

EDUCATION

Overview

Over the past 6 years, Florida's education system has undergone major change with a renewed focus on the needs of the student, a commitment to increased student performance, and expanded parental choice. Most recently, the Legislature responded to state constitutional revisions and established a new governance structure for the education system with the goal of creating a seamless system that focuses on the needs of the student.

Addressing school overcrowding in 1997, the Legislature passed the SMART Schools Act, a comprehensive plan for realizing efficiency in and providing for new school construction. The seven parts of the SMART Schools plan are: Classrooms First Funding (bonding program financed with lottery funds); SIT Program (incentive fund for frugal school construction); Effort Index Grant Fund (supplemental funds to local funds for certain districts for school construction); SMART Schools Clearinghouse (recommends SIT Awards, distribution for EIG Funds and construction standards); Small County Assistance (funding for immediate assistance in school construction); 5-Year Capital Plans (requires annual school facilities work plan); and Frugal Schools Program (publicly recognizes school districts using "best financial management practices").

The Legislature has also responded to the concern about low performing public schools. As part of the A+ plan, the Legislature created the Opportunity Scholarship Program. This program gives students who attend public schools designated as low performing under certain criteria, the choice to go to a higher performing eligible school.

The Legislature has also passed legislation authorizing local school districts to allow nonprofit private groups and municipalities to operate schools under charter agreements. The intent of charter schools is to increase student-learning opportunities, to encourage innovative learning methods, to improve accountability, and to provide new professional opportunities for teachers.

In addition to improving schools and ensuring opportunities, the Legislature created a number of merit-based scholarship programs to reward individual high school students for high academic achievement as well as community involvement. The scholarship program has been designated as the Florida Bright Futures Scholarship program.

FLORIDA EDUCATION GOVERNANCE REORGANIZATION ACT OF 2000

Introduction

In the 1998 General Election, Floridians amended the State Constitution, effective January 7, 2003, to require a new state board of education consisting of seven members appointed by the Governor, subject to confirmation by the Senate; and to require that the State Board of Education appoint the Commissioner of Education.

The current State Board of Education consists of the Governor and elected Cabinet members. This board is the chief policy making body of public education in the state. Additionally, there is a Department of Education under an elected Commissioner of Education, with divisions of: community colleges, public schools, universities, workforce development, human resource development, administration, financial services, support services, and technology. The Board of Regents directs the Division of Universities, and the State Board of Community Colleges directs the Division of Community Colleges. The Commissioner appoints the directors of the other divisions.

The amendment to the constitution will dramatically alter the state's education structure and, therefore, work has begun to determine the direction and process for achieving transition to the new system. In 1999 the Commissioner of Education convened a 35-member Blue Ribbon Committee representing all regions of the state and all sectors of the education community. In February 2000, this committee presented its final report and recommendations for a seamless education system under the new state board.

Summary of Legislative Action Taken

The 2000 Legislature addressed the constitutional amendment by passing legislation that creates, for the first time in Florida or anywhere in the country, a process like this to change the state's education system into a "unified," efficient, seamless system of kindergarten through postgraduate education. This legislation will provide Florida's citizens and students an accountable, diverse, and academically uncompromising education system.

This legislation establishes a set of five guiding principles for Florida's new education governance: a coordinated, seamless system for kindergarten through graduate school; a system that is student-centered in every facet; a system that maximizes education access and academic success; a system that safeguards equity; and a system that refuses to compromise academic excellence.

Education governance reorganization must comply with five specific legislative policies: true systemic change resulting in an integrated continuum, within existing resources; centralization to align responsibility with accountability for academic success and funding efficiency; consistent vertical and horizontal education policy focusing on those receiving education; articulation across all delivery systems while ensuring the independence, autonomy, and nongovernmental status of nonpublic institutions and home education programs; and devolution to the actual deliverers of education to provide education that is student-centered.

