

Instruction - Elementary and Secondary**CHARTER SCHOOLS (K - 12)**

1. Pursuant to the provisions of Fla. Stat. § 1002.33, and subsequent amendments, The School Board of Miami-Dade County, Florida (“Sponsor” or “School Board”) may authorize charter schools only to meet the principles and fulfill the purposes set forth in the edition of Fla. Stat. § 1002.33(2), current at that time. Approved charter schools are fully recognized as public schools and shall receive services from the Sponsor as required by law.
2. The Sponsor designates the Superintendent to receive and review all charter applications. The Superintendent shall recommend the approval or denial of each charter application within the time period provided by law.
3. The Superintendent shall make recommendations to the School Board relating to charter school applications and contracts. The Sponsor shall have final authority, by majority vote, to approve or deny any application and charter contract within the time period set forth in law, unless the applicant and the Sponsor mutually agree to an extension.
4. The School Board hereby recognizes its authority and responsibility to implement the Florida Statutes and Florida State Board of Education Rules relating to charter schools, as amended from time to time, and in addition adopts the standards, criteria, and procedures set forth in the sections below.
5. **Charter Application Process**
  - a. All applications must be completed pursuant to the Sponsor’s instructions for submitting applications and received in the appropriate Sponsor’s office on or before the submission deadline provided by the law no later than 4:30 p.m. Should the submission deadline fall on a non-business day, the deadline shall be postponed to 4:30 p.m. on the next business day.
  - b. The Sponsor shall reject any application that does not comply with the statutory requirements and/or Sponsor’s Instructions for charter school applications.
  - c. The Sponsor shall not charge any fees for processing or consideration of a charter school application. Furthermore, the Sponsor’s approval of a charter shall not be predicated on the promise of any future pay of any kind.
  - d. The applicant and Sponsor may mutually agree, in writing, to extend the statutory timeline to consider the charter application. Such agreement shall be in writing and detail the extension date or timeframe.
  - e. The Sponsor, and/or any of its designees, shall not take unlawful reprisal against another district school board employee because that employee is either directly or indirectly involved with an application to establish a charter school.
  - f. The Sponsor may solicit information regarding: (1) history and background of individual applicants and/or founding/governing boards and its individual

members including (but not limited to) a reasonable demonstration of the professional experience or competence of those individuals or organizations applying to operate the Charter School or those hired or retained to perform such professional services; and (2) the description of clearly delineated responsibilities and the policies and practices needed to effectively manage the Charter School. A description of internal audit procedures and establishment of controls to ensure that the financial resources are properly managed must be included. This information may be utilized to evaluate the applicant's ability to operate a charter school.

- g. The Sponsor may solicit additional information for consideration during the review and evaluation of the charter school application such as whether the applicant currently operates charter schools in Florida and if the proposed school will be a replication of an existing school design.
- h. The applicant shall provide evidence of prior experience in establishing and operating public charter schools. Evidence of prior experience and success in establishing and operating charter schools shall be weighed in making a determination to recommend approval or denial of an application.
- i. Name of Charter School -- To mitigate the potential for misidentification, charter schools shall not use or bear the name of an existing public or charter school in Miami-Dade County.
- j. Technical Assistance Team (TAT)--The TAT may review applications that comply with the Sponsor's application instructions and make recommendations to the Application Review Committee (ARC). Applications evaluated by TAT that exhibit significant deficiencies in the areas referenced in Fla. Stat. §1002.33(6), will not be reviewed by ARC but will be forwarded directly to the Superintendent with recommendation for denial.
- k. The TAT may be comprised of one or more representatives from District departments deemed necessary by the Sponsor to properly review the applications. At a minimum, TAT may include department representatives that oversee the following areas:
  - Curriculum and Instruction (including core subject areas, ELL, SPED, Gifted and Assessment)
  - Budget and Finance (including Risk Management)
  - School Operations (including Attendance, Food & Nutrition, and Transportation)
  - Facilities
  - Human Resources (including Civil Rights and Diversity)

TAT membership may be increased or decreased based on the type of application submitted.

