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## The 2018 Florida Statutes

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### [Title XLVIII](#)

K-20 EDUCATION CODE

### [Chapter 1013](#)

EDUCATIONAL FACILITIES

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#### **1013.62 Charter schools capital outlay funding.—**

<sup>1</sup>(1) For the 2018-2019 fiscal year, charter school capital outlay funding shall consist of state funds appropriated in the 2018-2019 General Appropriations Act. Beginning in fiscal year 2019-2020, charter school capital outlay funding shall consist of state funds when such funds are appropriated in the General Appropriations Act and revenue resulting from the discretionary millage authorized in s. [1011.71](#) (2) if the amount of state funds appropriated for charter school capital outlay in any fiscal year is less than the average charter school capital outlay funds per unweighted full-time equivalent student for the 2018-2019 fiscal year, multiplied by the estimated number of charter school students for the applicable fiscal year, and adjusted by changes in the Consumer Price Index issued by the United States Department of Labor from the previous fiscal year. Nothing <sup>2</sup>in this subsection prohibits a school district from distributing to charter schools funds resulting from the discretionary millage authorized in s. [1011.71](#)(2).

(a) To be eligible to receive capital outlay funds, a charter school must:

- 1.a. Have been in operation for 2 or more years;
  - b. Be governed by a governing board established in the state for 2 or more years which operates both charter schools and conversion charter schools within the state;
  - c. Be an expanded feeder chain of a charter school within the same school district that is currently receiving charter school capital outlay funds;
  - d. Have been accredited by a regional accrediting association as defined by State Board of Education rule; or
  - e. Serve students in facilities that are provided by a business partner for a charter school-in-the-workplace pursuant to s. [1002.33](#)(15)(b).
2. Have an annual audit that does not reveal any of the financial emergency conditions provided in s. [218.503](#)(1) for the most recent fiscal year for which such audit results are available.
  3. Have satisfactory student achievement based on state accountability standards applicable to the charter school.
  4. Have received final approval from its sponsor pursuant to s. [1002.33](#) for operation during that fiscal year.
  5. Serve students in facilities that are not provided by the charter school's sponsor.

(b) A charter school is not eligible to receive capital outlay funds 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.

(2) The department shall use the following calculation methodology to allocate state funds appropriated in the General Appropriations Act to eligible charter schools:

(a) Eligible charter schools shall be grouped into categories based on their student populations according to the following criteria:

1. Seventy-five percent or greater who are eligible for free or reduced-price school meals under the National School Lunch Program or, for schools operating programs under the Community Eligibility Provision of the Healthy, Hunger-Free Kids Act of 2010, an equivalent percentage of the student population eligible for free and reduced-price meals as determined by applying the multiplier authorized under the National School Lunch Act, 42 U.S.C. s. 1759a(a)(1)(F)(vii), to the number of students reported for direct certification.

2. Twenty-five percent or greater with disabilities as defined in state board rule and consistent with the requirements of the Individuals with Disabilities Education Act.

(b) If an eligible charter school does not meet the criteria for either category under paragraph (a), its FTE shall be provided as the base amount of funding and shall be assigned a weight of 1.0. An eligible charter school that meets the criteria under subparagraph (a)1. or subparagraph (a)2. shall be provided an additional 25 percent above the base funding amount, and the total FTE shall be multiplied by a weight of 1.25. An eligible charter school that meets the criteria under both subparagraphs (a)1. and (a) 2. shall be provided an additional 50 percent above the base funding amount, and the FTE for that school shall be multiplied by a weight of 1.5.

(c) The state appropriation for charter school capital outlay shall be divided by the total weighted FTE for all eligible charter schools to determine the base charter school per weighted FTE allocation amount. The per weighted FTE allocation amount shall be multiplied by the weighted FTE to determine each charter school's capital outlay allocation.

(d) The department shall calculate the eligible charter school funding allocations. Funds shall be allocated using full-time equivalent membership from the second and third enrollment surveys and free and reduced-price school lunch data. The department shall recalculate the allocations periodically based on the receipt of revised information, on a schedule established by the Commissioner of Education.

(e) The department shall distribute capital outlay funds monthly, beginning in the first quarter of the fiscal year, based on one-twelfth of the amount the department reasonably expects the charter school to receive during that fiscal year. The commissioner shall adjust subsequent distributions as necessary to reflect each charter school's recalculated allocation.