Several time lines for education reorganization have been established. By October 1, 2000, the Governor, President of the Senate, and Speaker of the House of Representatives must appoint an 11-member education reorganization transition task force to provide recommendations to the Legislature to accomplish an effective phase-in. The task force has a specific timetable over the next 3 years: (1) by March 1, 2001, the task force must recommend structure changes to achieve system integration; decentralization of education services; and a single or coordinated kindergarten through postgraduate education budget; (2) by March 1, 2002, the task force must recommend changes to achieve systemwide coordination among all the education sectors;

interactions between education institutions and boards of trustees; and a postsecondary education strategic plan; (3) by March 1, 2003, the task force must recommend statutory changes, rules revisions, and rulemaking and waiver authority; and (4) by May 1, 2003, the task force must submit its final report, including a summary of work and a status of all contracts and enforcement matters.

The legislation establishes, beginning January 7, 2003, a seven-member Florida Board of Education, appointed by the Governor; a Commissioner of Education, appointed by the Board; a Florida Board of Education Office; a Chancellor of K-12 Education appointed by the Commissioner, and an Office of K-12 Education; a Chancellor of State Universities appointed by the Commissioner and an Office of State Universities; a Chancellor of Community Colleges and Career Preparation appointed by the Commissioner and an Office of Community Colleges and Career Preparation; an Executive Director of Nonpublic and Nontraditional Education appointed by the Commissioner and an Office of Nonpublic and Nontraditional Education; nine-member boards of trustees for each state university, appointed by the Governor; and a Citizen Information Center.

Effective January 7, 2003, the legislation abolishes the Board of Regents; the State Board of Community Colleges; the State Board of Independent Colleges and Universities; the State Board of Nonpublic Career Education; the Postsecondary Education Planning Commission; the Articulation Coordination Committee; and the Divisions of Workforce Development, Human Resource Development, Administration, Financial Services, Support Services, Technology, Universities, Community Colleges, and Student Financial Assistance of DOE; together with all authorizing statutes and rules.

Implementation

Education reorganization legislation became effective on June 19, 2000. The transition task force will begin reviewing the education system as soon as it is appointed and will provide initial recommendations to the Legislature by March 1, 2001. Officers, agencies, and subdivisions of the state must assist the task force by providing relevant information and assistance. Additionally, the Board of Regents must submit, no later than April 1, 2001, a plan for organizational and operational functions.

As task force recommendations are made and approved, the Legislature must anticipate and provide staff and committee time for drafting and hearing the major legislation that will be necessary to transition the Florida Statutes so that the new education system can be implemented.

Results and Impact

Because this legislation has potential impact on the jobs of all the people who work for the abolished entities, it can be anticipated that there will be attempts on numerous fronts to change some or all of the directions of the bill. Until the new education governance system envisioned by this bill is fully in place and all its supporting statutes signed into law, extreme vigilance will be required to ensure the careful crafting and committee work necessary to the ultimate success of Florida's new seamless education system by January 2003.

EDUCATION/SCHOOL CONSTRUCTION

Introduction

Prior to 1995, the Office of Educational Facilities (office), housed in the Department of Education (DOE), was responsible for oversight of the site planning and placement of schools, the Florida Inventory of School Houses (FISH) database, and capital need surveys of school construction. This office was eliminated in 1995 to provide better local district control of school construction programs.

Prior to eliminating this office, the House formed a Select Committee on Educational Facilities. The purpose of the committee was to perform a sunset review of educational facility laws and to determine Florida's educational facility needs, funding, and sources of funding. The committee completed its work and concluded there was no need to change an existing revenue source, create a new revenue source, or shift any existing revenue to educational facilities.

Summary of Legislative Action Taken

In 1997, the Legislature responded to the school overcrowding issue by passing legislation that required specific cost per square foot and minimum space requirements on new school construction. In addition, districts were required to limit use of local millage to specific capital expenditures. In November 1997, the Governor called a legislative special session to deal with the school overcrowding. During the special session the "SMART Schools Act" (Soundly-Made, Accountable, Reasonable and Thrifty Schools Act), was passed.

This legislation is the Legislature's long-term solution to school overcrowding and was based on four basic principles to provide *immediate assistance* to the school districts, maintain *functional, frugal* school construction standards, be a *balanced plan* with respect to all 67 school districts, and to raise *no new taxes*.

To accomplish a long-term solution and incorporate principles established, the Legislature provided seven components to the SMART Schools Plan: Classrooms First Funding, SIT Program, Effort Index Grant Fund, SMART Schools Clearinghouse, Small County Assistance, 5-year Capital Plans, and Frugal Schools Program.

