



# The Florida Senate

*Interim Project Report 2005-206*

*October 31, 2004*

Committee on Education

Senator Evelyn Lynn, Chair

## CHARTER SCHOOLS OPERATION

### SUMMARY

Paragraph 1002.33 (22) (b), Florida Statutes, requires the Legislature to review the operation of charter schools during the 2005 Regular Session of the Legislature. This report focuses on two aspects of the operation of charter schools. They are issues related to charter school finance and facilities, and a profile of some of the characteristics of Florida's charter schools.

A survey questionnaire was mailed to each charter school in Florida which had operated in the 2003-2004 school year. The responses to the survey and follow-up contacts form the major part of this report.

Based on responses to the survey and readings about charter schools nationwide, in general, it appears that the problems facing Florida's charter schools and their successes differ little from the experiences of charter schools in other states.

While this report has identified some administrative changes which might improve the operation of charter schools in Florida, it might be expected that changes to the current statutes would also be proposed once the series of reports from the Office of Program Policy Analysis and Government Accountability, the Department of Education study, and the 2003-2004 Florida Charter Schools Annual Accountability Report have been released.

2004, to the President of the Senate, Speaker of the House of Representatives, and the Charter School Appeal Commission for a public hearing and development of legislative recommendations.

At the time the interim project was initiated, the Department of Education (DOE) had not yet released its first of the required yearly accountability reports on charter schools. Subsequently, the Department has released the 2002-2003 Florida Charter Schools Annual Accountability Report. That report is available at: [http://www.fldoe.org/meetings/2004\\_08\\_16/Charter\\_Pres.pdf](http://www.fldoe.org/meetings/2004_08_16/Charter_Pres.pdf). The Department has revised and made more uniform the detailed data collection instruments which will be used for the 2003-2004 accountability report. This more detailed report may enable the Legislature to better evaluate the operations of Florida's charter schools.

Florida enacted legislation authorizing charter schools in 1996. As enacted, specific funding for charter school facilities was not to be provided by the Legislature.

Five charter schools serving about 600 students operated during 1996-97. Those schools were located in the Dade, Escambia, Leon, Polk, and Walton school districts. At the end of the 2003-2004 school year, the Department reported that 255 charter schools remained in operation in Florida (a total of 42 have closed), serving approximately 67,000 students (about 2.6 percent of the state's enrollment), in 39 of the 67 public school districts, and are authorized for two universities. Over time, that represents an increase of 5,100 percent in the number of schools and 11,166 percent in enrollment. The Center for Education Reform reported that as of 2004, Florida had about 8.6 percent of the total number of charter schools in the country and had about 7.6 percent of the students

### BACKGROUND

The Legislature is required by paragraph 1002.33 (22) (b), Florida Statutes, to review the operation of charter schools during the 2005 Regular Session. In addition, the Department of Education is charged in section 2 of Chapter 2004-354, Laws of Florida, with conducting a study of transportation issues as they relate to charter schools. The study's results are to be presented no later than November 1,

enrolled in charter schools nationwide.<sup>1</sup>

According to the Department, of the 255 charter schools in operation at the end of the 2003-2004 academic year, 135 schools (53 percent) received a school performance grade as required by Florida's A+ Accountability Plan. Fifty two schools received an A, 15 a B, 33 a C, 18 a D, and 17 an F. The Department also reports that less than one percent (5 schools) has received an F grade for two of four consecutive years.<sup>2</sup>

**Charter School Funding for Operations:** Section 1002.33, F.S., is the primary section of law relating to charter schools. Subsection 17 describes how funding shall be provided to each charter school. Because a charter school is a public school, funding for charter school and traditional public school students is calculated in the same way. All students in basic programs receive the same funding. Students who qualify for special programs are funded at the same level as all other students in such special programs. A difference is that charter school funds flow through a local school district. The district may assess an administrative fee of up to five percent for the provision of services. This assessment may only be withheld for the first 500 students at a charter school. (For all FTE above 500, the five percent must be used for capital outlay purposes pursuant to subsection 1013.62(2), Florida Statutes.)<sup>3</sup> This percentage compares with the requirement in s. 1011.69(2), F.S., that a district school board shall allocate to the traditional schools an average of 90 percent of the funds generated by all schools and must guarantee each school receives at least 80 percent of the funds that school generates, based upon the Florida Education Finance Program (FEFP) as provided in s. 1011.62, F.S., and the General Appropriations Act. Included are gross state and local funds, discretionary lottery funds, and funds from the

school district's current operating discretionary millage levy.

