

226 the personnel's or officers' ~~administrators'~~ performance with
227 prospective employers in another educational setting, without
228 disclosing the personnel's or officers' ~~administrators'~~
229 misconduct. Any part of an agreement or contract that has the
230 purpose or effect of concealing misconduct by instructional
231 personnel, administrative personnel, or school officers
232 ~~administrators~~ which affects the health, safety, or welfare of a
233 student is void, is contrary to public policy, and may not be
234 enforced.

235 (7) DISQUALIFICATION FROM EMPLOYMENT.—Disqualify
236 instructional personnel and administrative personnel ~~school~~
237 ~~administrators,~~ as defined in s. 1012.01, from employment in any
238 position that requires direct contact with students if the
239 personnel ~~or administrators~~ are ineligible for such employment
240 under s. 1012.315. An elected or appointed school board official
241 forfeits his or her salary for 1 year if:

242 (a) The school board official knowingly signs and
243 transmits to any state official a report of alleged misconduct
244 by instructional personnel or administrative personnel ~~school~~
245 ~~administrators~~ which affects the health, safety, or welfare of a
246 student and the school board official knows the report to be
247 false or incorrect; or

248 (b) The school board official knowingly fails to adopt
249 policies that require instructional personnel and administrative
250 personnel ~~school administrators~~ to report alleged misconduct by

251 other instructional personnel and administrative personnel
 252 ~~school administrators~~, or that require the investigation of all
 253 reports of alleged misconduct by instructional personnel and
 254 administrative personnel ~~school administrators~~, if the
 255 misconduct affects the health, safety, or welfare of a student.

256 (12) FINANCE.—Take steps to assure students adequate
 257 educational facilities through the financial procedure
 258 authorized in chapters 1010 and 1011 and as prescribed below:

259 (1) Internal auditor.—May or, in the case of a school
 260 district receiving annual federal, state, and local funds in
 261 excess of \$500 million, shall employ an internal auditor. The
 262 duties of the internal auditor shall include oversight of every
 263 functional and program area of the school system.

264 1. The internal auditor shall ~~to~~ perform ongoing financial
 265 verification of the financial records of the school district, a
 266 comprehensive risk assessment of all areas of the school system
 267 every 5 years, and other audits and reviews as the district
 268 school board directs for determining:

269 a. The adequacy of internal controls designed to prevent
 270 and detect fraud, waste, and abuse.

271 b. Compliance with applicable laws, rules, contracts,
 272 grant agreements, district school board-approved policies, and
 273 best practices.

274 c. The efficiency of operations.

275 d. The reliability of financial records and reports.

276 e. The safeguarding of assets.
 277 f. Financial solvency.
 278 g. Projected revenues and expenditures.
 279 h. The rate of change in the general fund balance.
 280 2. The internal auditor shall prepare audit reports of his
 281 or her findings and report directly to the district school board
 282 or its designee.
 283 3. Any person responsible for furnishing or producing any
 284 book, record, paper, document, data, or sufficient information
 285 necessary to conduct a proper audit or examination which the
 286 internal auditor is by law authorized to perform is subject to
 287 the provisions of s. 11.47(3) and (4).
 288 (17) PUBLIC INFORMATION AND PARENTAL INVOLVEMENT PROGRAM.—
 289 (b) Adopt rules to strengthen family involvement and
 290 empowerment pursuant to s. 1002.23. The rules shall be developed
 291 in collaboration with administrative personnel ~~school~~
 292 ~~administrators~~, parents, teachers, and community partners.
 293 Section 8. Subsection (2) of section 1010.20, Florida
 294 Statutes, is amended to read:
 295 1010.20 Cost accounting and reporting for school
 296 districts.—
 297 (2) COST REPORTING.—
 298 (a) Each district shall report on a district-aggregate
 299 basis expenditures for inservice training pursuant to s.
 300 1011.62(3) and for categorical programs as provided in s.

301 1011.62(6).

302 (b) Each district shall report to the department on a
 303 school-by-school and on an aggregate district basis expenditures
 304 for:

305 1. Each program funded in s. 1011.62(1)(c).

306 2. Total operating costs as reported pursuant to s.
 307 1010.215.

308 3. Expenditures for classroom instruction pursuant to the
 309 calculation in s. 1010.215(4)(b)1. and 2.