Classrooms First Funding

Classrooms First Funding is a \$2 billion bonding program financed with lottery funds. The Legislature made a 20-year pledge of approximately \$180 million a year for school construction. Depending on new school construction needs, districts have the option to receive funding as bond proceeds or cash. All 67 school districts receive some funding based on a modified Public Education Capital Outlay (PECO) distribution.

As the name indicates, districts must build "Classrooms First." After a school district has met its need for new classroom space, funding may be used for major repair or maintenance or the replacement of unsatisfactory relocatables. These funds *cannot* be used to purchase more

relocatables. This component of the SMART Schools Plan provided immediate funding assistance to the school districts.

The SIT (School Infrastructure Thrift) Program

The School Infrastructure Thrift (SIT) Program is an incentive fund that encourages functional, frugal school construction. A school district may obtain a SIT award by: (1) demonstrating “savings realized through functional, frugal construction” or (2) demonstrating “savings realized through the operation of charter schools in non-school-district facilities.” These awards are based on 50 percent of the savings calculated on the statutorily defined cost-per-student station.

In 1999, the SIT Program was amended to *end* the SIT award that school districts receive for the operation of charter schools in nonschool-district facilities. This change was implemented because the charter school SIT award was growing so rapidly that the funds available to provide incentives for functional, frugal school construction would be depleted before the Classrooms First construction was completed. Charter schools were also attempting to claim a portion of the school districts’ SIT funds for capital needs.

The Effort Index Grant (EIG) Fund

The Effort Index Grant (EIG) Fund was originally a \$400 million, long-term incentive program designed to provide funding to select districts for *new construction only* if these districts still had a *need* for new student stations after a certain level of *local effort* was met.

The EIG program was changed in 1999 to allocate available funding to the four districts identified by the SMART Schools Clearinghouse as eligible for the original Effort Index Grant Program: Clay County, Dade County, Hendry County, and Madison County. In addition, \$100 million from the EIG fund was transferred to the SIT program. The remaining \$227.8 million of EIG funds was distributed based on the 1997 Classrooms First distribution formula to districts that either (1) received direct proceeds from the half-cent sales surtax for public school capital outlay or any portion of the local government infrastructure sales surtax between July 1, 1995 and June 30, 1999; or (2) met any two of the following four criteria: a) levy the full 2 mills of nonvoted discretionary capital outlay during 1995 - 1999; b) levy a cumulative voted millage equal to 2.5 mills for fiscal years 1995 - 1999; c) receive proceeds of school impact fees greater than \$500 per dwelling unit which were in effect on July 1, 1998; or d) receive direct proceeds from either the half-cent sales tax for school capital outlay or any portion of the local government infrastructure sales surtax.

Districts may use these EIG funds for construction, renovation, repair, maintenance, or payment of debt service.

The SMART School Clearinghouse (Clearinghouse)

The SMART School Clearinghouse (Clearinghouse) is comprised of five members appointed by the Governor, Speaker of the House of Representatives and President of the Senate. The Clearinghouse is responsible for recommending SIT Program awards. From 1998 to 1999, the

SMART Schools Clearinghouse also made recommendations for the distribution of Effort Index Grant funds. The Clearinghouse recommends construction standards and reviews school districts' performance in meeting these standards.

The Small County Assistance Program

The Small County Assistance Program provides funding for immediate assistance in school construction. This program includes a one-time \$50 million appropriation from bond proceeds for construction, repair, renovation or remodeling in small, rural districts.

5-year Capital Plans

Annually, each school district must annually prepare a 5-year district facilities' work plan showing estimated revenues, facility needs, a schedule of all capital outlay projects, and major repair and renovation projects.

The Frugal Schools Program

The Frugal Schools Program was created to publicly recognize school districts that implement "best financial management practices" in planning, constructing and operating educational facilities. Districts meeting statutory criteria receive a "Seal of Best Financial Management." This program is expected to restore public confidence in local school boards and school construction programs.

The Smart Schools Act also established a goal that all relocatables over 20 years of age be removed and relocatables at overcrowded schools be decreased by half by July 1, 2003. In addition, the legislation provided relocatable standards and established functional, frugal costs per student station.

