

**STATE BOARD OF EDUCATION**  
**Action Item**  
March 22, 2017

**SUBJECT:** Approval of Amendment to Rule 6A-2.0020, Eligibility for Charter School Capital Outlay

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**PROPOSED BOARD ACTION**

For Approval

**AUTHORITY FOR STATE BOARD ACTION**

Section 1002.33(28), Florida Statutes

**EXECUTIVE SUMMARY**

This amendment revises the application process and clarifies the eligibility requirements for charter school capital outlay. The proposed rule revises the eligibility requirements related to student achievement and feeder patterns and conforms eligibility related to financial status to changes in the authorizing statute. The rule also sets an application deadline of July 1 for each year.

The Department conducted a rule development workshop on January 9, 2017 at which no comments or suggestions were provided.

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**Supporting Documentation Included:** Proposed Rule 6A-2.0020, F.A.C. and Form IEPC-CO1, Charter School Capital Outlay Application

**Facilitator/Presenter:** Adam Miller, Executive Director, Office of Independent Education and Parental Choice

**6A-2.0020 Eligibility for Charter School Capital Outlay.**

The following provisions are established for the determination of eligibility of charter schools pursuant to Section 1013.62, F.S. Except as expressly provided herein, proof of eligibility requirements must be provided to the Department by July 1 of the fiscal year for which the charter school seeks funding. The continuation of funding is dependent upon maintaining eligibility requirements during the fiscal year.

(1) A charter school may be considered a part of an expanded feeder chain under Section 1013.62, F.S., if it either sends or receives at least sixty (60) percent a majority of its students directly to or from a charter school that is currently receiving capital outlay funding in the same fiscal year for which the charter school seeks funding pursuant to Section 1013.62, F.S. A charter school must submit an application by the deadline in subparagraph (7)(a) of this rule. The Department shall determine eligibility by applying the feeder chain criteria in Section 1013.62(1)(a)1.c., F.S., to the fiscal year's data from the October full-time equivalent (FTE) student enrollment survey conducted pursuant to Section 1011.62(1)(a), F.S., in the same fiscal year for which the charter school seeks funding. The Department shall calculate the funding amount associated with a school for which enrollment projections are estimated to meet the feeder chain eligibility criteria and shall distribute funds generated by the formula in Section 1013.62, F.S., upon proof of an expanded feeder chain from the October FTE student enrollment survey data.

(2) Pursuant to Section 1013.62(1)(a)1.d., F.S., charter schools that have been accredited by the Commission on Schools of the Southern Association of Colleges and Schools may be eligible for charter school capital outlay. The eligibility requirement for satisfactory student achievement under Section 1013.62, F.S., shall be determined in accordance with the language in the charter contract and the charter school's current school improvement plan if the school has a current school improvement plan. A charter school receiving an "F" grade designation through the state accountability system, as defined in Section 1008.34, F.S., shall not be eligible for capital outlay funding for the school year immediately following the designation. Proof of accreditation by the Southern Association of Colleges and Schools Commission on Schools must be delivered to the Department by the deadline established in subparagraph (7)(a) for the fiscal year for which the charter school seeks funding to meet the eligibility requirement in Section 1013.62(1)(a)1.d., F.S. The continuation of funding is dependent upon maintaining accreditation during the current fiscal year. A charter school anticipating accreditation during a fiscal year shall include documentation of application for accreditation. The Department shall estimate the funding amount associated with a charter school anticipating accreditation during the fiscal year and distribute funds generated by the formula in Section 1013.62,

F.S., upon proof of final accreditation, if proof of accreditation for the school year is received by the Department prior to April 1 of the fiscal year for which the charter school seeks funding. If the Department does not receive proof of a charter school's official accreditation by April 1, the charter school shall be determined ineligible for that fiscal year.

(3) A charter school must have been in operation for two (2) or more full school years by July 1 of the fiscal year for which the charter school seeks funding to meet the eligibility requirement in Section 1013.62(1)(a)1.a., F.S.

(4) Satisfactory student achievement under Section 1013.62(1)(a)3., F.S., shall be determined by the school's most recent grade designation or school improvement rating from the state accountability system as defined in Sections 1008.34 and 1008.341, F.S. Satisfactory student achievement for a school that does not receive a school grade or a school improvement rating, including a school that has not been in operation for at least one school year, shall be based on the student performance metrics in the charter school's charter agreement. Allocations shall not be distributed until such time as school grade designations are known.

(a) For the 2016-17 school year, a charter school that receives a grade designation of "F" shall not be eligible for capital outlay funding.

(b) Beginning in the 2017-18 school year, a charter school that receives a grade designation of "F" or two (2) consecutive grades lower than a "C" shall not be eligible for capital outlay funding.

(c) Beginning in the 2017-18 school year, a charter school that receives a school improvement rating of "Unsatisfactory" shall not be eligible for capital outlay funding.