- l. Applicants are notified and requested to attend the review before the Application Review Committee (ARC). The applicant shall have at least three (3) representatives available to answer questions from the ARC. Such representation shall include the following: one (1) governing board member; one (1) proposed employee of the school; and one (1) additional representative. The ARC may, at its sole discretion, evaluate the application without any additional input from the applicant if at least one (1) governing board member of the charter school is not available to answer questions from the ARC. The ARC shall review applications forwarded by TAT and consider the recommendations of the TAT. By majority vote, the ARC shall make a recommendation to the Superintendent of Schools to approve or deny each application. All applications will be submitted to the Sponsor by the Superintendent with a recommendation for approval or denial.
- m. The ARC shall be comprised of members of the Superintendent's Cabinet or their appropriate designees, school principals and other community organization leaders from the following areas of expertise:
  - School Operations (Chair)
  - Assessment and Data Analysis
  - Charter School Operations Staff (non-voting)
  - County Council of PTA/PTSA
  - Curriculum and Instruction
  - Diversity Equity and Excellence Advisory Committee
  - Elementary Education (school principal)
  - Facilities
  - Financial Operations
  - Human Resources
  - Management and Compliance Audits (non-voting)
  - Performance Management
  - School Board Attorney (non-voting)
  - Secondary Education (school principal)
  - Special Education

A majority of the entire membership constitutes a quorum for voting purposes. The Chair shall be a non-voting member except in the case of a tie vote.

## **6. Contract Negotiation Process**

- a. A standard charter contract shall be approved by the Sponsor to be used as the basis for all charters approved under this Rule, and it shall be consistent with this Rule. Any and all subsequent amendments to this contract must be presented to the Sponsor for approval.
- b. Initial contract shall be for a term of four (4) or five (5) years unless a longer term is specifically required by law.

- c. A Contract Review Committee (CRC) shall be convened to negotiate any contract or amendment that significantly deviates from the standard charter contract. In such instances, the CRC shall make a recommendation of approval or denial to the Superintendent of Schools. The applicant shall have at least three (3) representatives available to answer questions from the CRC. Such representation shall include the following: one (1) governing board member; one (1) proposed employee of the school; and one (1) additional representative. The CRC may, at its sole discretion, not negotiate a contract if at least one (1) founding/governing board member of the charter school is not available to answer questions from the CRC.
- d. The Contract Review Committee shall be comprised of members of the Superintendent's Cabinet, or their appropriate designees, from the following areas of expertise:
- School Operations (Chair)
  - Assessment and Data Analysis
  - Charter School Operations Staff (non-voting)
  - Curriculum
  - Facilities
  - Financial Operations
  - Grants Administration
  - Human Resources
  - Management and Compliance Audits (non-voting)
  - School Board Attorney (non-voting)
- e. A majority of the entire membership constitutes a quorum for voting purposes. The Chair shall be a non-voting member except in the case of a tie vote.
- f. Contracts will not be negotiated unless a facility has been secured for the term of the charter. Evidence that a facility has been secured may include, but is not limited to: letter of intent from the landlord or mortgagee indicating property usage and term of occupancy; executed lease or certificate of occupancy; and/or use or occupational license indicating proper use.
- g. Request to Extend Negotiations/School Opening
- i. The applicant and Sponsor may mutually agree to extend the statutory timeline to negotiate and consider approval of the charter contract for a period not to exceed one (1) year from the opening date specified in the approved charter school application. Requests initiated by the applicant shall be presented to the Sponsor, in writing, by an authorized agent of the charter school, detailing the reason for the requested extension. The decision whether or not to extend the negotiation period shall be the sole discretion of the Sponsor.
  - ii. In the event that the statutory timeline to negotiate and enter into a charter contract is extended, the applicant shall update its charter school application prior to resuming negotiations with regard to: (1) updated budget; and (2) applicable application revisions necessitated by the delay.

- iii. Applicants who do not enter into contract negotiations within: (1) the timeframe specified by law; or (2) the date of extension which has been mutually agreed upon in writing by both parties, will have the approval of the application automatically rescinded.
- iv. Unless extended pursuant to this policy, an approved applicant shall open its charter school at the beginning of the Sponsor's next school year following the approval of the charter school application. At the written request of the applicant and at the Sponsor's sole discretion, the Sponsor may allow an applicant with an approved charter school application to defer the opening of its charter school for one school year following the opening date specified in the approved charter school application. In the event that the opening of the approved applicant's charter school is deferred, the applicant shall update its charter school application prior to the opening of the charter school with regard to: (1) updated budget; and (2) applicable application revisions.
- v. If an approved applicant fails to enter into a charter school contract or open its charter school by the beginning of the second school year following the approval of its application, the charter school application and charter contract (if one was executed) shall be automatically revoked.

## **7. Charter Renewal Process**

- a. Prior to renewal of a charter, the Sponsor shall perform a program review to determine the following:
  - i. the level of success of the current academic program;
  - ii. achievement of the goals and objectives, as required by State Accountability Standards and successful accomplishment of the criteria under Fla. Stat. § 1002.33(7)(a);
  - iii. the viability of the organization;
  - iv. the level of compliance with terms of the charter; and
  - v. that none of the statutory grounds for non-renewal have been documented.
- b. Any charter school seeking renewal shall be required to complete a charter renewal application and undergo the Sponsor's renewal process. The charter renewal application shall include supporting documentation for items (i)-(v) above.
- c. Renewals shall be for a term of five (5) years unless a longer term is specifically allowed by law.
- d. Upon approval, the charter contract will be renewed following the charter negotiation process in Section 6.
- e. Charter schools that are not granted a renewal shall follow the non-renewal process delineated in Section 10 of this Rule.

