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CFO NO.: 03-65

July 1, 2003

MEMORANDUM

TO: District Superintendents, Finance Officers, and Charter School Contacts

FROM: Raymond Monteleone

SUBJECT: Distribution of Capital Outlay Funds for Charter Schools

The 2003 Legislature established eligibility criteria for new charter schools which impact the regular distribution procedures for charter school capital outlay funds. Essentially, new schools must meet requirements relating to prior long-term financial commitments or be part of an expanded feeder pattern of schools that received funding in 2002-03. These new requirements can be found in Section 4 of HB0055A, which can be downloaded from <http://www.flsenate.gov>. Application of these new requirements results in limiting the first distribution (for July 2003) to charter schools that received funding in 2002-03. Verification of eligibility is required before any distribution can be made to the new schools. To accomplish the required verification of eligibility, we have revised the required Charter School Capital Outlay Plan to include certifications attesting to the district's determination of eligibility. The revised form and department procedures are attached and can also be located on our web site at <http://www.firn.edu/doe/oef/>. To be included in the August 2003 distribution, a charter school must meet the following requirements:

- Submit a completed Charter School Capital Outlay Plan that is received by the Office of Educational Facilities on or before July 31, 2003, and
- Meet the eligibility requirements as attested to within the Plan.

RAYMOND MONTELEONE
CHIEF EDUCATION FINANCIAL OFFICER

Attached is a table showing individual schools and district totals. Based on your district's input, the table represents our best determination of existing charter schools in your district eligible to receive capital outlay funds pursuant to Section 1013.62, Florida Statutes, for the 2003-2004 school year. Distributions are to be made monthly. Your district's charter school allocation will be sent via electronic funds transfer on July 24. Recalculations of entitlements will be done five times during the year, and distribution amounts may be less based on revised data; therefore, your future distributions may be less. Distributions will be made on the fourth Thursday of each month thereafter, except for November, which will be the fourth Wednesday. Additional information may be found on our website at <http://www.firn.edu/doe/oef/> as the entitlements are recalculated.

The 2003 Legislature also revised the authorized uses of Charter School Capital Outlay funds and include ONLY the following purposes:

- (a) purchase of real property;
- (b) construction of school facilities;
- (c) purchase, lease purchase, or lease of permanent or relocatable school facilities;
- (d) purchase of vehicles to transport students to and from the charter school and
- (e) renovation, repair, and/or maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of 5 years or longer.

When a charter school is non-renewed or terminated, any unencumbered funds and all equipment and property purchased with public funds shall revert to the ownership of the district school board, as provided in Paragraphs 1002.33(8)(e) and (f), Florida Statutes. The reversion of such equipment, property, and furnishings shall focus on recoverable assets, but not on intangible or irrecoverable costs such as rental or leasing fees, normal maintenance, and limited renovations. If there are additional local issues such as the shared use of facilities or partial ownership of facilities or property, these issues shall be agreed to in the charter contract prior to the expenditure of funds.

If you need additional assistance, please contact Janet Burns at (850) 245-9239 or SUNCOM 205-9239.

RM/jb

Attachments