(5) Eligibility for the additional school weight for free or reduced price lunch and the additional school weight for students with disabilities under Section 1013.62(1)(c)1., F.S., shall be determined by the students' status as reported in the fiscal year's October FTE student enrollment survey for the fiscal year in which funding is sought. The number of students eligible for free or reduced lunch for a school that provides free breakfast and lunch to all students under the Community Eligibility Provision of the Healthy, Hunger-Free Kids Act of 2010 shall be calculated by applying the multiplier authorized in Section 11(a)(1)(F)(vii) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1759a) to the number of students reported to the Department as eligible for free meals based upon the Direct Certification determination. For schools that do not participate under the Community Eligibility Provision of the Healthy, Hunger-Free Kids Act of 2010, the number of students eligible for free or reduced price lunch shall be the number of students reported to the Department as eligible.

(6) A charter school whose most recent available audit, pursuant to Section 218.39, F.S., reveals any of the financial emergency conditions provided in Section 218.503(1), F.S., is not eligible to receive charter school capital outlay.

(a) Upon notification pursuant to Section 1002.345, F.S., that a charter school's audit reveals one or more of the financial emergency conditions in Section 218.503(1), Florida Statutes, the Department shall immediately discontinue distributions of charter school capital outlay funding for the school.

(b) A charter school shall remain ineligible to receive charter school capital outlay until the school produces an annual financial audit conducted pursuant to Section 218.39, F.S., which does not reveal any of the financial emergency conditions in Section 218.503(1), F.S., at which time capital outlay funding shall be calculated in an amount proportionate to the number of months remaining in the fiscal year.

(7) Pursuant to Section 1013.62(5), F.S., the procedures for submitting and approving an application for funding and the procedures for documenting expenditures, are as follows:

(a) Charter schools must submit an application using form IEPC-CO1, Charter School Capital Outlay Application, effective April 2017 (DOS link), which is hereby incorporated by reference in the rule, which may be accessed through [https://www.floridaschoolchoice.org/login/login\\_charter\\_school.asp](https://www.floridaschoolchoice.org/login/login_charter_school.asp). The application may be obtained by contacting the Office of Independent Education and Parental Choice, 325 West Gaines Street, Suite 1044, Tallahassee, Florida 32399-0400. The Department will accept hard copy versions of the application. Hard copies should be sent to 325 West Gaines Street, Suite 1044, Tallahassee, Florida, 32399. Applications are due by July 1 of the fiscal year for which funding is sought. The Department may extend the deadline for all applications by posting the extended deadline on its website. The charter school shall include the purpose for which the funds will be expended. The Department shall review the application, determine eligibility, and direct the allocation and distribution of such funds in accordance with that determination.

(b) The Sponsor shall forward such funding pursuant to the provisions of Section 1002.33(17)(e), F.S., to any charter school that is determined to be eligible by the Department under this rule. The charter school shall include all disbursements and expenditures pursuant to Section 1013.62, F.S., in its monthly or quarterly financial statements pursuant to Section 1002.33(9)(g), F.S., and shall maintain all documentation of such expenditures and provide such documentation to the Sponsor upon request as necessary to monitor compliance with applicable law governing the proper use of such funds.

(c) If overpayments occur, the Department of Education will take any or all of the following actions: require a charter school to return the overpaid amount; adjust a school's allocations in future years; or seek to collect the overpayment in any manner authorized by law.

*Rulemaking Authority 1001.02, 1013.62 FS. Law Implemented 1013.62 FS. History--New 12-15-09, Amended*

School Name: \_\_\_\_\_

District Location: \_\_\_\_\_

## Charter School Capital Outlay Application

This form must be completed and provided to the Florida Department of Education by July 1 for consideration to receive Charter School Capital Outlay funds, pursuant to Section 1013.62, Florida Statutes. Upon completion and submission of this form (you are responsible for completing each section) it will be sent electronically to your sponsor for review. Your sponsor will review and certify the information in Section 1. The Department will then review and consider the sponsor's recommendation and make the eligibility determination.

School Opened in :

As the charter school representative, I certify that I have read the Memorandum regarding the submission of my Capital Outlay Plan.

### SECTION 1:

Did the school receive capital outlay funding for the previous school year?

Yes No

The charter school's sponsor can verify that (both criteria apply):

(a) There exists an agreement with the charter school that includes provisions for the reversion of any unencumbered funds and all equipment and property purchased with public education funds to the ownership of the district school board in the event that the school terminates operations.

Yes

No

(b) The charter school facilities were not created by the conversion of a public school, does not operate in facilities provided by the charter school's sponsor for a nominal fee or at no charge, and is not directly or indirectly operated by the school district.

Yes

No

### SECTION 2:

A charter school must meet one of the following five criteria:

Please check the criteria that the school will meet for the upcoming **(2016-2017)** school year.

(1) For the 2016-2017 school year, the school will be in its third or more full year of operation.