## 8. Charter Amendments

- a. There shall be no modification of any contractual provision(s) of the standard charter contract language, unless mutually agreed by both parties in writing. All amendments must be negotiated in compliance with the contract negotiation process as described in paragraph (6) (b). Any unilateral modification discovered to have been made in the charter by the applicant is grounds for termination or non-renewal.
- b. Either party may submit a contract amendment request for consideration once per school year. Additional amendments may be considered by the Sponsor if either party can demonstrate that an amendment is necessary to protect the health, safety, or welfare of the students.
- c. All amendments shall require evidence of governing board approval (e.g. governing board resolution, governing board meeting minutes).
- d. At the sole discretion of the Sponsor, additional information or documentation may be requested for consideration of any amendment requests.
- e. Any charter school seeking an amendment must demonstrate the following:
  - i. The level of success of the current academic program;
  - ii. Achievement of the goals and objectives, as it pertains to accountability standards;
  - iii. The viability of the organization; and
  - iv. The level of compliance with terms of the charter.
- f. The Sponsor may deny an amendment request if the charter school fails to demonstrate any of items (i) – (iv).
- g. Education Program Amendments:
  - i. Requests for a significant change in the curriculum or grade levels, constitute a change in the School's educational program and shall require an amendment which may include submission of a revised charter school application (Appendix A of the contractual agreement).
  - ii. Requests for such amendments shall include the following information and supporting documentation:
    - A. Justification for change.
    - B. The effective date of the change.
    - C. Documentation indicating that financial implications, feasibility and student access issues have been addressed. (Including provisions for all required resources, staff and materials).
    - D. Documentation of parental support.
- h. Location amendments:

- i. Requests for amendments to change or add a location of the charter school shall include the following information and supporting documentation:
    - A. Whether the change in location will be permanent or temporary. If the relocation will be temporary, the request shall include the period of time during which the school will be at the temporary location.
    - B. The effective date of the relocation.
    - C. Documentation indicating that financial implications, feasibility, and student access issues have been addressed.
    - D. Documentation of parental support for the new facility.
    - E. Documentation indicating the school's property interest in the facility (owner or lessee).
    - F. If the school leases the facility, a disclosure affidavit in accordance with Fla. Stat. § 286.23.
  - ii. The school shall not change or add facilities or locations at any time during the term of this Contract without prior approval of the Sponsor through the Contract amendment process. Violation of this provision constitutes a unilateral amendment or modification of this Contract and good cause for termination.
  - iii. The school shall provide documentation to the Sponsor of all necessary permits, licenses, zoning, use approval, facility certification and other approvals required for use of the facility by the local government, no later than 30 days prior to the initial use of the facility by the school.
  - iv. If the request for a location amendment involves a facility where other schools are in operation, the names of the school(s), the grade levels, and the number of students enrolled in each school shall be included in the request, in addition to the information and documentation described in paragraphs i and ii above.
- i. Enrollment Capacity Amendments:
    - i. Requests for amendments to change enrollment capacity of the charter school shall include the following information and supporting documentation:
      - A. Justification for change.
      - B. The effective date of the change.
      - C. Proper facility approvals.
      - D. Documentation of parental support.
  - j. A Contract Review Committee (CRC) shall be convened to negotiate any significant amendments or any changes in the contract that significantly deviate from the standard charter contract language.

## 9. Charter Termination/Non-renewal Process

- a. The Sponsor may choose to cancel or terminate the charter contract before term expiration for any reason set forth in law and/or the charter contract.
- b. Prior to the conclusion of the current term of a charter, the Sponsor may choose not to renew or to terminate the charter based on the grounds specified in law or the charter contract, upon ninety (90) days' notice. If the charter school requests an informal hearing, pursuant to law, the Sponsor designates the Superintendent to conduct the informal hearing and make a recommendation to the Sponsor. The Superintendent may request that the CRC conduct the informal hearing.
- c. The charter school's governing board may also elect not to renew the charter. In the case of non-renewal or termination, the following procedures apply:
  - i. The charter school shall be dissolved under the provisions of the law under which the charter school was organized.
  - ii. The Sponsor's Superintendent or the Superintendent's designee shall provide appropriate notification within the timeline specified by the law.
  - iii. Upon election of termination/non-renewal by the charter school's governing board, notification, in writing, shall be provided to the Sponsor indicating the final date of operation. A Board Resolution, signed by the charter school's governing board chair and secretary, indicating support of this action, shall accompany the written notification provided to the Sponsor.
  - iv. Student records and copies of administrative, operational, and financial records of the charter school shall be made available to the Sponsor immediately.
  - v. The Sponsor shall notify the appropriate District offices so appropriate action can be taken regarding: staffing and planning; unencumbered public funds (except for capital outlay funds and program grant funds); furniture, fixtures and equipment purchased with public funds; and student and financial records.