The Smart Schools Act also requires the Commissioner of Education to establish construction standards for long-term relocatables by July 1, 2000.

Implementation

As of April 2000, SIT awards totaling \$88.6 million and \$55.4 million, respectively, have been distributed to school districts for functional, frugal school construction and the operation of charter schools. As of June 2000, \$1 billion (less than half of the \$2.02 billion provided) in Classrooms First awards has been distributed to school districts and \$1.5 billion has been encumbered for specific school projects.

There has been no distribution of the \$300 million in Effort Index Grants because the law specifies that these funds are not to be distributed until after a district has encumbered all of its Classrooms First dollars.

Results and Impact

Since the passage of the Smart Schools Act in the 1997 Special Session, districts have been provided incentives to build functional, frugal schools as evidenced by the awards given in the SIT Program. Although some school districts are still complaining of school overcrowding and of schools in need of repair, the majority of the funds provided in the 1997 Special Session have not been used. The State's increased role in the construction of local schools has made Florida, except for Hawaii and Alaska, the largest state contributor to local school construction.

OPPORTUNITY SCHOLARSHIP PROGRAM/SCHOOL GRADING SYSTEM

Introduction

In 1999, the Legislature created the Opportunity Scholarship Program as part of the A+ Education Plan. Opportunity Scholarships are available for students to attend an eligible public or private school of choice. The School Grading System was also a part of the A+ Education Plan. It is an accountability system based on student performance to assign school grades ranging from "A"—schools making excellent progress, through "F"—schools making inadequate progress.

Summary of Legislative Action Taken

In 1991, with the enactment of the School Improvement and Education Accountability Act, the state made a commitment to improving education accountability and ensuring that poorly performing schools were provided assistance and intervention, and that corrective actions would be taken in schools showing little or no improvement.

In the fall of 1995, the State Board of Education (SBE) adopted a rule defining criteria for identifying schools with critically low student performance. Initially, the criteria used for determining a school's performance level were students' scores on Reading and Math and writing proficiency. In the 1998-1999 school year, the Florida Comprehensive Assessment Test (FCAT), in conjunction with the Florida Writes! assessment, replaced the prior student performance measures.

In 1995, 158 public schools were included on a critically low performing list, meaning that a majority of the students performed below an acceptable level in reading, writing, and mathematics. In 1996, 71 schools were classified as critically low performing. In 1997, this number dropped to 30 schools. And in 1998, there were only 4 schools on the critically low performing list. Schools could get off the critically low performing list by improving student performance in only one of the three measured areas -- even if student performance decreased in the other two areas.

In the fall of 1998, the SBE adopted a rule that created five school performance levels. (Level I was the lowest performing level and Level V was the highest performing level). These levels are based on student performance on the FCAT and other select performance indicators. This rule raised the bar on school performance by making it more difficult to move from one performance

level to the next. If a school were deemed to be Performance Level I (compatible with a prior critically low performing designation) the school had to improve student performance in one of the three measured areas, while at least *maintaining* student performance levels in the other two areas. According to DOE, this rule was never implemented because of the passage of the A+ Plan in the 1999 Legislative Session.

In 1999, the Legislature passed the A+ Education Plan. This legislation expanded upon the concept of school performance ratings. Schools would now be graded on the basis of letter grades (A-F). For purposes of implementing the Opportunity Scholarship Program, school grades "A"–"F" for the 1998-1999 school year are equivalent to corresponding School Performance Levels "I"–"V".

The A+ Education Plan also created School Improvement Ratings. These ratings will indicate whether a school's performance improved, remained the same, or declined. Annually, DOE must publish both the School Grade and School Improvement Rating.

School grades are primarily based on student performance; however, additional criteria may be included. Beginning in the 2001-2002 school year and thereafter, a school's grade is determined by student *learning gains* as measured by the FCAT, and other performance data, such as dropout rate, cohort graduation rate, and student readiness for college.

Learning gain is defined as the degree of learning achieved by one student in one school year's worth of time. Beginning in the 2001-2002 school year, learning gains will become the primary performance criteria for a school's grade. DOE will determine a student's learning gain by comparing a student's FCAT scores at the end of one year to the student's FCAT scores at the end of the prior school year. The increase in student learning over that 1-year period will represent that student's learning gain.