Based on actual weighted full-time equivalent students (FTE) reported during the designated survey periods, total funding for both charter and traditional schools is recalculated during the year to reflect the revised calculations under the FEFP. All public schools are treated and funded in this same way.

While it would appear from the above discussion that a charter school must receive 95 percent of the per-student funding compared to the average of 90 percent to a traditional school, there is a complicating factor which must be taken into account. Most charter schools must supplement the payment for the acquisition of facilities from its per student operational funding. The traditional public school has its facilities primarily provided and financed from other local or state sources, not from operational funds.

**Federal Funds for Operations:** Section 1002.33(17)(c), F.S., requires that if the district school board is providing programs or services to students in traditional public schools funded by federal funds, any eligible students enrolled in charter schools shall be provided federal funds for the same level of service.

**Charter School Capital Outlay Funding:** Beginning with the 1998-1999 General Appropriations Act, the Legislature has annually appropriated charter school capital outlay funds, although the \$5 million 1998 appropriation was vetoed. The source of funding has varied. In some years the source has been Public Education Capital Outlay and Debt Service Trust Fund (PECO) funds while in other years, it has been General Revenue. For each of the last three fiscal years \$27,700,000 has been appropriated although statewide the number of charter schools and student enrollment has continued to increase. In addition to these direct appropriations, from 1997-98 through 2000-2001, a total of \$104.6 million from General Revenue was awarded to charter schools through the School Infrastructure Thrift (SIT) Awards fund.

The criteria for charter school participation in state capital outlay funding and the formula for distribution of such state funds is found in s. 1013.62, F.S. A primary reason that not all charter schools qualify to receive state funds is the requirement for the school to have been in operation for three or more years. According to the DOE charter school capital outlay website <http://www.firn.edu/doe/oef/cs2004.htm> 221 of

<sup>1</sup> The Center for Education Reform, Charter Schools "Summary by State" Chart, <http://www.edreform.com/index.cfm?fuseAction=stateStatChart&psectionid=15&cSectionID=44>, copyright 2004.

<sup>2</sup> The Florida Public Charter School Grant Report 2003-2004, Prepared by the Office of Independent Education and Parental Choice, Florida Department of Education, July 14, 2004, pages 8 and 9.

<sup>3</sup> Subsection 1013.62(2), Florida Statutes, restricts the use of state capital outlay funds to 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, and to the renovation, repair, and maintenance of school facilities owned or being purchased.

the 255 charter schools received state capital outlay funds in the 2003-2004 fiscal year. The statutes require a pro-rata distribution be used if the state does not fully fund the formula. The amount distributed per capital outlay FTE student for the 2003-2004 fiscal year was \$417 for elementary, \$477 for middle school, and \$632 for high school students. This compares to the formula generated maximum potential funding amount of \$890 for elementary, \$1,020 for middle school, and \$1,350 for high school students. If the formula had been funded at the maximum in fiscal year 2003-2004, the state would have had to provide an additional \$31.5 million for a total state appropriation of \$59.2 million.

The Florida Constitution provides two sources of capital outlay revenue for public schools. The larger source is the Public Education Capital Outlay and Debt Service (PECO) Trust Fund whose source of revenue is a tax on the gross receipts of utility companies. The amount of money available for appropriation varies each year and funds are shared with other public education sectors. The public schools did not receive PECO funds based on FTE in the 2004-2005 General Appropriations Act. Instead, \$100 million in General Revenue funds were appropriated and directed toward meeting class size reduction projects.