## 10. Governance/Management

- a. A charter school shall organize or be operated by a non-profit organization, by a municipality, or by another public entity, as provided by law.
- b. Charter School's Governing Board Requirements.
  - i. The charter school's governing board shall be solely responsible for the operation of the charter school which includes, but is not limited to: school operational policies; academic accountability; and financial accountability.
  - ii. Charter school's governing board members must:
    - A. Notify the Sponsor of changes in membership within 48 hours of change.



- B. Successfully fulfill a background check by the Sponsor, as specified by law, within thirty (30) days of appointment. Costs shall be borne by the charter school or charter school's board member.
  - C. Develop and approve by-laws which govern the operations of the Board and the charter school prior to execution of the charter contract and annually consult with charter school staff to refine overall policy decision-making of the charter school as it pertains to curriculum, financial management and internal controls.
  - D. Not be an employee of the charter school or receive compensation, directly or indirectly, from the charter school's operations, including but not limited to: grant funds; lease/mortgage payments; or contracted service fees.
  - E. Participate in charter school governance training to ensure that each board member is aware of his/her duties and responsibilities, annually.
- c. *Dispute Procedures (Sponsor versus Charter School Governing Board)*
- i. The Sponsor and the charter school agree that the existence and the details of a dispute notwithstanding, both parties shall continue without delay their performance under the charter contract, except for any performance which may be directly affected by such dispute.
  - ii. Either party shall notify the other party that a dispute exists between them. Such notification shall be in writing and shall identify the article and section of the Contract that is in dispute and the grounds for the position that such article and section is in dispute. The matter shall be immediately submitted to the Sponsor and the charter school's Director for further consideration and discussion to attempt to resolve the dispute.
  - iii. Should the representatives named in paragraph (ii) be unable to resolve the dispute within ten (10) days of the date of notification by one to the other of the existence of such dispute, then the matter may be submitted by either party to the Sponsor's Superintendent of Schools and to the school's governing board chair for further consideration and discussion to attempt to resolve the dispute.
  - iv. Should the parties still be unable to resolve their dispute within thirty (30) days of the date of notification by one to the other of the existence of such dispute, then the matter may be submitted to mediation and appealed to an administrative law judge as provided in the law. Any disputes relating to nonrenewal or termination shall follow the procedures set forth within the charter school statute.
- d. *Conflict Resolution (Charter School versus Parents/Legal Guardians, Employees and Vendors)*

- i. All conflicts between the charter school and the parents/legal guardians of the students enrolled at the charter school shall be handled by the charter school or its governing board.
  - ii. Evidence of each parent's/guardian's acknowledgement of the charter school's Parent Conflict Resolution Process shall be available for review upon request by the Sponsor.
  - iii. All conflicts between the charter school and the employees of the charter school shall be handled by the charter school or its governing board.
  - iv. All conflicts between the charter school and vendors of the charter school shall be handled by the charter school or its governing board.
  - v. The Sponsor shall be provided with the name and contact information of the parties involved in the charter school's Conflict Resolution process. The Sponsor shall be notified immediately of any change in the contact information.
- e. Management Companies
- i. If a management company or a combination of contracted professionals will be managing the charter school, the contract(s) between the charter school and company(ies) shall be submitted to the Sponsor for review prior to the approval of the charter school's contract.
  - ii. Any amendments to these contracts shall be submitted to the Sponsor for approval prior to execution by the charter school. A copy of all executed contracts must be provided to the Sponsor within the timeframe provided by the charter contract.
  - iii. All management company contracts with the charter School must make it clear that the charter governing body shall retain and exercise continuing oversight over all charter school operations and must contain provisions specifying the ability for the charter school to terminate the contract and must comply with terms as stated in the charter contract between the charter school and the Sponsor. Any default or breach of the terms of the charter contract by the Management Company(ies) shall constitute a default or breach of the charter contract by the charter school.
  - iv. Neither employees of the management company nor members of the management company's employees' families, as defined by School Board Rule 6Gx13- 4A-1.18, Assignment – Members of the Same Family, shall serve on the charter school's governing board or serve as officers of the Corporation.
- f. Unlawful Reprisal -- The Sponsor, and/or any of its designees, shall not take unlawful reprisal against another District school board employee because that employee is either directly or indirectly involved with a charter school.