Yes

No

<input type="checkbox"/>	<input type="checkbox"/>	(2) By the beginning of the 2016-2017 school year, the school will be accredited by the Commission on Schools of the Southern Association of Colleges and Schools (SACS).
Yes	No	Date of Accreditation (or anticipated date): <input type="text"/>
<input type="checkbox"/>	<input type="checkbox"/>	(b) The school anticipates receiving accreditation by the Commission on Schools of the Southern Association of Colleges and Schools (SACS) during the 2016-2017 school year. <i>(Note: Pursuant to State Board of Education Rule 6A-2.0020, proof of SACS accreditation must be sent to the Department of Education by April 1 of the fiscal year for which the charter school seeks funding.)</i>
Yes	No	Anticipated date of Accreditation: <input type="text"/>
<input type="checkbox"/>	<input type="checkbox"/>	(3) For the 2016-2017 school year, the school will establish an expanded feeder pattern with a charter school currently receiving capital outlay funds within the same school district:
Yes	No	<input type="checkbox"/> a SENDER school which sends over 60 percent of its population to: District: <input type="text" value="Please Select"/>
		<input type="checkbox"/> a RECEIVING school which receives over 60 percent of its population from: District: <input type="text" value="Please Select"/>
<input type="checkbox"/>	<input type="checkbox"/>	(4) Serves students in facilities that are provided by a business partner for a charter school-in-the-workplace pursuant to <a href="#">s.1002.33(15)(b),F.S.</a>
Yes	No	
<input type="checkbox"/>	<input type="checkbox"/>	(5) Is governed by a governing board, which has been established in Florida for 3 or more years and operates both charter and charter conversion schools in Florida.
Yes	No	
		Please provide the name and MSID of the conversion charter school AND traditional charter school:
		<b>Conversion Charter School:</b>
		District: <input type="text" value="Please Select"/>
		<b>Traditional Charter School:</b>
		District: <input type="text" value="Please Select"/>

**SECTION 3:**

A charter school must meet all of the following criteria to qualify for capital outlay funds:

<input checked="" type="checkbox"/>	<input type="checkbox"/>	(1) The school's most recent audit does not reveal any of the financial emergency conditions provided in Section 218.503(1), F.S.
Yes	No	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	(2) Has satisfactory student achievement based on state accountability standards applicable to charter schools. Recent school grade : Prior Year school grade :
Yes	No	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	(3) Has received final approval from its sponsor pursuant to s. 1002.33, F.S. for operation in the coming fiscal year.
Yes	No	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	(4) Serves students in facilities not provided by the charter school's sponsor:
Yes	No	
		(a) This <u>IS NOT</u> a conversion charter school utilizing district-owned facilities;
		(b) Nor operating in a district-owned facility which is rented, leased, or otherwise made available to the charter school by the school district.

#### SECTION 4:

A charter school may use charter school capital outlay funds for any of the following eight expenditures.

Please check the box(es) that apply.

<input type="checkbox"/>	(1) Purchase of real property.
<input type="checkbox"/>	(2) Construction of school facilities.
<input type="checkbox"/>	(3) Purchase, lease-purchase, or lease of permanent or relocatable school facilities (i.e., mortgage or rent).
<input type="checkbox"/>	(4) Purchase of vehicles to transport students to and from the charter school.
<input type="checkbox"/>	(5) Renovation, repair, and 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.
<input type="checkbox"/>	(6) The purchase, lease-purchase, or lease of new and replacement equipment, and enterprise resource software applications (must be classified as capital assets pursuant to the Governmental Accounting Standards Board [GASB], have a useful life of at least five years, and be used to support school-wide administration or state-mandated reporting requirements).
<input type="checkbox"/>	(7) Payment of the cost of premiums for property and casualty insurance which are deemed necessary to insure the school facilities.
<input type="checkbox"/>	(8) Purchase, lease-purchase, or lease of driver's education vehicles; motor vehicles used for the maintenance or operation of educational plants and



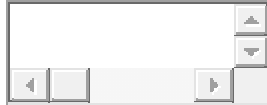
equipment; security vehicles; or vehicles used in storing or distributing materials and equipment.

### CERTIFICATION:

#### CHARTER SCHOOL REPRESENTATIVE

First Name:  Last Name:

Comments:



As representative of the charter school, I certify that all information indicated above is accurate and current.

#### DISTRICT SPONSOR INFORMATION

First Name:  Last Name:

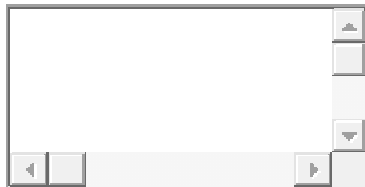
**Pursuant to Section 1002.33.5(b)(1)(f) F.S the sponsor certifies:**

The school is meeting student performance measures included in the approved charter.

The school has earned a grade of "F", two consecutive grades of "D" or a school improvement rating of unsatisfactory, or the sponsor has reported to the Department of Education that the charter school has fallen short of performance measures included in the approved charter. (The sponsor must provide the Department a copy of that communication with its recommendation).

Upload Supporting Documents

Documents must be PDF, Microsoft Word, or Excel files of 4 MB or less.



I recommend that the charter school be considered eligible for charter school capital outlay.

I recommend that the charter school **not** be considered eligible charter school capital outlay for the following reasons:

Pending decision for the following reasons:

**Comment:**

A small, rectangular text input field with a light gray border. It contains a scroll bar on the right side, indicating it can hold more text than is currently visible. Below the input field, there are four small, square navigation buttons: a left arrow, a right arrow, and two other buttons with less distinct symbols.