The second constitutional source of state capital outlay funding to school districts is the Capital Outlay and Debt Service (CO&DS) Trust Fund which is generated from the first proceeds of the revenues derived from the licensing of motor vehicles. CO&DS funds may only be spent on survey recommended facility projects. Charter schools are statutorily identified as an eligible project for inclusion in a district's survey and resulting facilities plan.

The state is not the sole source of capital outlay funding for traditional public school construction. The majority of construction funds for public schools are generated at the local level. Among the local fund sources available to individual school districts are property tax millage, certificates of participation, voter approved bond issues, voter approved sales taxes, and impact fees. Statutorily, most of these assessments require the district to publicly identify the proposed expenditure of funds before the assessment is collected. Unless a district identified a portion of the receipts to be used for charter school capital outlay projects, diverting funds from listed projects might present a legal problem. However, should a district decide to fund construction or remodeling of a charter school from its local resources, it has that authority. Only one district (Collier County) has chosen to take this

approach and only for one school (Marco Island Charter Middle School). Collier County is unique in that it has sufficient financial resources available to meet its facilities needs. The school board decided to fund the construction and to co-locate the charter school on an existing school site.

The 2004 Legislature enacted a provision to allow charter schools to receive development impact fee revenue levied by a county. This fall, Brevard County became the first county to include charter schools as a potential recipient of impact fee revenue when the impact fee resolution was adopted.

**Federal Grant Funds:** The State of Florida received federal funds as part of the Florida Public Charter School Grant Program during the 2003-2004 fiscal year. Grant recipients were limited to approved charter schools in their first or second year of operation. According to the Executive Summary of the Grant Report, "the grant program is designed to provide financial support for the four most immediate fiscal challenges facing Florida's charter schools: 1) leasing/renting a suitable facility, 2) ensuring professional expertise in school administration, legal/business skills, and financial management, 3) securing initial investment to support major program start-up costs, and 4) developing a thorough assessment and accountability program in order to substantiate charter school performance."<sup>4</sup>

Beside the state FEFP and categorical funds and state capital outlay funds, survey respondents most often identified federal charter school grant funds as a fund source for school operations and capital outlay.

**Other Federal Facilities Support:** The October 5, 2004, Palatka Daily News reported the corporation which operates the Children's Reading Center Charter School in Putnam County had been awarded a direct loan of \$1,675,500 from the United States Department of Agriculture's Rural Development Program toward the construction of a new facility. This marked the first time the Department of Agriculture had made a direct loan to a Florida charter school. Five other charter schools in rural areas have received loan guarantees from this Department in prior years in order to secure financing for facilities.

---

<sup>4</sup> The Florida Public Charter School Grant Report 2003-2004, Prepared by the Office of Independent Education and Parental Choice, Florida Department of Education, July 14, 2004, Executive Summary, page 2.

## METHODOLOGY

In conducting the interim project, the Senate Education Committee concentrated its efforts on a review of certain operating characteristics and financial and capital outlay experiences of charter schools in Florida. The Office of Program Policy Analysis and Government Accountability (OPPAGA) is also examining Florida charter schools and plans to release a series of reports the latter part of 2004 or early 2005. The reports will address school and student characteristics, charter school students' academic performance, and a final report suggesting steps to success for charter schools. The Education Committee and OPPAGA have worked cooperatively to ensure their respective reports complement each other. To the extent possible, OPPAGA and the committee staff have also combined information requests to avoid placing undue work requirements on the charter schools.

The primary source of information for the interim project has been through responses from individual charter schools to the Senate's questionnaire, from follow-up telephone conversations and, where appropriate, follow-up e-mails. In addition, telephone interviews and personal meetings were conducted with various individuals representing different sectors involved in charter school activities. The questionnaire was discussed with the Department of Education and with OPPAGA to ensure that, to the extent possible, the information being collected would not be a duplication of data already available from other sources. The information requested was school specific though and required individual school responses, not generalized or group responses.