**11. Pre-Opening and Operational Compliance**

- a. The Sponsor shall not impose any policies or practices to limit charter school enrollment other than those as provided in state law and/or necessary to ensure the health, safety, and welfare of students.
- b. The school shall provide documentation to the Sponsor of all necessary permits, licensing, zoning, use approval, facility certification and other approvals required for use of the facility by the local government, no later than 30 days prior to the initial use of the facility by the school. Failure to comply shall result in immediate termination of the contract, with no compensation due to the charter school.
- c. The charter school shall comply with the Charter School Benchmarks, as disseminated for each school year.
- d. The charter school shall utilize the Charter School Compliance Monitoring System (CSCMS), or any other monitoring software or compliance monitoring procedure in use by the Sponsor, in order to maintain accountability with the Charter School Benchmarks and document compliance with contractual requirements within the timelines specified.
- e. All charter school decisions and financial transactions/relationships must be completely transparent.
- f. The Sponsor may document, in writing, any discrepancies or deficiencies--whether fiscal, educational or related to school climate--and the steps and timelines for correction and additional monitoring. At a minimum, copies will be provided to the charter school's governing board chair, charter school principal and appropriate Sponsor Staff.
- g. To ensure life, health and safety compliance, the charter school shall obtain the appropriate facility capacity approvals from the jurisdictional authority where the facility is located (*i.e.*, county, municipality or both). The Sponsor, at its discretion, may accept a letter from the architect of record specifying the capacity if the capacity is not provided by the facility's jurisdictional authority. The Sponsor may withhold monthly payments for FTE that exceed capacity specified by the charter contract or approved facility capacity.
- h. The charter school's calendar will be consistent with the beginning of the Sponsor's calendar for each school year and must provide instruction for the minimum number of days and minutes required by law for other public schools. Should the charter school elect to provide a summer program or year-round school, the charter school shall notify the Sponsor, in writing, each year to ensure appropriate record keeping.
- i. Student Code of Conduct, Student Handbooks, and Parent Contracts
  - i. Only the Sponsor's School Board may expel a student.
  - ii. The charter school shall follow the Sponsor's Student Code of Conduct, unless otherwise agreed upon by the parties, in writing. If an alternate student code of conduct has been approved by the Sponsor, the Sponsor

shall be provided a copy of the student code of conduct annually. Any amendments must be approved by the Sponsor, prior to implementation.

- iii. Any student handbooks and parent contracts shall also be submitted to the Sponsor for approval, prior to implementation. Any amendments must be approved by the Sponsor, prior to implementation.
  - iv. The charter school may be required to provide proof of parent/guardian's receipt of student code of conduct, handbook or parent contract, upon reasonable notice.
  - v. Violations of parent contracts shall not result in involuntary withdrawal of a student in the same school year of the violations. Violations of the parent contract may result in the student not being re-enrolled for the following school year or loss of enrollment preference for the following school year.
- j. Facility Leases
- i. If a charter school will be leasing or subleasing a facility, the contract(s) between the charter school and landlord or sublessor shall be submitted to the Sponsor for review.
  - ii. Any amendments to the lease shall be submitted to the Sponsor for review prior to execution, by the charter school.
  - iii. A copy of all executed contracts must be provided to the Sponsor within the timeframe provided by the charter contract.
  - iv. Any default or breach of the terms of the charter contract by the lessor/sublessor shall constitute a default or breach of the charter contract by the charter school.

## **12. Academic Accountability**

- a. The Superintendent or designee shall have ongoing responsibility for monitoring all approved charter schools. The Superintendent or designee and all School Board members shall have free and open access to the charter school at all times.
- b. The Sponsor shall monitor adherence to the educational and related programs as specified in the approved application which sets forth the charter school's curriculum; instructional methods; any distinctive instructional techniques to be used, which include reading programs and specialized instruction for students who are reading below grade level; compliance with state standards; assessment accountability; and achievement of long- and short-term goals.
- c. The charter school shall make annual progress reports to the Sponsor as indicated by the Sponsor's Charter School Benchmarks.
- d. Special Education
  - i. Special Education (SPED) students will be educated in an inclusionary, least restrictive environment. The charter school shall ensure that SPED students are provided with programs and services implemented in accordance with

federal, state, and local policies and procedures and specifically, the IDEA, Section 504 of the Rehabilitation Act of 1973 and other related statutes and State Board of Education Rules.