A *public* school student is eligible for an Opportunity Scholarship to attend public or private schools if one of the following criteria are met: (1) the student spent the prior school year in attendance at a public school which was graded "F", and the school has had such low performance for 2 years in a 4-year period; (2) the student was in attendance elsewhere in the public school system and has been assigned to such school; (3) the student is entering kindergarten or first grade and has been assigned to such school.

Once a school has been designated as "F" for 2 years in a 4-year period, eligible students have several options available to them, including: (1) attendance at a higher performing public school within the district; (2) attendance at a higher performing public school in an adjacent district, as long as space is available; (3) attendance at an eligible private, sectarian or nonsectarian, school; or (4) remain at their current school.

There are several statutory criteria that a private school must meet to become eligible to participate in the Opportunity Scholarship Program. Some of the criteria are as follows: demonstrate fiscal soundness; comply with antidiscrimination provisions of federal law; meet state and local health and safety laws and codes; accept scholarship students on a random, religious-neutral basis; be subject to the instruction, curriculum, and attendance criteria adopted

by an appropriate governing body; employ or contract with teachers that meet certain criteria; accept as full tuition and fees the amount of the scholarship provided by the state for each student; agree not to compel any scholarship students to profess a specific ideological belief, to pray, or to worship; and adhere to published disciplinary procedures prior to the expulsion of any scholarship student.

The amount of the scholarship that students receive is the *calculated* amount (the base student allocation multiplied by the appropriate cost factor for the educational program that would have been provided for the student multiplied by the district cost differential and the per-student share of instructional materials funding, technology funding, and other categoricals provided in the GAA) or the amount of the private school's tuition and fees, *whichever is less*. (Eligible private school fees may include book fees, lab fees, and other fees related to instruction, including transportation.)

Upon proper documentation by DOE, the Comptroller is responsible for Opportunity Scholarship payments to the student's parent or guardian for a chosen private school.

Implementation

As of July 1999, students in only 2 public schools are eligible to participate in the Opportunity Scholarship Program (Spencer Bibbs Elementary and A.A. Dixon Elementary in Escambia County). There were a total of 140 students at both schools who applied for an Opportunity Scholarship and 5 private schools that volunteered to participate in the program. Forty-eight students received scholarships to attend an eligible private school and 78 students elected to attend a higher performing public school.

For the 1998-1999 school year there were 78 schools total in 15 districts that received a performance score of "F". If those schools receive another "F" in any of the next 3 school years, the Opportunity Scholarship Program would be available for students.

Immediately after the A+ Education Plan became law, lawsuits were filed relating to unconstitutional issues on public funds used at private, sectarian institutions. In the fall of 1999, a Leon County Court Judge ruled that the Opportunity Scholarship Program violated the Florida Constitution. This ruling is being appealed and during the time of appeal, the judge authorized a stay of the program so that students currently participating could remain at private schools. The appeal, filed by the state, is scheduled to commence with oral arguments in the District Court of Appeals in late June 2000.

Results and Impact

Since implementation of School Grading Systems and the Opportunity Scholarship Program the Legislature and school districts have targeted resources and attention to "D" and "F" schools.

In addition to the more than \$662 million in Supplemental Academic Instruction funds allocated to "D" and "F" schools, the Legislature committed to improving poorly performing schools by providing \$17.25 million in lottery funds for reading initiatives, \$22.05 million to improve

student achievement and readiness for college, and \$3.4 million for challenge grants to match private contributions. The Legislature encouraged school improvement through the School Recognition Program so that schools, regardless of grade, could receive up to \$100 per student for improving student's academic performance. The Legislature appropriated \$60 million for this program.

CHARTER SCHOOLS

Introduction

As part of the state's system of public education, the Florida charter school law provides for local school districts to allow private groups, municipalities and entire school districts to operate a school under a charter or contract. The purpose of charter schools is to improve student learning, to increase student-learning opportunities, to encourage innovative learning methods, to improve accountability, to require certain performance standards, and to create new professional opportunities for teachers.