310 (c) The department shall:

311 1. Categorize all public schools and districts into
 312 appropriate groups based primarily on average full-time
 313 equivalent student enrollment as reported on the most recent
 314 student membership survey under s. 1011.62 and in state board
 315 rule to determine groups of peer schools and districts.

316 2. Annually calculate for each public school, district,
 317 and for the entire state, the percentage of classroom
 318 expenditures to total operating expenditures reported in
 319 subparagraphs (b)2. and 3. The results shall be categorized
 320 pursuant to this paragraph.

321 3. Annually calculate for all public schools, districts,
 322 and the state, the average percentage of classroom expenditures
 323 to total operating expenditures reported in subparagraphs (b)2.
 324 and 3. The results shall be categorized pursuant to this
 325 paragraph.

326 4. Develop a web-based fiscal transparency tool that
 327 identifies public schools and districts that produce high
 328 academic achievement based on the ratio of classroom instruction
 329 expenditures to total expenditures. The fiscal transparency tool
 330 shall combine the data calculated pursuant to this paragraph
 331 with the student performance measurements calculated pursuant to
 332 s. 1012.34(7) to determine the financial efficiency of each
 333 public school and district. The results shall be displayed in an
 334 easy to use format that enables the user to compare performance
 335 among public schools and districts.

336 ~~(d)(e)~~ The Commissioner of Education shall present to the
 337 Legislature, prior to the opening of the regular session each
 338 year, a district-by-district report of the expenditures reported
 339 pursuant to paragraphs (a) and (b). The report shall include
 340 total expenditures, a detailed analysis showing expenditures for
 341 each program, and such other data as may be useful for
 342 management of the education system. The Commissioner of
 343 Education shall also compute cost factors relative to the base
 344 student allocation for each funded program in s. 1011.62(1)(c).

345 Section 9. Subsection (2) of section 1010.30, Florida
 346 Statutes, is amended to read:

347 1010.30 Audits required.—

348 (2) If an audit contains a significant deficiency or
 349 material weakness ~~finding~~, the district school board, the
 350 Florida College System institution board of trustees, or the

351 university board of trustees shall conduct an audit overview
 352 during a public meeting. The audit overview shall describe the
 353 corrective action to be taken and a timeline for completion of
 354 such action.

355 Section 10. Paragraph (a) of subsection (3) of section
 356 1011.01, Florida Statutes, is amended to read:

357 1011.01 Budget system established.-

358 (3)(a) Each district school board and each Florida College
 359 System institution board of trustees shall prepare, adopt, and
 360 submit to the Commissioner of Education an annual operating
 361 budget. Operating budgets shall be prepared and submitted in
 362 accordance with the provisions of law, rules of the State Board
 363 of Education, the General Appropriations Act, and for district
 364 school boards in accordance with the provisions of s. 200.065
 365 ~~ss. 200.065 and 1011.64.~~

366 Section 11. Subsection (2) of section 1011.03, Florida
 367 Statutes, is amended to read:

368 1011.03 Public hearings; budget to be submitted to
 369 Department of Education.-

370 ~~(2) The advertisement of a district that has been required~~
 371 ~~by the Legislature to increase classroom expenditures pursuant~~
 372 ~~to s. 1011.64 must include the following statement:~~
 373 ~~"This proposed budget reflects an increase in classroom~~
 374 ~~expenditures as a percent of total current operating~~
 375 ~~expenditures of XX percent over the (previous fiscal year)~~

376 ~~fiscal year. This increase in classroom expenditures is required~~
 377 ~~by the Legislature because the district has performed below the~~
 378 ~~required performance standard on XX of XX student performance~~
 379 ~~standards for the (previous school year) school year. In order~~
 380 ~~to achieve the legislatively required level of classroom~~
 381 ~~expenditures as a percentage of total operating expenditures,~~
 382 ~~the proposed budget includes an increase in overall classroom~~
 383 ~~expenditures of \$XX,XXX,XXX above the amount spent for this same~~
 384 ~~purpose during the (previous fiscal year) fiscal year. In order~~
 385 ~~to achieve improved student academic performance, this proposed~~
 386 ~~increase is being budgeted for the following activities:~~
 387 ~~...(list activities and amount budgeted)...."~~

388 Section 12. Subsection (2) of section 1011.035, Florida
 389 Statutes, is amended, and paragraph (d) is added to subsection
 390 (4) of that section, to read:

391 1011.035 School district fiscal ~~budget~~ transparency.—

392 (2) Each district school board shall post on its website a
 393 plain language version of each proposed, tentative, and official
 394 budget which describes each budget item in terms that are easily
 395 understandable to the public and includes graphical
 396 representations, for each public school within district and for
 397 the school district, of the following:

398 (a) Summary financial efficiency data.