- ii. The charter school shall deliver all educational and related services indicated on a student's IEP or EP.
- iii. The Sponsor shall be responsible for conducting and evaluating students referred for potential special education and gifted placement in accordance with federal and state statutes.
- iv. Non-compliance will result in the Sponsor's withholding of subsequent payments to the charter school without penalty of interest (including state capital payments), and may result in non-renewal or termination for good cause.
- e. English Language Learners (ELL) -- Students who are of limited proficiency in English will be served by ESOL certified personnel who will follow the Sponsor's Limited English Proficient Plan, which meets the requirements of the *League of United Latin American Citizens (LULAC) et al. v. State Board of Education Consent Decree*.
- f. The Sponsor shall require all charter schools to submit to the Sponsor a school improvement plan to ensure a plan to maintain or raise student academic achievement within the timelines specified by the Sponsor and the FLDOE.

### **13. Financial Accountability**

- a. In order to provide comparable financial information, charter schools shall maintain all financial records in accordance with the accounts and codes prescribed in the most recent issuance of the publication titled, Financial and Program Cost Accounting and Reporting for Florida Schools. Charter school governing boards shall also annually adopt and maintain an operating budget as required by Fla. Stat. §1002.33(9)(h). Charter schools shall provide annual financial reports and program cost report information by the deadlines specified in the charter contract, in the state-required formats for inclusion in the Sponsor's reporting in compliance with Fla. Stat. §1011.60(1) and 1002.33(9)(g). The financial statements are to be prepared in accordance with Generally Accepted Accounting Principles using governmental accounting, regardless of corporate structure Fla. Stat. §1002.33(9)(g). The annual financial audit must be in the State-required format.
- b. First year charter schools may be required to provide the Sponsor any of the following, which may be in addition to information otherwise required by law:
  - i. A sensitivity analysis and financial plan based on enrollment of 50%, 75% and 100% of projected capacity.
  - ii. Cash flow projections for the first year, displayed by month, and a plan to fund any cash flow shortfalls, updated monthly.
  - iii. Contingency plans to replace any loss of State funds for both operation and capital expenditures.

- iv. Within forty-five (45) days of month end, reconciliations of all bank accounts, which must include a copy of the entire bank statement of each account, must be attached to the bank reconciliation.
- c. Title I: A charter school that is eligible to receive Title I funds shall submit an approved Title I Schoolwide Plan within three (3) months of becoming a designated Title I school. Failure to submit an approved plan will result in withholding of Title I funds.
- d. Financial Policies: The charter school shall establish and implement accounting and reporting policies, procedures, and practices for maintaining complete records of all receipts and expenditures. The charter school shall provide a copy of these policies to the Sponsor annually.
- e. Payments to charter schools by Sponsor
  - i. Florida Education Finance Program (FEFP) Payments – The Sponsor shall calculate and submit twelve (12) monthly payments to the charter school. The first payment will be made by July 31; and the other payments will be made by the fifteenth (15<sup>th</sup>) of each month beginning in August 15.
  - ii. Capital Outlay Payments – The Sponsor shall make payments to the school upon receipt of all required supporting documentation as referenced in the section 13. h. – Capital Outlay Payment Process.
  - iii. Miscellaneous Payments – The Sponsor shall make timely miscellaneous payments to the school upon receipt of funding from the Florida Department of Education (FLDOE) for various programs including Title 1 and MAP.
  - iv. Conditions for Non-payment – The Sponsor may withhold payment, without penalty of interest, for violation of law or as specified in the charter school contractual agreement. This includes, but is not limited to: failure to comply with financial requirements; failure to provide proper banking wiring instructions; exceeding contracted enrollment capacity or allowable facility capacity; insufficient instructional minutes and/or days; inappropriate facility licenses, approvals and/or permits; failure to obtain successful background clearance for potential employees, contractors, and/or governing board members.
- f. Financial Reports: As specified by the Charter School Benchmarks, the charter school shall provide to the Sponsor all applicable financial statements including a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances. These reports must be prepared in accordance with Generally Accepted Accounting Principles using governmental accounting, as stated in subsection (13)(a) above.
- g. Annual Financial Statements
  - i. Unaudited June 30 year-end financial statements shall be submitted to the Sponsor within the timelines specified by the charter contract. These financial statements must be prepared in accordance with Generally Accepted Accounting Principles using governmental accounting.

