

Uses of Capital Outlay Funds for Charter Schools

Background

In each year in which funds are appropriated for charter school capital outlay purposes, the Commissioner of Education allocates the funds among eligible charter schools. Eligibility for capital outlay is described in [Section 1013.62, F.S.](#), and [State Board Rule 6A-2.0020, F.A.C.](#)

Uses of Capital Outlay Funds

Pursuant to Section 1013.62(2), Florida Statutes, a charter school's governing body may use capital outlay funds **only** for the following purposes:

- Purchase of real property;
- Construction of school facilities;
- Purchase, lease purchase, or lease of permanent or relocatable school facilities;
- Purchase of vehicles to transport students to and from the charter school; and
- 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.
- Purchase, lease-purchase, or lease of new and replacement equipment, and enterprise resource software applications that are classified as capital assets, have a useful life of at least 5 years, and are used to support school-wide administration or state-mandated reporting requirements.
- Payment of the cost premiums for property and casualty insurance necessary to insure the school facilities.
- Purchase, lease-purchase, or lease of driver's education vehicles; motor vehicles used for the maintenance or operation of plants and equipment; security vehicles; or vehicles used in storing or distributing materials and equipment.

Questions and Answers

1. What is real property?

Real property is defined as "land, and generally whatever is erected or growing upon or affixed to land."

2. Can I buy computers or furniture with my charter school capital outlay funds?

Current language defines the uses of capital outlay funds as above; therefore, the purchase of computers or furniture is not an allowable expenditure for existing facilities. However, the purchase of computers and furniture are allowable for instructional use only in new construction of computer labs or for remodeling of existing facilities that will be converted to teaching labs with computers.

Contact Information:
Karen Hines-Henry
850-245-0502
karen.hines@fldoe.org



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3. What is considered new construction?

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 or which adds additional square footage to the space inventory.

4. What does remodeling mean?

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.

5. Can I buy a school bus with my charter school capital outlay funds?

A school bus may be purchased as long as it is used for the transportation of students to and from school and meets the school transportation standards. Before entering into an agreement to purchase any transportation vehicles, it would be prudent to check with your district transportation office.

6. Are conversion charter schools eligible for capital outlay funds?

A charter school is not eligible for a capital outlay funding allocation if it was created by the conversion of a public school and operates in facilities provided by the charter school's sponsor for a nominal fee or at no charge, or if it is directly or indirectly operated by the school district. Conversion charter schools may use capital outlay funds received through the reduction in the administrative fee provided in [s. 1002.33\(20\)](#) for renovation, repair, and maintenance of school facilities that are owned by the sponsor.

7. When are capital outlay funds distributed?

The Department of Education distributes capital outlay funds to the districts on the fourth Thursday of every month, beginning in the first quarter of the fiscal year, based on one-twelfth of the amount the Department expects the charter school to receive during that year. Districts are to remit the funds to charter schools within 10 days of receipt. Subsequent distributions are adjusted, as necessary, to reflect each school's actual student enrollment as identified in the second and third enrollment surveys.

Additional Resources and Information

The charter school capital outlay funding statute, s. 1013.62, F.S.:

http://www.leg.state.fl.us/statutes/index.cfm?mode=View%20Statutes&SubMenu=1&App_mode=Display_Statute&Search_String=1013.62&URL=CH1013/Sec62.HTM

The charter schools statute, s. 1002.33, F.S.:

http://www.leg.state.fl.us/statutes/index.cfm?mode=View%20Statutes&SubMenu=1&App_mode=Display_Statute&Search_String=1002.33&URL=CH1002/Sec33.HTM

The Florida Department of Education, Office of Educational Facilities:

<http://www.fldoe.org/edfacil/oef/chartsub.asp>

The Florida Department of Education, Office of Independent Education and Parental Choice:

<http://www.floridaschoolchoice.org>

For questions and information on charter schools, e-mail charterschools@fldoe.org.