<sup>1</sup>(3) If the school board levies the discretionary millage authorized in s. 1011.71(2), and the state funds appropriated for charter school capital outlay in any fiscal year are less than the average charter school capital outlay funds per unweighted full-time equivalent student for the 2018-2019 fiscal year, multiplied by the estimated number of charter school students for the applicable fiscal year, and adjusted by changes in the Consumer Price Index issued by the United States Department of Labor from the previous fiscal year, the department shall use the following calculation methodology to determine the amount of revenue that a school district must distribute to each eligible charter school:

(a) Reduce the total discretionary millage revenue by the school district's annual debt service obligation incurred as of March 1, 2017, which has not been subsequently retired, and any amount of participation requirement pursuant to s. 1013.64(2)(a)8. that is being satisfied by revenues raised by the discretionary millage.

(b) Divide the school district's adjusted discretionary millage revenue by the district's total capital outlay full-time equivalent membership and the total number of unweighted full-time equivalent students of each eligible charter school to determine a capital outlay allocation per full-time equivalent student.

(c) Multiply the capital outlay allocation per full-time equivalent student by the total number of full-time equivalent students of each eligible charter school to determine the capital outlay allocation for each charter school.

(d) If applicable, reduce the capital outlay allocation identified in paragraph (c) by the total amount of state funds allocated to each eligible charter school in subsection (2) to determine the maximum calculated capital outlay allocation.

(e) School districts shall distribute capital outlay funds to charter schools no later than February 1 of each year, as required by this subsection, based on the amount of funds received by the district school board. School districts shall distribute any remaining capital outlay funds, as required by this subsection, upon the receipt of such funds until the total amount calculated pursuant to this subsection is distributed.

By October 1 of each year, each school district shall certify to the department the amount of debt service and participation requirement that complies with the requirement of paragraph (a) and can be reduced from the total discretionary millage revenue. The Auditor General shall verify compliance with the requirements of paragraph (a) and s. 1011.71(2)(e) during scheduled operational audits of school districts.

(4) A charter school's governing body may use charter school capital outlay funds for 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.
- (e) 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.
- (f) Payment of the cost of premiums for property and casualty insurance necessary to insure the school facilities.
- (g) 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.
- (h) Purchase, lease-purchase, or lease of computer and device hardware and operating system software necessary for gaining access to or enhancing the use of electronic and digital instructional content and resources; and enterprise resource software applications that are classified as capital assets in accordance with definitions of the Governmental Accounting Standards Board, have a useful life of at least 5 years, and are used to support schoolwide administration or state-mandated reporting requirements. Enterprise resource software may be acquired by annual license fees, maintenance fees, or lease agreement.
- (i) Payment of the cost of the opening day collection for the library media center of a new school.

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.

<sup>1</sup>(5) If a charter school is nonrenewed or terminated, any unencumbered funds and all equipment and property purchased with district public funds shall revert to the ownership of the district school board, as provided for in s. 1002.33(8)(d) and (e). In the case of a charter lab school, any unencumbered funds and all equipment and property purchased with university public funds shall revert to the

ownership of the state university that issued the charter. 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. The reversion of all property secured with public funds is subject to the complete satisfaction of all lawful liens or encumbrances. 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.

(6) The Commissioner of Education shall specify procedures for submitting and approving requests for funding under this section and procedures for documenting expenditures.

(7) The annual legislative budget request of the Department of Education shall include a request for capital outlay funding for charter schools. The request shall be based on the projected number of students to be served in charter schools who meet the eligibility requirements of this section.

History.—s. 859, ch. 2002-387; s. 4, ch. 2003-393; s. 8, ch. 2006-27; s. 39, ch. 2009-59; s. 35, ch. 2010-154; s. 14, ch. 2016-237; s. 31, ch. 2017-116; s. 45, ch. 2018-6.

<sup>1</sup>Note.—Section 49, ch. 2018-6, provides that:

“(1) The Department of Revenue is authorized, and all conditions are deemed to be met, to adopt emergency rules pursuant to s. 120.54(4), Florida Statutes, for the purpose of administering the provisions of this act.

“(2) Notwithstanding any other provision of law, emergency rules adopted pursuant to subsection (1) are effective for 6 months after adoption and may be renewed during the pendency of procedures to adopt permanent rules addressing the subject of the emergency rules.

“(3) This section shall take effect upon this act becoming a law and shall expire January 1, 2022.”

<sup>2</sup>Note.—The word “in” was substituted for the word “is” by the editors.