399 (b) Fiscal trend information for the previous 3 years on:

400 1. The ratio of full-time equivalent students to full-time

- 401 equivalent instructional personnel.
- 402 2. The ratio of full-time equivalent students to full-time
- 403 equivalent administrative personnel.
- 404 3. The total operating expenditures per full-time
- 405 equivalent student.
- 406 4. The total instructional expenditures per full-time
- 407 equivalent student.
- 408 5. The general administrative expenditures as a percentage
- 409 of total budget.
- 410 6. The rate of change in the general fund's ending fund
- 411 balance not classified as restricted.

412

413 This information must be prominently posted on the school

414 district's website in a manner that is readily accessible to the

415 public.

- 416 (4) The website should contain links to:
- 417 (d) The web-based fiscal transparency tool developed by
- 418 the department pursuant to s. 1010.20 to enable taxpayers to
- 419 evaluate the financial efficiency of the school district and
- 420 compare the financial efficiency of the school district with
- 421 other similarly situated school districts.

422 Section 13. Subsections (1) and (2) of section 1011.051,

423 Florida Statutes, are amended to read:

424 1011.051 Guidelines for general funds.—The district school

425 board shall maintain a general fund ending fund balance that is

426 sufficient to address normal contingencies.

427 (1) If at any time the portion of the general fund's
 428 ending fund balance not classified as restricted, committed, or
 429 nonspendable in the district's approved operating budget is
 430 projected to fall below 3 percent of projected general fund
 431 revenues during the current fiscal year, the superintendent
 432 shall provide written notification to the district school board
 433 and the Commissioner of Education. If such financial condition
 434 exists for 2 consecutive fiscal years, the superintendent shall
 435 reduce the district's administration expenditures reported
 436 pursuant to s. 1010.215(4)(a).

437 (2) (a) If at any time the portion of the general fund's
 438 ending fund balance not classified as restricted, committed, or
 439 nonspendable in the district's approved operating budget is
 440 projected to fall below 2 percent of projected general fund
 441 revenues during the current fiscal year, the superintendent
 442 shall provide written notification to the district school board
 443 and the Commissioner of Education. Within 14 days after
 444 receiving such notification, if the commissioner determines that
 445 the district does not have a plan that is reasonably anticipated
 446 to avoid a financial emergency as determined pursuant to s.
 447 218.503, the commissioner shall appoint a financial emergency
 448 board that shall operate under the requirements, powers, and
 449 duties specified in s. 218.503(3)(g).

450 (b) If any of the conditions identified in s. 218.503(1)

451 existed in the 2015-2016 school year or thereafter, the
 452 department shall contract with an independent third party to
 453 conduct a forensic audit of all accounts and records which shall
 454 include a financial solvency analysis that encompasses
 455 techniques to prevent and detect fraud, waste, and abuse. The
 456 forensic audit must also collect evidence to determine if any of
 457 the conditions identified in s. 1011.10 have occurred. The
 458 results of the forensic audit shall be provided to the district
 459 school board, the department, the Legislative Auditing
 460 Committee, and the district's financial emergency board, if
 461 applicable.

462 Section 14. Subsection (2) of section 1011.06, Florida
 463 Statutes, is amended to read:

464 1011.06 Expenditures.—

465 (2) EXPENDITURES FROM DISTRICT AND OTHER FUNDS.—

466 Expenditures from district and all other funds available for the
 467 public school program of any district shall be authorized by law
 468 and must be in accordance with procedures prescribed by the
 469 district school board. A district school board may establish
 470 policies that allow expenditures to exceed the amount budgeted
 471 by function and object, provided that the district school board
 472 complies with s. 1011.09(4) and approves the expenditure by
 473 amending ~~and amends~~ the budget at the next scheduled public
 474 meeting. The district school board must provide a full
 475 explanation of any amendments at the public meeting ~~within~~

476 ~~timelines established by school board policies.~~

477 Section 15. Subsection (4) of section 1011.09, Florida
 478 Statutes, is amended to read:

479 1011.09 Expenditure of funds by district school board.—All
 480 state funds apportioned to the credit of any district constitute
 481 a part of the district school fund of that district and must be
 482 budgeted and expended under authority of the district school
 483 board subject to the provisions of law and rules of the State
 484 Board of Education.

485 (4) If the financial conditions in s. 1011.051 exist, a
 486 district school board ~~During the 2009-2010 fiscal year, unless~~
 487 ~~otherwise specifically approved by the district school board,~~
 488 ~~public funds~~ may not make expenditures be expended for out-of-
 489 state travel outside of the district or cellular phones,
 490 cellular phone service, personal digital assistants, or any
 491 other mobile wireless communication device or service, including
 492 text messaging, whether through purchasing, leasing,
 493 contracting, or any other method, while subject to the
 494 requirements of s. 1011.051. The expenditure of public funds for
 495 art programs, music programs, sports programs, and
 496 extracurricular programs for students is a higher priority than
 497 expending funds for employee travel and cellular phones.

498 Section 16. Subsection (3) is added to section 1011.10,
 499 Florida Statutes, to read:

500 1011.10 Penalty.—

501 (3) If any of the conditions identified in s. 218.503(1)
 502 exist within a school district, the salary of each district
 503 school board member and district superintendent, calculated
 504 pursuant to ss. 1001.395 and 1001.47, shall be withheld until
 505 the conditions are corrected.

506 Section 17. Subsection (8) of section 1011.60, Florida
 507 Statutes, is amended to read:

508 1011.60 Minimum requirements of the Florida Education
 509 Finance Program.—Each district which participates in the state
 510 appropriations for the Florida Education Finance Program shall
 511 provide evidence of its effort to maintain an adequate school
 512 program throughout the district and shall meet at least the
 513 following requirements:

514 ~~(8) MINIMUM CLASSROOM EXPENDITURE REQUIREMENTS. Comply~~
 515 ~~with the minimum classroom expenditure requirements and~~
 516 ~~associated reporting pursuant to s. 1011.64.~~

517 Section 18. Section 1011.64, Florida Statutes, is
 518 repealed.

519 Section 19. Section 1012.23, Florida Statutes, is amended
 520 to read:

521 1012.23 School district personnel policies.—

522 (2) Neither the district school superintendent nor a
 523 district school board member may appoint or not employ ~~or~~
 524 ~~appoint~~ a relative, as defined in s. 112.3135, to work under the
 525 direct supervision of that district school board member or

526 district school superintendent. The limitations of this
527 subsection do not apply to employees appointed or employed
528 before the election or appointment of a school board member or
529 district school superintendent. The Commission on Ethics shall
530 accept and investigate any alleged violations of this section
531 pursuant to the procedures contained in ss. 112.322-112.3241.

532 Section 20. This act shall take effect July 1, 2018.



Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

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

1 Committee/Subcommittee hearing bill: PreK-12 Quality
 2 Subcommittee

3 Representative Sullivan offered the following:

4
5 **Amendment**

6 Remove lines 67-96 and insert:

7 Section 1. Paragraph (k) of subsection (2) of section
 8 11.45, Florida Statutes, is redesignated as paragraph (l), new
 9 paragraph (k) is added to that subsection to read:

10 (2) DUTIES.—The Auditor General shall:

11 (k) Contact each district school board, as defined in s.
 12 1001, with findings and recommendations contained within the
 13 Auditor General's previous operational audit report. The
 14 district school board shall provide the Auditor General with
 15 evidence of the initiation of corrective action within 45 days
 16 after the date it is requested by the Auditor General and



Amendment No. 1

17 evidence of completion of corrective action within 180 days
18 after the date it is requested by the Auditor General. If the
19 district school board fails to comply with the Auditor General's
20 request or is unable to take corrective action within the
21 required timeframe, the Auditor General shall notify the
22 Legislative Auditing Committee.

23
24 (1) ~~(k)~~ Annually conduct operational audits of the accounts
25 and records of eligible nonprofit scholarship-funding
26 organizations receiving eligible contributions under s.
27 1002.395, including any contracts for services with related
28 entities, to determine compliance with the provisions of that
29 section. Such audits shall include, but not be limited to, a
30 determination of the eligible nonprofit scholarship-funding
31 organization's compliance with s. 1002.395(6)(j). The Auditor
32 General shall provide its report on the results of the audits to
33 the Governor, the President of the Senate, the Speaker of the
34 House of Representatives, the Chief Financial Officer, and the
35 Legislative Auditing Committee, within 30 days of completion of
36 the audit.

37
38 The Auditor General shall perform his or her duties
39 independently but under the general policies established by the
40 Legislative Auditing Committee. This subsection does not limit
41 the Auditor General's discretionary authority to conduct other

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COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 1279 (2018)

Amendment No. 1

42 audits or engagements of governmental entities as authorized in
43 subsection (3).



Amendment No. 2

COMMITTEE/SUBCOMMITTEE ACTION

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

1 Committee/Subcommittee hearing bill: PreK-12 Quality
 2 Subcommittee

3 Representative Raburn offered the following:

4
5 **Amendment**

6 Remove line 188 and insert:

7 ~~also be governed by the rules of the State Board of Education.~~
 8 Any request for travel outside the state must include an
 9 itemized list detailing all anticipated travel expenses,
 10 including, but not limited to, the anticipated costs of all
 11 means of travel, lodging, and subsistence. Immediately preceding
 12 a request, the public must have an opportunity to speak on the
 13 specific travel agenda item.



Amendment No. 3

COMMITTEE/SUBCOMMITTEE ACTION

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

1 Committee/Subcommittee hearing bill: PreK-12 Quality
 2 Subcommittee

3 Representative Sullivan offered the following:

4
 5 **Amendment (with directory and title amendments)**

6 Between lines 258 and 259, insert:

7 (b) Annual budget.-

8 1. Cause to be prepared, adopt, and have submitted to the
 9 Department of Education as required by law and rules of the
 10 State Board of Education, the annual school budget, such budget
 11 to be so prepared and executed as to promote the improvement of
 12 the district school system.

13 2. An individual school board member may request and shall
 14 receive any proposed, tentative and official budget documents,
 15 including all supporting and background information.

16



Amendment No. 3

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D I R E C T O R Y A M E N D M E N T

Remove lines 197-199 and insert:

Section 7. Subsections (6) and (7), paragraphs (b) and (1) of subsection (12), and paragraph (b) of subsection (17) of section 1001.42, Florida Statutes, are amended to read:

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

Remove line 23 and insert:

administrative personnel and school officers; authorizes district school board members to request and receive budget information;

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. HB 1279 (2018)

Amendment No. 4

COMMITTEE/SUBCOMMITTEE ACTION

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

1 Committee/Subcommittee hearing bill: PreK-12 Quality

2 Subcommittee

3 Representative Sullivan offered the following:

4

5 **Amendment**

6 Remove line 436 and insert:

7 pursuant to s. 1010.215(4)(a) in proportion to the reduction in
8 the general fund's ending balance or the reduction in student
9 enrollment, whichever is greater.



Amendment No. 5

COMMITTEE/SUBCOMMITTEE ACTION

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

1 Committee/Subcommittee hearing bill: PreK-12 Quality
 2 Subcommittee

3 Representative Sullivan offered the following:

4
 5 **Amendment (with title amendment)**

6 Remove lines 453-461 and insert:

7 conduct an investigation of all accounts and records to
 8 determine the cause of the deficit, what efforts, if any, were
 9 made to avoid the deficit and whether any of the conditions
 10 identified in s. 1011.10 have occurred. The investigation shall
 11 include a detailed review and analysis of documents and records
 12 including, but not limited to, budget reports, journal entries,
 13 budget methodologies, staff emails, hard copy records, monthly
 14 financial statements, quarterly revenue and expenditure reports,
 15 finance staff job descriptions and minutes from meetings.



Amendment No. 5

16 The results of the investigation shall include recommendations
17 for corrective action and controls to avoid a reoccurrence of a
18 future budget shortfall. A final report shall be provided to the
19 district school board, the department, the Legislative Auditing
20 Committee, and the district's financial emergency board, if
21 applicable.

22

23

24

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

25

Remove line 43 and insert:

26

with a third party to conduct an investigation under