The charter must specify the school's educational goals and strategy for performance and accountability. The charter includes the school curriculum and academic standards that are used as a basis for renewal or termination of the charter. New schools may be created or existing public schools may be converted to charter status. Charter schools must be nondiscriminatory and may not charge tuition. Charter schools are excluded from restrictive regulations, except for the regulations relating to students with disabilities, civil rights, and health, safety, and welfare.

Summary of Legislative Action Taken

The charter school law was enacted in 1996 with revisions each subsequent year. The original 1996 law provided that entities applying for a charter had to organize as a nonprofit organization, and private schools, home education programs, and religious schools were not eligible to become charter schools. A state university, after consultation with a district school board, may grant a charter to a developmental research school. The law established limits on the number of public schools that could convert to charter status and the number of newly created schools, which could become chartered, based on the student population of the school district. Developmental research schools were not included in the limit.

In 1997, revisions clarified aspects of the application and appeals process, charter approval, reporting, Florida Education Finance Program (FEFP) funding distribution, and the use of facilities and property. The revisions established timeframes for districts to accept applications and criteria for review of applications. If a district denied an application, the district board was required to state the reason in writing, and the applicant had to notify the district school board if the applicant chose to appeal.

The revisions in 1998 provided for: doubling the cap on the number of charter schools allowed, extending the term of a charter, requiring that employees remain public employees unless they choose not to do so, creating "charter schools-in-the-workplace" to promote business partnerships in education, reducing overcrowding, and offsetting the high costs of educational

facilities construction and allowing for some use of capital outlay funds. A charter school-in-the-workplace was allowed to limit enrollment to children of employees.

The 1999 revisions extended the term of a charter and required that employees, including governing board members, be fingerprinted and have not been dismissed or resigned in lieu of dismissal from a traditional public school for reasons involving the health, safety, and welfare of children.

The 2000 Legislature streamlined and clarified the application, approval, and operation process; encouraged conversion charter schools; increased the charter schools capital outlay allocation from one-thirtieth to one-fifteenth of the cost per student station; and revised provisions for developmental research charter schools and charter technical centers. An applicant may appeal to the State Board of Education if the district board fails to act on an application. Reasonable costs incurred in a dispute are awarded to the prevailing party. To encourage conversions, *parents* are allowed to submit an application for conversion, conversion schools do not count towards the cap on charters, districts and applicants may petition the State Board to exceed the cap, and a “whistle blower” protection is created for principals or school personnel who propose converting a traditional public school to a charter. Facilities used for charter schools are given an ad valorem tax exemption. A developmental research charter school is open to any student eligible to attend the traditional developmental research school or residing in the district where the school is located. The developmental research charter school receives categorical funds just as a traditional developmental research school receives, but the amount of traditional capital outlay funds is limited to an amount sufficient to meet the one-fifteenth of the cost per student station.

Implementation

The 1996 law creating charter schools required a review of charter schools during the 2000 Legislative Session of the Legislature. Two entities conducted studies to aid in that review: one by the Office of Program Policy Analysis and Government Accountability (OPPAGA); and another by the Charter School Review Panel. The Charter School Review Panel was created by the 1999 Legislature for the purpose of making recommendations for improving charter school operations, providing oversight, and ensuring fair and best business practices and relationships. Recommendations and options were reviewed and considered before changes were made to the charter school law during the 2000 Regular Legislative Session.

To help improve academic accountability and clarify the requirements of the law to both school districts and charter school operators, the DOE recently extended and expanded the contract with the University of South Florida to provide technical assistance to charter school operators and school districts. A regional office of the Florida Charter Resource Center has been set up in Fort Lauderdale and Palm Beach to assist schools in developing applications and contracts, analyze the Auditor General reports and audits of charter schools, and host conferences.

In 2000-2001, the Legislature appropriated \$20,000,000 for Charter School Capital Outlay, which is an increase of \$15,000,000 over the amount appropriated in the 1999-2000 fiscal year.

Results and Impact

In 1996, the first year that charter schools were allowed, five charter schools were in operation. Since then, the numbers have increased from 33 in 1997 to 112 in 1999. The number of students served has increased from 3,000 in 1996 to approximately 18,566 students in 1999-2000. The Florida Charter School Resource Center at the University of South Florida estimates the number of charter schools in 2000-2001 will increase 46 percent, from 112 to 164, and the number of students attending charter schools will increase 58 percent, from 18,566 to 29,285 in 2000-2001. The following provides information of how charter schools are meeting statutory requirements.