- ii. Annual Financial Audit - The charter school agrees to submit to and pay for an annual financial audit, in compliance with Federal, State and Sponsor regulations, showing all revenue received, from all sources, and all expenditures for services rendered. The audit shall be conducted by an independent certified public accountant selected by the governing board of the charter school, and shall be delivered to the Sponsor in compliance with the charter contract. If the charter school's audit reveals a deficit financial position, the auditors are required to notify the charter school's governing board, the Sponsor and the Florida Department of Education in the manner defined in the charter contract. No later than May 1 of each year, the charter school must formally notify the Sponsor of the name, address, and phone number of the auditor engaged to perform the year end audit.
  - A. Selection Procedures -- Charter schools shall use auditor selection procedures when selecting an auditor to conduct the annual financial audit pursuant to the processes described in Fla. Stat. §§ 218.39 and 218.391, which includes, but is not limited to: the establishment of an audit committee and request for proposal (RFP) for audit services, public advertisement of RFP, and development of evaluation and selection criteria.
  - B. Requirements -- Pursuant to Fla. Stat. § 218.391, the procurement of audit services shall be evidenced by a written contract embodying all provisions and conditions of the procurement of such services. An engagement letter signed and executed by both parties shall constitute a written contract. The written contract shall, at a minimum, include the following:
    - A provision specifying the services to be provided and fees or other compensation for such services;
    - A provision requiring that invoices for fees or other compensation be submitted in sufficient detail to demonstrate compliance with the terms of the contract; and
    - A provision specifying the contract period, including renewals, and conditions under which the contract may be terminated or renewed.
- iii. Failure to comply with the timely submission of all financial statements in the required format specified by the Sponsor, shall constitute a material breach of the charter contract and will result in the Sponsor's withholding of subsequent payments to the charter school without penalty of interest, (including state capital payments), and may result in non-renewal or termination for good cause.

## h. Capital Outlay Payment Process

- i. Using the State-issued form, each charter school requesting capital outlay funds must submit a charter school Capital Outlay Plan to the Sponsor for review and approval. The plan must be accompanied by a list of all capital outlay projects the charter school has completed or expects to complete for which reimbursement will be requested from currently available or future capital outlay funds. A charter school may include more capital projects in its plan than can be funded from the anticipated capital outlay allocation.
- ii. The charter school Capital Outlay Plan must be signed by the Chairperson of the charter school's governing body. A copy of the charter school's annual budget, adopted by its board of directors, shall also be submitted to the Sponsor, along with the charter school Capital Outlay Plan.
- iii. Approval of the charter school Capital Outlay Plan by the charter school's governing body must be documented in the official minutes of the meeting in which the governing body approved the plan. The minutes must be certified by both the chairperson and secretary of the governing body and submitted to the Sponsor along with the charter school Capital Outlay Plan.
- iv. Upon receipt of a complete charter school Capital Outlay Plan from a charter school, the Sponsor's Chief Financial Officer will convene a committee to review, and accept or reject each charter school Capital Outlay Plan. The committee may reject a project without rejecting the entire plan. The Sponsor shall reject any charter school Capital Outlay Plan for any charter school deemed to be financially unstable.
- v. The charter school Capital Outlay Plan Review Committee will be made up by the following M-DCPS staff members:
  - Chief Financial Officer (Chair)
  - Chief Facilities Officer or designee
  - Chief Budget Officer or designee
  - Controller or designee; and
  - Assistant Superintendent, School Choice and Parental Options, or designee.

A majority of the entire membership constitutes a quorum for voting purposes.

- vi. Each charter school will be notified in writing of the charter school Capital Outlay Plan Review Committee's decision.
- vii. A charter school may request a distribution of funds only after it receives written notice that its charter school Capital Outlay Plan has been accepted by the Sponsor and other such conditions are met in accordance with Florida Statute (including allocation of funds by the Commissioner) and the written agreement with the Sponsor that permits such distribution.



- viii. Each request for a distribution of capital outlay funds by a charter school must be accompanied by documentation for the full amount being requested. Examples of documentation include, but are not limited to:
- A. Copies of fully-executed contracts, such as: lease or lease purchase agreements; rental contracts; sales contracts; or construction contracts. If a lease has been amended or the location changes, a copy of the amended or new lease shall be provided to the Sponsor. If there is no change in the lease contract from the previous year, the charter school shall submit an assertion letter signed by the landlord and the charter school's governing board chair stating that the charter school is still leasing the current facility as well as the amount of rent payments for the current year. If the amount of lease payment is subject to an escalation clause, the assertion letter must be accompanied by a detailed calculation of the increase from the previous fiscal year.
  - B. Copies of signed purchase orders or bills of sale.
- ix. The Sponsor shall credit each charter school every six (6) months with interest on the undistributed daily balances of capital outlay funds, based on the actual monthly rate of return, as determined by the Florida State Board Administration Local Government investment pool.
- x. The Sponsor shall retain a portion of the capital outlay allocation until needed by the charter school to pay current obligations.
- xi. Each capital outlay project undertaken by a charter school shall be in accordance with the requirements of the laws related to Educational Facilities.
- xii. Upon completion of each project, the charter school shall submit to the Sponsor: (1) the permanent Certificate of Occupancy issued by the authority of the appropriate jurisdiction; (2) an Affidavit by the Architect or Engineer of Record that the project is completed in accordance with the design documents; and (3) an Affidavit by the chair of the governing body of the charter school that all contracts for construction, design, testing, and other Support services for the project have been paid in full, along with final releases for all contracts the charter school held for construction, design, or ancillary services for the project, along with a request for payment to the charter school for the amount approved for the project. The Sponsor shall make payment to the charter school accordingly in keeping with its own procedures for making such payments.
- i. Review and Audit
- i. The Sponsor has the right to review and audit, upon request, all financial records of the charter school to ensure fiscal accountability and sound financial management pursuant to Fla. Stat. § 1002.33. The charter school shall provide the Sponsor with a copy of the management letter from any audits as well as any responses to the auditor's findings with a corrective

plan which shall be prepared and submitted within thirty (30) days from the date of the management letter.

