



Charter School Capital Outlay Funding

What are the eligibility criteria for state charter school capital outlay funding?

To be eligible for charter school capital outlay funding, a charter school must:

- ❖ Have been in operation for at least 3 years, be governed by a governing board established in Florida for three or more years which operates both charter schools and conversion charter schools within the state, be part of an expanded feeder chain¹ with an existing charter school in the district that is currently receiving charter school capital outlay funds, be accredited by the Southern Association of Colleges and Schools, or serve students in facilities that are provided by a business partner for a charter school-in-the-workplace;
- ❖ Demonstrate financial stability for future operation as a charter school;
- ❖ Have satisfactory student achievement;
- ❖ Have received final approval from its sponsor; and
- ❖ Serve students in facilities that are not provided by the charter school sponsor.²

What are the permissible uses of state capital outlay funds by charter schools?

Capital outlay funds may be used by a charter school for the:

- ❖ 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.
- ❖ Renovation, repair, and maintenance of school facilities that the charter school owns or is purchasing through a lease-purchase or long-term lease of five years or longer.
- ❖ Purchase, lease-purchase, or lease of new and replacement equipment, and enterprise resource software applications.³

¹ A charter school is part of an expanded feeder chain if it is paired with a school located in the same school district that is eligible for capital outlay funds, provided that the charters of both schools contain a provision either to send (feed) or receive (be fed) a majority of the transfer-eligible students to and from the school with which it is paired. The grade level connection must be direct. For example, a grade K-4 school and a grade 9-12 school cannot be considered a feeder pattern since there is a missing intermediate step. Section 1013.62(1), F.S.; Florida Department of Education, Office of Educational Facilities, Technical Assistance Paper, *Charter Schools Capital Outlay Funding*, at 2 (July 2008), available at <http://www.fldoe.org/edfacil/oef/pdf/capitaloutlayfunding.pdf>.

² Section 1013.62(1)(a), F.S. A conversion charter school, i.e., a charter school created by the conversion of an existing public school to charter status, is not eligible for capital outlay funding if it operates in facilities provided by its sponsor at no charge or for a nominal fee or if it is indirectly operated by the school district. Section 1013.62(1)(d), F.S.; see also Charter School Overview Fact Sheet.

³ Enterprise resource software applications must be “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.” Section 1013.62(2)(f), F.S.

- ❖ Payment of the cost of 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.⁴

How are state charter school capital outlay awards allocated?

Charter school capital outlay funding is allocated based on the following three priorities:

- ❖ First priority is given to those charter schools that received capital outlay funding in FY 2005-06. Such a school receives the same per-student amount that it received in FY 2005-06 up to the lesser of:
 - ♦ The actual number of students enrolled in the current year; or
 - ♦ The number of students enrolled in FY 2005-06.
- ❖ After calculating the first priority, remaining funds are allocated with the same per-student amount to:
 - ♦ Those schools not included in the first priority allocation; and
 - ♦ Those schools in the first priority allocation with growth in excess of FY 2005-06 student enrollments.
- ❖ Any excess funds remaining after the first and second priority calculations are allocated among all eligible charter schools.⁵

Each school's capital outlay allocation must not exceed 1/15th of the statutory cost per student station.⁶ The Department of Education must disburse these funds to the sponsoring school district monthly based on 1/12th of the amount that it expects the school to receive during that fiscal year. The funding amount is recalculated during the fiscal year to reflect fluctuations in student enrollment indicated by the second and third enrollment surveys and impacts on available funds resulting from charter school closings and the addition of newly eligible charter schools. Until receipt of the results of the second enrollment survey, allocations of charter school capital outlay funds are based on the final enrollment data of the previous fiscal year.⁷

How much state funding has been appropriated to charter school capital outlay in recent years?

During the past four fiscal years, the Legislature appropriated the following amounts for charter school capital outlay funds:

⁴ Section 1013.62(2)(a)-(h), F.S.

⁵ Section 1013.62(1)(b), F.S.

⁶ Section 1013.62(1)(c), F.S. Effective January 2006, the cost per student station was \$17,952 for an elementary school, \$19,386 for a middle school, and \$25,181 for a high school. The cost per student station is adjusted annually to reflect increases or decreases in the Consumer Price Index. Section 1013.64(6)(b), F.S.

⁷ Section 1013.62(1)(f), F.S.; Florida Department of Education, Office of Educational Facilities, Memorandum. *Distribution of Charter School Capital Outlay Funds for Fiscal Year 2009-10*, at 2 (Aug. 25, 2009), available at <http://www.fldoe.org/edfacil/oef/pdf/cs2010a.pdf>.

Charter School Capital Outlay Appropriations				
Fiscal Year	Appropriation	Total Charter Schools Funded	First Priority	Second Priority
2007-08	\$54.0 million ⁸	249	179	70
2008-09	\$55.0 million ⁹	287	173	114
2009-10	\$56.1 million ¹⁰	294	167	127
2010-11	\$56.1 million ¹¹	302	161	141

In addition to the appropriated state funds for charter school capital outlay, provides discretionary authority to school boards to allocate local discretionary capital improvement funds to charter schools.¹²

Where can I get additional information?

Florida Department of Education

Office of Educational Facilities

(850) 245-0494

<http://www.fldoe.org/edfacil/>

Florida Department of Education

Office of Independent Education and Parental Choice

(800) 447-1636

<http://www.floridaschoolchoice.org/default.asp>

Florida House of Representatives

Education Committee

(850) 488-7451

<http://www.myfloridahouse.gov>

⁸ Specific Appropriation 24, s 2, ch. 2007-72, L.O.F.

⁹ Specific Appropriation 18, s. 2, ch. 2008-152, L.O.F.

¹⁰ Specific Appropriation 14, s. 2, ch. 2009-81, L.O.F.

¹¹ Specific Appropriation 17, s. 2, ch 2010-152, L.O.F.

¹² Section 1011.71(2), F.S.