Staff met with personnel from the Office of Independent Education and Parental Choice in the Department of Education (DOE), on June 30, 2004, to discuss the interim project. Staff also requested the help of the Office in identifying and providing certain data, and requested input on the development of a survey questionnaire to be sent to each of the charter schools.

Staff met with personnel from the Office of Program Policy Analysis and Government Accountability, on July 1, 2004, to coordinate data to be collected for the OPPAGA interim studies with the focus of the Senate Interim Project. Again, this was to avoid duplication in collecting data and in contacting the charter schools.

Subsequently, a survey questionnaire was developed and reviewed by appropriate personnel. The questionnaire, along with a return envelop, was mailed on July 14, 2004, to 258 charter school contacts identified by the DOE and OPPAGA. The contacts were requested to return the survey by July 30, 2004. Beginning on August 9, 2004, those charter schools which had not responded were contacted by telephone to determine why there had been no reply. Schools were given the choice of receiving another questionnaire either through the mail or via e-mail. Additional surveys were sent as requested by the school's contact. Copies of the survey were provided to the school district liaisons and to the Charter School Resource Center at the University of South Florida with a request they provide input on the general question about changes in the law that they believe should be considered.

The questionnaire was designed to address six areas through a series of 40 questions. These areas were: 1) contact information for a person reporting for the school, 2) demographic/background information about the school itself, 3) information about the school's focus and mission, 4) information about how the school operates, 5) information about school funding, and 6) challenges and accomplishments identified by each charter school.

As of October 25, 2004, 120 surveys (47 percent) had been returned. Of those 120 responses, 35 left one or more questions unanswered resulting in only 85 (33 percent) complete surveys received. Efforts to contact schools by telephone and e-mail met with little success in generating further response. Except for 1996 which was the first year charter schools opened in Florida and for which there were three replies, at least 10 survey responses were received from schools which had opened in each year from 1997 through 2003.

## FINDINGS

Issues related to funding were the problem area most often cited by respondents (60 percent) with an almost even split between financial issues related to facilities and capital outlay funding, and operations funding. Operations funding is almost always directly related to capital outlay funding because most charter schools have to use their operations funds to make their facility payments. Since the money can only be spent once, this results in a direct reduction in the funds available for operations and the lack of operational funds may

adversely impact the ability of the charter school to be creative and unique.

There appears to be significant variation in the attitude of local school boards toward charter schools and vice versa. In survey responses, telephone interviews, e-mail follow-ups and as reported in the national literature about other states experiences, the relationship appears to vary by individual district and individual school. For example, although the Department of Education has a web site available to help individual charter schools determine how much money each should be receiving, there remains a feeling among some charter schools that their district withholds more money than it is entitled to withhold. Many respondents also stated they could not tell what services were provided by the school district for the money that was withheld from the FEFP.

Likewise, some respondents were not clear about what services are provided by educational management organizations (EMO) in exchange for the per pupil surcharge paid the EMO by the charter school.

Of those schools responding to the question of FTE enrollment at the school, almost 75 percent indicated the school was less than 300 students in size while 15 percent indicated they exceeded 500 students in size.

Two-thirds of the responding schools reported having a specific curriculum focus. As should be expected, the focus was most often related to the mission of the school. Most schools reported using a particular teaching strategy when meeting the needs of a targeted student body, particularly for at-risk students and students with disabilities. Although the terms "individualized instruction" and "direct instruction" were most often mentioned, there does not appear to be one definitive teaching strategy employed by a majority of the schools which responded.

More than 80 percent of the responding schools were start-up charter schools when they opened. About 12 percent were conversion charter schools. The rest were formerly private schools, are municipal charters, or workplace charters. Florida's low number of conversion schools is one aspect of the state's charter school development that is different from most of the rest of the country. According to the Department of Education there are 23 conversion charter schools operating in 2004-2005.

About three-fourths of the responding schools contracted for some services with outside providers.