- ii. Deteriorating Financial Condition and Financial Emergencies (Fla. Sta. §1002.345) –
  - A. Deteriorating Financial Condition – “Deteriorating financial condition” means a circumstance that significantly impairs the ability of a charter school or a charter technical career center to generate enough revenues to meet its expenditures without causing the occurrence of a condition described in Fla. Stat. §218.503(1).
    - 1. A charter school shall be subject to an expedited review by the Sponsor upon the occurrence of any of the conditions specified in Fla. Stat. §1002.345.
    - 2. The Sponsor shall notify the governing board within seven (7) business days after one or more of the conditions are identified or occur.
    - 3. The governing board and the Sponsor shall develop a corrective action plan and file the plan with the Commissioner of Education within 30 business days after notification is received as provided in paragraph (2). If the governing board and the Sponsor are unable to agree on a corrective action plan, the Commissioner of Education shall determine the components of the plan. The governing board shall implement such plan.
    - 4. Failure to implement the corrective action plan within one (1) year shall result in additional action prescribed by the State Board of Education, including the appearance of the chair of the governing board before the State Board of Education.
  - B. Financial Emergency – The charter shall ensure that, if a charter school’s internal audit or annual financial audit reveals a state of financial emergency as defined by Fla. Stat. §218.503 or deficit financial position, the auditors shall notify the charter school’s governing board, the Sponsor, and the Florida Department of Education. If the charter school is found to be in a state of financial emergency, a financial recovery plan shall be filed with the Sponsor and the Florida Department of Education, pursuant to Fla. Stat. §1002.345.
  - C. Annual progress of the corrective action plans and/or financial recovery plans shall be included in an annual progress report to the Sponsor.
- iii. A Financial Recovery Plan Staff Group (FRSG) shall be convened to review and monitor financial statements, corrective action plans and financial recovery plan(s) submitted by the charter school(s). The FRSG shall report progress and when applicable, make recommendations to the Chief Auditor.

At least one representative of the charter school must be available to answer questions.

- A. The FRSG shall be comprised of staff members from Financial Operations, Charter School Operations, and, when appropriate, the Office of Management and Compliance Audits.
- B. The Chief Auditor will present the FRSG's recommendation to the Sponsor's independent Audit Committee for review and recommendation to the School Board.
- C. Inability to cure a deteriorating financial condition and/or status of financial emergency shall result in termination of the charter school contract.

j. Grants

- i. If the Sponsor is required to be the fiscal agent for a grant, the charter school shall comply with the Sponsor's grant procedures as indicated in the charter contract.
- ii. The Sponsor shall receive written approval from the charter school to include the charter school in a Sponsor-wide grant. The appropriate pro-rata share of grants will be allocated to the charter school, as defined by the grant awarded.
- iii. The charter school is required to maintain adequate records to support grant-funded programs for the minimum years prescribed by the law. The Sponsor may review these records, upon reasonable notice.

**14. Immediate Termination**

- a. The Superintendent or designee shall have the right to immediately take action to terminate a charter school for good cause or in the event the health, safety or welfare of the students is threatened. The Sponsor may take further action at the next Board meeting.
- b. The Sponsor, the Superintendent or the Superintendent's designee shall have the right to take any reasonable action consistent with the Florida Statutes and the State Board of Education rules to protect the health, safety or welfare of the students. In the event of immediate termination, the Sponsor shall assume the operation of the charter school for a period of time as determined solely and exclusively by the Sponsor, and immediately close the charter school.

- 15. Interpretation** -- In the event that an existing charter school contract provision is found to be inconsistent with this Rule, the contract provision prevails. However, the charter contract shall be updated to comply with this Rule upon its next amendment or renewal. Any charter approved after the adoption of this Rule is required to be fully consistent with this Rule.

Specific Authority: 1001.41(1), (2); 1001.42(26); 1001.43(10), F.S.

Laws Implemented, Interpreted or Made Specific: 218.39; 218.391; 218.503(1); 286.23; 1002.33; 1002.345; 1011.60(1); 1013.62, F.S.

**History:**                      **THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA**

New: 2-14-07

Amended: 9-10-08; 6-16-10