

CHARTER SCHOOL CAPITAL OUTLAY

Pursuant to Subsection 1013.62 (4), Florida Statutes, the Commissioner of Education shall specify procedures for submitting and approving requests for funding under this section and procedures for documenting expenditures.

- 1) Capital outlay funds will be allocated to the following three classes of charter schools including charter lab schools for fiscal year 2004-05:
 - (1) The same charter schools that received funding during fiscal year 2002-2003.
 - (2) Charter schools that are an expanded feeder pattern of schools that received funding during fiscal year 2002-2003.
 - (3) Schools that hold a charter and are serving students at the beginning of the 2003-2004 school year, AND
 - (a) Incurred long-term financial obligations **prior** to January 31, 2003 OR
 - (b) Began construction of educational facilities **prior** to December 31, 2002.
- 2) Prior to receiving capital outlay funds, an agreement must be in place between the charter school and district sponsor that in the event a charter is not renewed or is terminated, any capital outlay funds provided pursuant to s. 1013.62 that are unencumbered shall revert to the department to be redistributed among eligible charter schools. The agreement must also contain provisions that in the event a charter school is dissolved or is otherwise terminated, all district school board property and improvements, furnishings, and equipment purchased with public funds shall automatically revert to full ownership by the district school board, subject to complete satisfaction of any lawful liens or encumbrances and that any unencumbered public funds from the charter school, district school board property and improvements, furnishings, and equipment purchased with public funds, or financial or other records pertaining to the charter school, in the possession of any person, entity, or holding company, other than the charter school, shall be held in trust upon the district school board's request, until any appeal status is resolved, as provided for in Paragraphs 1002.33(8)(e) and (f), Florida Statutes.
- 3) Each charter school shall submit a "capital outlay plan" directly to its sponsor district's Finance Officer **before** requesting funds pursuant to Section 1013.62, Florida Statutes.
- 4) Each charter school "capital outlay plan" shall be approved by the governing body of the charter school prior to being submitted to the sponsor district's finance officer.
- 5) Within 10 working days of the receipt of a charter school's "capital outlay plan" the district finance officer shall notify each charter school in writing as to whether the plan has been accepted or rejected.
- 6) The sponsoring district shall submit to the Florida Department of Education (FDOE), a copy of the "capital outlay plan", with all requested information complete and signed by all appropriate persons. Incomplete "capital outlay plans" will be returned to the district to complete. No additional allocations will be made until the complete plan is received. Allocations already transferred to the district will be subject to adjustments until the completed plan is received.
- 7) A charter school may request funds from the district for capital outlay pursuant to Section 1013.62, Florida Statutes, as soon as it receives written notice that its "capital outlay plan" has been approved.
- 8) A lease agreement, lease-purchase agreement, rental contract, sales contract, construction contract, or other documents as required by the sponsor district shall accompany a charter school's request to the sponsor district for capital outlay funds.
- 9) Within 10 working days of receiving a request for funds, the district finance officer must issue a check or transfer the requested money into the capital outlay account of the charter school requesting the funds providing that the charter school capital outlay plan has been approved and accepted by the district.
- 10) The district finance officer shall use sales contracts, construction contracts, purchase orders, leases, lease-purchase agreements, rental agreements, or a bill of sale to document the expenditure of capital outlay funds transferred to a charter school pursuant to Subsection 1013.62(2), Florida Statutes.
- 11) Any amount of interest earned by the district sponsor on funds appropriated for charter school capital outlay must be transferred to the appropriate charter school as the district earns it.
- 12) No charter school is compelled to spend its capital outlay funds in the year the funds are appropriated. A charter school may allow the funds to reside with the district until requested by the charter school. However, PECO funds will revert if not under contract within 31 months from the effective date of the appropriation. Interest earned on this money by the district shall be added to the charter school's capital outlay account.

DEFINITION OF TERMS

Educational Facilities: the buildings and equipment, structures, and special educational use areas that are built, installed, or established to serve primarily the educational purposes and secondarily the social and recreational purposes, as authorized by Florida Statutes and approved by boards.

Educational Plant: Comprises the educational facilities, site, and site improvements necessary to accommodate students, faculty, administrators, staff, and the activities of the educational program of each plant.

Expanded Feeder Pattern: A charter school will be considered an expanded feeder pattern of an existing charter school if it is paired with a school, located in the same school district, that received capital outlay funding during fiscal year 2002-2003 (i.e. July 1, 2002 to June 30, 2003), and the charter contains a provision either to send (feed) or receive (be fed) a majority of the transfer-eligible students to/from another charter school whose charter contains a complimentary provision. The grade level connection must be direct. A grade K-4 school and a grade 9-12 school cannot be considered a feeder pattern since there is a missing intermediate step of grades 5-8. There must exist specific provisions within the charters of both schools that detail student transfer protocols applicable to a majority of eligible transfer students.

Fixed Capital Outlay: includes fixed assets or real property. Land, new buildings, additions to buildings, replacement of buildings, remodeling of real property which materially extends its useful life, or materially improves or changes its functional use are examples of fixed capital outlay.

Long Term: defined as being 5 years or longer

Maintenance and Repair: means the upkeep of educational plants, including, but not limited to, roof or roofing replacement short of complete replacement of membrane or structure; repainting of interior or exterior surfaces; resurfacing of floors; repair or replacement of glass; repair of hardware, furniture, equipment, electrical fixtures, and plumbing fixtures; and repair or resurfacing of parking lots, roads, and walkways. The term "maintenance and repair" does not include custodial or grounds keeping functions or renovation except for the replacement of equipment with new equipment of equal systems meeting current code requirements, provided that the replacement item neither places increased demand on utilities services or structural supports, nor adversely affects the function of safety to life systems.

New Construction: means any construction of a building or unit of a building in which the entire work is new or an entirely new addition connected to an existing building.

Remodeling: means the changing of existing facilities by rearrangement of spaces and their use and includes, but is not limited to, the conversion of two classrooms to a science laboratory or the conversion of a closed plan arrangement to an open plan configuration.

Renovation: means the upgrading of existing facilities by installation or replacement of materials and equipment and includes, but is not limited to, air-conditioning, heating, or ventilation equipment; fire alarm systems; emergency lighting; electrical systems; and complete roofing or roof replacement, including replacement of membrane or structure.

Site: means a space of ground occupied or to be occupied by an educational facility or program.