These might be the local school board or a private enterprise. Almost half reported contracting for food services. Roughly one-third reported contracting for custodial/maintenance services or for student transportation. About one-fifth contracted for student services related to ESE and occupational and physical therapy/counseling for students. One of the areas noted where improvement could occur was in having the charter application directly address how food service was to be provided. Since it is not currently addressed on the charter application, apparently some charter schools do not address the issues surrounding free and reduced lunches or delivery of meals until very late in the school's opening process.

Of the schools responding, only 12 were either owned or operated by an EMO. The questionnaire did not ask questions about the services provided by an EMO. Follow-up questions were therefore sent to those responding charter schools operated by an EMO to determine what services were provided to the school as part of the contract. Based on the few responses received, it is not clear what a charter school gets in exchange for the payment to the EMO or how those services are different from, or duplicative of, services received from the district. It is also unknown whether services included within the five percent school district charge could be provided for less by the EMO.

It is also not clear whether Florida collects information about EMOs that perhaps it should be collecting. In light of the collapse of the California EMO, which resulted in the abrupt closing of charter schools serving thousands of students immediately before the start of the 2004 academic year, Florida may need to routinely collect financial and other information on the company itself, and the owners and administrators of any EMO doing business in the state. A further reason for such information would be implementation of the class size amendment although the class size restrictions will not be calculated at the individual school level until 2006-07, at the individual class level until 2008-09, and final compliance does not have to occur until the start of the 2010-11 academic year. If the profitability of an EMO comes from having charter school classes of a certain size and that size exceeds the constitutional limit, then a currently financially sound EMO may begin to experience financial problems as the size of classes fall. The state will need to be prepared for such a contingency.

Over 85 percent of the respondents reported receiving assistance when requested from the school district liaison. Responses saying assistance was not

forthcoming or that relations with the district were not positive seemed to be school district specific. If one negative response was received about a district, there usually were additional similar responses.

The two student groups most often cited as being the focus of a charter school were at-risk students and students with special needs (26 percent). This reflects the statutory emphasis for the creation of charter schools.

Over 80 percent of the respondents reported implementing innovative practices that could serve as a model for other public schools, yet only about 40 percent reported having disseminated any of these practices to other public schools. A number reported applying for dissemination grants to share their practices, but most of the sharing reported was with other charter schools at charter school meetings. This finding is similar to that reported by the James Madison Institute in its Summer 2003 Journal article on the Status of Florida's Charter Schools.<sup>5</sup>

Although the Department of Education has an on-line site for the charter application template at [http://www.firn.edu/doe/choice/pdf/charter\\_application.pdf](http://www.firn.edu/doe/choice/pdf/charter_application.pdf), districts modify the application for local use. Neither the Department's site nor the application have a web-link or reference the applicant to the University of South Florida Charter School Resource Center for help in filling out the application.

The Department has updated the assessment instrument that will be used to collect the data to prepare the 2003-2004 accountability report on charter schools. That instrument can be viewed at <http://info.fldoe.org/dscgi/ds.py/Get/File-2428/template.pdf>.

**Current School Facilities:** Of those schools responding to the survey, almost two-thirds reported the educational facility the school was using had been built specifically as a school for the grade level being served. Of those responding, almost 100 percent reported the school's facilities had been inspected for both fire and safety within the past year. About 10 percent reported items for correction which were outstanding at the time of the response. Almost all corrections were expected to be completed before the start of the 2004-2005 school year. Fire safety

inspections were an area of concern. In order to use an existing facility as a charter school the site must have a fire safety inspection. Some expressed concern that local fire safety inspectors were requiring such facilities to meet a more stringent code than other public school facilities must meet. A specific example was the requirement for one school to install a \$24,000 automatic fire door at the mid-point of a building's four classroom hallway.

**Teachers:** Over 90 percent of the teachers working in the responding charter school were certified to teach in Florida. More than 80 percent are teaching in the field they are certified for. The teachers most often mentioned as teaching out of field were those teaching Exceptional Student Education (ESE) classes or those teaching classes with a high number of students with a native language other than English where the teacher is not certified for English for Speakers of Other Languages (ESOL) classes.

**Financial Matters:** In general, charter schools must use FEFP funds to pay for or to supplement other funds for facilities related costs.

Of the schools which responded to this question, more than 90 percent of the responses stated that the school districts withheld the five percent maximum overhead charge from the charter school's FEFP allocation. Only five schools reported the district withheld less than the five percent. Based on the information from the charter schools, most districts appear to uniformly charge the five percent assessment regardless of the charter school's focus, student profile, or other variables among the schools. In their comments, the respondents indicated the district took the maximum as a given, not as something that should be negotiated or which might be less than the five percent.

About 60 percent of the respondents reported the charter school contracted back with the school district for services not included within the five percent. The charter school was charged for the additional service. In order, the most commonly contracted additional services were transportation, food services, ESE, ESOL, OT, PT, counseling, placement type services, and other services. A number of the charter schools expressed concern that the charges for the contracted services were excessive and did not reflect either the actual cost to the district or the price that would have been charged to a traditional public school in the district.

<sup>5</sup> The Journal of the James Madison Institute, "The Status of Florida's Charter Schools;" J. Stanley Marshall and Jennifer Rippner, Summer 2003, page 9.

**Budget:** Most small charter schools are only marginally financially viable or feasible. With small FTE student bodies, schools cannot build the reserves and contingency funds an entire district would have at its disposal. As a result, the loss of revenue from the periodic recalculations of both FEFP and capital outlay funding to reflect actual statewide FTE changes may have a greater impact on a charter school's budget than upon a traditional public school's budget, but there is no difference in the way either type school is treated by the recalculation. To help the charter schools develop a budget, the Department has created two websites. One is for the operational budget and one is for capital outlay. By entering the number of students expected to be enrolled for the upcoming year and identifying the special programs for which students will qualify, it is possible to estimate how much a charter school should receive in both operational and capital outlay funding. Unless a charter school is able to supplement its budget from other sources such as grants, donations, or fundraising, the only way to supplement one budget category is to take it from the other. A significant number of the charter schools reported taking money from the operations budget to supplement the capital outlay budget. This budgetary pattern is not unique to Florida. Most articles on charter school finance reflected a desire by the charter schools for additional funding for both operations and capital outlay to help avoid using instructional dollars for facilities, but most states do not provide significant, if any, facilities funding for charter schools.

One of the issues raised about charter school funding prior to the interim project was the statement by some charter schools that they did not receive the amount of money the school was entitled to receive. The comment was often made in two ways. The school did not know how much it was entitled to receive in total dollars and therefore could not tell if more than five percent was being withheld by the district, or the charter school was not receiving all of the FEFP and categorical funding it was entitled to receive. Complicating factors for developing and maintaining a budget are the recalculations which occur for both FEFP operational funding and for capital outlay funds to reflect the most recent FTE enrollment during the school year. The latter issue simply reflects the way Florida funds its public schools. Allocation adjustments are made throughout the school year to reflect the number of students actually being served and are based on student enrollment counts. Again, charter schools should be utilizing the Department's charter school financial websites to monitor the school's potential revenue.

Sufficient specific FTE data was not collected to determine if the survey's financial responses on operating budgets were accurate.

Responses to questions about state capital outlay funds received were compared to information provided by the DOE. Most responses did not match. It was not clear from the replies whether the person filling out the response reported an earlier allocation or if the respondent did not know the final amount of state capital outlay funding received. Follow-up e-mails seeking clarification were frequently not answered.

**2004-2005 State Capital Outlay Appropriation:**

Although more charter schools were eligible for funding and served more FTE, the 2004-2005 Florida General Appropriations Act continued to provide \$27,700,000 from General Revenue for charter school capital outlay. No new construction PECO funding was provided for public schools. Instead, \$100,000,000 from General Revenue was provided to the public schools for facility projects related to the Class Size Reduction Amendment requirements. The State Board of Education's 2005-2006 Fixed Capital Outlay Legislative Budget Request again requested \$27,700,000 for charter schools.

**Concluding Comments:** National studies suggest there are two times when the sponsoring district is most powerful in its relationship with a charter school. These are at the time of initial application approval and negotiation of the first charter contract, and at the renewal/renegotiation of the contract. These times coincide with when the charter school feels powerless because the school's very existence depends on the contract. The school is concerned that failure to agree to the demands of the sponsor will antagonize the sponsor and result in denial or non-renewal of the charter. The result is that many of the state requirements that charter schools have been exempted from are being written into contracts by the sponsoring school districts. The Department's templates should provide some way to identify such "reinstating" of requirements.

Some districts reported feeling pressured to approve charters when in their view the quality of the application was deficient. The templates should insure that legitimate quality conditions are included in an application and that there is meaningful accountability.

The limited information collected for this project does not allow evaluating this scenario. Further study of mandates or compliance conditions in final contracts

negotiated between sponsoring districts and schools might provide guidance to the Department as it develops new application and evaluation guidelines and templates, including contracts, to be used by all parties involved.

Finding and/or financing facilities remains a major obstacle for smaller charter schools. National articles on finance suggest that start-up schools, and particularly schools with fewer than 300 students, have difficulty securing affordable financing for facilities.<sup>6</sup> In conversations with applicants, the inspections of facilities for fire safety continue to be a major hurdle to finding facilities. The perception is that mitigation and prevention requirements which often exceed conditions or requirements the district schools have to meet are imposed on the charter facilities before approval of a charter application.

## RECOMMENDATIONS

**District/Charter Relations:** Because of inconsistencies in the relationship of individual school districts and charter school applicants and operators, the Department of Education should examine ways in which more uniformity could be brought to that relationship. This might require greater specificity and uniformity in the content of the DOE template for a charter application, development of a template for a charter contract itself, and a template for charter renewal evaluations. Such changes might include specific references to a website and on hard copies of charter applications to identify that help is available from the Charter School Resource Center at the University of South Florida or others in completing the application. The template might also require more detail about the district services provided for the five percent administrative fee, how the cost for such services is to be calculated, and how food and transportation services will be provided for a charter school. Care will need to be taken that development of such templates would not result in stifling charter school creativity, uniqueness, or in making the charter schools mirror images of traditional public schools.

**Educational Management Organizations:** The Department of Education should determine whether financial and other information should be provided by Educational Management Organizations operating or managing charter schools in the state. If statutory authorization is needed, the Department should request the 2005 Legislature to enact the appropriate legislation.

**Dissemination/Training:** The Department of Education should institute meetings with school district personnel whose responsibilities involve working with charter applicants and charter schools and provide additional training opportunities to members of charter school governing boards to insure those persons have all received the same information and are up-to-date with current statutory and financial requirements relating to charter schools.

**Fire Inspections:** Local fire inspectors may need additional training for inspecting charter schools facilities.

**Legislative Action:** Upon receipt of the OPPAGA Reports, the DOE Charter School Transportation Study, and the 2003-2004 Annual Charter School Accountability Report, the Legislature will have a clearer picture of areas of concern and where changes to the statutes may need to be enacted by the 2005 Legislature for charter schools. Based on limited input, more specificity about services provided for the district administrative fee, pricing those services, EMO financial information, and about fire safety inspections may require legislative clarification.

<sup>6</sup> The Finance Gap: Charter Schools and their Facilities, Findings from a Nine-Month National Study, Prepared by The Institute for Education and Social Policy, Steinhardt School of Education, New York University; Published by The Educational Facilities Financing Center of the Local Initiatives Support Corporation; and the Bill and Melinda Gates Foundation, January 2004, p. 26, available at [http://www.lisc.org/indianapolis/resources/facilities\\_6801.pdf](http://www.lisc.org/indianapolis/resources/facilities_6801.pdf).