Purpose: Improve Student Learning/Increasing Learning Opportunities for All Students

Sixty-two percent of charter schools serve at-risk/dropout prevention students, early intervention students, or students with disabilities. For the 1999-2000 school year, the overall percentage of charter school students from minority groups and disabled students is essentially the same as that of Florida's overall student population.

Purpose: Encourage Use of Innovative and Different Learning Methods/Increase Choice of Learning Opportunities for Students

According to OPPAGA, at least 5 percent of students need to be served by a charter school for the program to have any impact on the traditional public school system. Other research shows that 15 to 20 percent in charter alternatives are needed to exert pressure on the system. Florida's 1999-2000 student population is approximately 2.3 million; charter schools account for less than 1 percent of statewide base funding for the Florida Education Finance Program. The changes made in the law during the 2000 Legislative Session are expected to encourage the conversion and creation of more charter schools.

Purpose: Establish a New Form of Accountability for Schools/Require Measurement of Outcomes/Make the School the Unit for Improvement/Create New Professional Opportunities for Teachers

OPPAGA reported that current state and local accountability mechanisms need to be strengthened to hold charter schools accountable for student performance. Charter schools are intended to be graded as part of the state's accountability system. However, in 1998-99 two-thirds of charter schools were not graded because this accountability system was not designed to cover very small schools and those with special student populations that smaller charter schools typically serve. The accountability systems used by districts are established in the charter (or contract) the district has with the charter school. OPPAGA concluded after examining charters that were in operation for at least 2 years that the district's agreement with charter schools often did not contain adequate goals and objectives to measure student performance.

A related accountability weakness is that charter schools' required annual progress reports are often incomplete. Half of the 31 annual reports did not include all of the required information. One of the difficulties in reporting on student progress is the lack of baseline data. Either the data is not obtained from the school district or the charter school does not pretest when the

student enrolls. Due to the weakness in the accountability systems, there is little useful information available to assess the academic progress of charter school students. The DOE plans to offer more technical assistance to districts and charter operators to explain the requirements of the charter school law and to help charter operators attain needed skills.

Since 1996, a total of six charter schools have been voluntarily or involuntarily closed for reasons that include declining enrollment, fiscal issues, or insufficient academic performance. If enrollment declines, that in itself is an accountability measure. If the school does not perform as parents want to see it perform, they always have the option of withdrawing their children. The closure of schools, therefore, represents a working market system. Unlike traditional schools where poor performing schools are allowed to continue to operate, charter schools that are not performing academically or financially can be closed by the district school board.

FLORIDA BRIGHT FUTURES SCHOLARSHIP PROGRAM

Introduction

Since 1980, the Florida Legislature has created a number of state-supported merit scholarship programs to reward Florida high school graduates for high academic achievement. These programs include the Florida Undergraduate Scholars' Program, the Vocational Gold Seal Endorsement Scholarship Program, the Florida Postsecondary Tuition Program, and most recently, the Florida Bright Futures Scholarship Program. Each of these scholarship programs requires a student to achieve a minimum grade point average in high school as a condition of student eligibility. Eligibility criteria also included additional factors such as the achievement of a minimum test score on a standardized test and the performance of community service.

Summary of Legislative Action Taken

The 1997 Legislature established the Florida Bright Futures Scholarship Program and repealed the Florida Undergraduate Scholars' Program, the Vocational Gold Seal Endorsement Scholarship Program, and the Florida Postsecondary Tuition Program.

The Florida Bright Futures Scholarship Program is administered by the DOE and funded with lottery revenues. The Florida Bright Futures Scholarship Program consists of three separate awards: the Florida Academic Scholars Award, the Florida Merit Scholars Award, and the Florida Gold Seal Vocational Scholars Award.

Current law relating to the Florida Bright Futures Scholarship Program establishes eligibility criteria for students and institutions to participate in the scholarship program, prescribes the application and disbursement process, and defines award amounts. To be eligible for an initial award students must, at a minimum, complete a prescribed high school curriculum, achieve a minimum grade point average in high school, and achieve a minimum score on a standardized test as determined by the DOE. Further, the law establishes the renewal eligibility criteria for students. The award amount for a Bright Futures Scholarship is calculated as a percentage of the amount assessed to a student for tuition and fees. The initial eligibility criteria, renewal eligibility criteria, and award amounts vary by the type of award a student receives.

Implementation

The DOE administers the Florida Bright Futures Scholarship Program according to the rules and procedures established by the Commissioner of Education.

Application Process

According to the DOE, the application used to begin the evaluation process for the Florida Bright Futures Scholarship Program is called a "Student Authorization Form." This form serves as the single application for all students applying for a Bright Futures Scholarship regardless of the type of secondary education received or the type of award for which the student may qualify. Upon receiving a completed Student Authorization Form and any required documentation, the DOE is responsible for calculating grade point averages, determining awards, and notifying students of their eligibility.

Disbursement Process

According to the DOE, a preliminary disbursement is transmitted to each participating institution at the beginning of each school term. This preliminary institutional disbursement is based on the DOE's projection of the number of students participating in the Florida Bright Futures Scholarship Program at each institution. Any preliminary funds disbursed to institutions that are not eventually disbursed to scholarship recipients must be returned to the DOE within 60 days after the end of each institution's drop/add period. The DOE sends written notices to the institution's Financial Aid Director requesting immediate return of all funds not disbursed if the institution has not returned funds not disbursed within the 60-day deadline. The DOE's records indicate that for the 1998-1999 academic year, only 10 percent (\$1.1 million) of the \$11.3 million in unused funds were returned to the DOE within the 60-day deadline (Table 1). As of June 30, 1999, institutions still owed the DOE 47 percent (\$5.3 million) of the \$11.3 million in unused funds.

Award Amount

The actual amount that is awarded to a Bright Futures Scholarship recipient differs among the three scholarship components that comprise the Florida Bright Futures Scholarship Program. The award amount for all of the three scholarship components is calculated on a certain percentage of the recipient's matriculation and fees. Statutory provisions governing the award amount for all of the three scholarship components do not define the term "fee." Consequently, the DOE transmits Bright Futures payments to eligible institutions that cover not only an award recipient's mandatory fees, but also any other fees billed to the DOE by the institutions. During the 1998-1999 academic year, the DOE transmitted \$1.6 million to institutions to cover fees that exceeded award recipients' mandatory fees. However, the DOE recently defined the term "fee" in policy as any mandatory fee that is charged to all students at an eligible postsecondary education institution and lab fees that do not exceed \$300 per semester.

Summer Awards

Current law permits a student to use a Bright Futures Scholarship during the summer term of an academic year if funds are available. During the 1997-1998 academic year, the Legislature appropriated \$75 million for the Florida Bright Futures Scholarship Program and the DOE actually expended \$69.6 million. The DOE estimated that this balance was not sufficient to fund all potentially eligible students for the 1998 summer term. During the 1998-1999 academic year, the Legislature appropriated \$120 million for the program and the DOE actually expended \$93.3 million. Although this balance appeared to be potentially large enough to accommodate summer funding, students were not awarded scholarships during the 1999 summer term as a result of the DOE's priority to program and develop a data base system to facilitate the administration of scholarship eligibility determination. The DOE reports that students are being awarded scholarships during the 2000 summer term.

Results and Impact

During the 1997-1998 academic year, Bright Futures Scholarships were awarded to 43,244 students in an amount totaling \$69.6 million. Academic Scholars Awards were disbursed to 18,866 students (44% of total recipients) in an amount totaling \$43.6 million (66% of total dollars awarded); Merit Scholars Awards were disbursed to 13,387 students (31% of total recipients) in an amount totaling \$15.2 million (22% of total dollars awarded); and Gold Seal Vocational Scholars Awards were disbursed to 10,791 students (25% of total recipients) in an amount totaling \$10.4 million (15% of total dollars disbursed). Most students (72%) receiving an Academic or Merit Scholars Award enrolled at a state university. Meanwhile, 55% (5,951) of Gold Seal Vocational Scholars enrolled at a community college. