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A bill to be entitled An act relating to charter schools; amending s. 1002.33, F.S.; revising requirements for providing financial statements to the sponsor of a charter school; authorizing a governing body to oversee multiple charter schools; providing requirements for designation as a highperforming charter school; authorizing a high-performing charter school to increase enrollment and receive capital outlay funds; authorizing a newly approved charter school operated by a high-performing education service provider to receive a 15-year initial charter and become a highperforming charter school; providing requirements for retention of designation as a high-performing charter school; authorizing preference for enrollment in a charter school-in-the-workplace and a charter school-in-amunicipality for certain students; prohibiting school districts from requiring resignations from specified school district personnel who desire employment in a charter school; revising requirements for the establishment of a charter school-in-the-workplace; providing that a charter school-in-the-workplace is eligible for capital outlay funding if it meets specified requirements; removing a reporting requirement relating to student assessment data; requiring the Office of Program Policy Analysis and Government Accountability to conduct a study comparing the funding of charter schools with traditional public schools and examining certain funding and costs; requiring recommendations to the Governor and

Page 1 of 9

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

Legislature, if warranted, for improving the accountability and equity of the funding system for charter schools; providing an effective date.

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

Section 1. Paragraphs (g) and (i) of subsection (9), paragraph (d) of subsection (10), paragraph (e) of subsection (12), paragraph (b) of subsection (15), and paragraph (b) of subsection (21) of section 1002.33, Florida Statutes, are amended, and paragraph (q) is added to subsection (9) of that section, to read:

1002.33 Charter schools.-

- (9) CHARTER SCHOOL REQUIREMENTS.-
- (g) In order to provide financial information that is comparable to that reported for other public schools, charter schools are to maintain all financial records that constitute their accounting system:
- 1. In accordance with the accounts and codes prescribed in the most recent issuance of the publication titled "Financial and Program Cost Accounting and Reporting for Florida Schools"; or
- 2. At the discretion of the charter school governing board, a charter school may elect to follow generally accepted accounting standards for not-for-profit organizations, but must reformat this information for reporting according to this paragraph.

Page 2 of 9

Charter schools shall provide annual financial report and program cost report information in the state-required formats for inclusion in district reporting in compliance with s. 1011.60(1). Charter schools that are operated by a municipality or are a component unit of a parent nonprofit organization may use the accounting system of the municipality or the parent but must reformat this information for reporting according to this paragraph. A charter school shall provide a monthly financial statement to the sponsor, unless the charter school is designated as a high-performing charter school under paragraph (q), in which case the high-performing charter school shall provide a quarterly financial statement. The monthly financial statement required under this paragraph shall be in a form prescribed by the Department of Education.

- (i) The governing body of the charter school shall exercise continuing oversight over charter school operations. \underline{A} governing body may oversee more than one charter school in more than one school district.
 - (q)1. For purposes of this paragraph, the term:
- a. "Entity" means a municipality or other public entity as authorized by law to operate a charter school; a private, not-for-profit, s. 501(c)(3) status corporation; or a private, for-profit corporation.
- b. "High-performing education service provider" means an
 entity that:
- (I) Operates at least two high-performing charter schools in this state;
 - (II) Has received a school grade of "A" or "B" during the

Page 3 of 9

- previous 3 years for at least 75 percent of the charter schools operated by the entity in this state; and
 - (III) Has not received a school grade of "F" during any of the previous 3 years for any charter school operated by the entity in this state.
 - 2. A charter school shall be designated as a highperforming charter school if during each of the previous 3 years the charter school:
 - a. Received a school grade of "A" or "B";
 - b. Received an unqualified opinion on each financial audit required under s. 218.39; and
 - c. Did not receive a financial audit that revealed one or more of the conditions set forth in s. 218.503(1).
 - 3. A high-performing charter school may:
 - <u>a. Increase the school's student enrollment once per year</u>
 <u>by up to 25 percent more than the capacity authorized pursuant</u>
 to paragraph (10) (h).
 - b. Receive charter school capital outlay funds under s.

 1013.62. A high-performing charter school is not required to

 comply with s. 1013.62(1)(a)1.-3. but must comply with all other

 requirements of s. 1013.62 in order to receive charter school

 capital outlay funds as provided in this sub-subparagraph.
 - 4. A high-performing education service provider may submit an application pursuant to subsection (6) to establish and operate a new charter school that will replicate one or more of the provider's existing high-performing charter schools. Upon approval of the application by the sponsor, the new charter school shall be granted an initial charter for a term of 15

Page 4 of 9

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- years and be designated as a high-performing charter school. The
 114 15-year charter is subject to annual review and may be
 115 terminated during its term pursuant to subsection (8).
 - 5.a. A charter school that is designated as a highperforming charter school may retain such designation pursuant to:
 - (I) Subparagraph 2. if the school's governing board, by July 1 of each year, demonstrates in writing to the school's sponsor that the charter school continues to meet the requirements of subparagraph 2.
 - (II) Subparagraph 4. during the school's initial 3 years of operation if the entity operating the school continues to meet the definition of a high-performing education service provider under sub-subparagraph 1.b. After the high-performing charter school has operated for 3 years, the school must comply with sub-sub-subparagraph (I) in order to retain its designation as a high-performing charter school.
 - b. The high-performing charter school designation shall be removed if the charter school does not meet the requirements of sub-subparagraph a.
 - (10) ELIGIBLE STUDENTS.-
 - (d) A charter school may give enrollment preference to the following student populations:
- 136 1. Students who are siblings of a student enrolled in the charter school.
 - 2. Students who are the children of a member of the governing board of the charter school.
 - 3. Students who are the children of an employee of the

Page 5 of 9

141 charter school.

- 4. Students who are the children of an employee of a business or corporation that is in partnership with a charter school-in-the-workplace or students who are the children of a resident of a municipality that operates a charter school-in-a-municipality pursuant to subsection (15).
 - (12) EMPLOYEES OF CHARTER SCHOOLS.-
- (e) Employees of a school district may take leave to accept employment in a charter school upon the approval of the district school board. While employed by the charter school and on leave that is approved by the district school board, the employee may retain seniority accrued in that school district and may continue to be covered by the benefit programs of that school district, if the charter school and the district school board agree to this arrangement and its financing. School districts shall not require resignations from instructional personnel, school administrators, or educational support employees who desire employment of teachers desiring to teach in a charter school. This paragraph shall not prohibit a district school board from approving alternative leave arrangements consistent with chapter 1012.
- (15) CHARTER SCHOOLS-IN-THE-WORKPLACE; CHARTER SCHOOLS-IN-A-MUNICIPALITY.-
- (b) A charter school-in-the-workplace may be established when a business partner or a municipality:
 - 1. Provides one of the following:
 - a. Access to a the school facility to be used;
 - b. Resources that materially reduce the cost of

Page 6 of 9

2010

constructing a school facility;

- c. Land for a school facility; or
- d. Resources to maintain a school facility;
- 2. Enrolls students based upon a random lottery that involves all of the children of employees of that business or corporation, or within that municipality, who are seeking enrollment, as provided for in subsection (10); and
- 3. Enrolls students according to the racial/ethnic balance provisions described in subparagraph (7)(a)8.

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- 179 A charter school-in-the-workplace is eligible for charter school
- capital outlay funding if it meets the requirements in s.
- 181 1013.62. Any portion of a facility used for a public charter school shall be exempt from ad valorem taxes, as provided for in
- 183 s. 1013.54, for the duration of its use as a public school.
 - (21) PUBLIC INFORMATION ON CHARTER SCHOOLS.
 - (b)1. The Department of Education shall report student assessment data pursuant to s. 1008.34(3)(c) which is reported to schools that receive a school grade or student assessment data pursuant to s. 1008.341(3) which is reported to alternative schools that receive a school improvement rating to each charter school that:
 - a. Does not receive a school grade pursuant to s. 1008.34 or a school improvement rating pursuant to s. 1008.341; and
 - b. Serves at least 10 students who are tested on the statewide assessment test pursuant to s. 1008.22.
 - 2. The charter school shall report the information in subparagraph 1. to each parent of a student at the charter

Page 7 of 9

- school, the parent of a child on a waiting list for the charter school, the district in which the charter school is located, and the governing board of the charter school. This paragraph does not abrogate the provisions of s. 1002.22, relating to student records, or the requirements of 20 U.S.C. s. 1232g, the Family Educational Rights and Privacy Act.
- 3.a. Pursuant to this paragraph, the Department of Education shall compare the charter school student performance data for each charter school in subparagraph 1. with the student performance data in traditional public schools in the district in which the charter school is located and other charter schools in the state. For alternative charter schools, the department shall compare the student performance data described in this paragraph with all alternative schools in the state. The comparative data shall be provided by the following grade groupings:
 - (I) Grades 3 through 5;
 - (II) Grades 6 through 8; and
 - (III) Grades 9 through 11.
- b. Each charter school shall provide the information specified in this paragraph on its Internet website and also provide notice to the public at large in a manner provided by the rules of the State Board of Education. The State Board of Education shall adopt rules to administer the notice requirements of this subparagraph pursuant to ss. 120.536(1) and 120.54. The website shall include, through links or actual content, other information related to school performance.
 - Section 2. (1) The Office of Program Policy Analysis and

Page 8 of 9

Government Accountability shall conduct a study comparing the funding of charter schools with traditional public schools and shall:

- (a) Identify the school districts that distribute funds generated by the capital improvement millage authorized pursuant to s. 1011.71(2), Florida Statutes, to charter schools and the use of such funds by the charter schools.
- (b) Determine the amount of funds that would be available to charter schools if school districts equitably distribute to district schools, including charter schools, funds generated by the capital improvement millage authorized pursuant to s. 1011.71(2), Florida Statutes.
- (c) Examine the costs associated with supervising charter schools and determine whether the 5-percent administrative fee for administrative and educational services for charter schools covers the costs associated with the provision of the services.
- (2) The Office of Program Policy Analysis and Government Accountability shall make recommendations, if warranted, for improving the accountability and equity of the funding system for charter schools based on the findings of the study. The results of the study shall be provided to the Governor, the President of the Senate, and the Speaker of the House of Representatives no later than January 1, 2011.
 - Section 3. This act shall take effect July 1, 2010.

Page 9 of 9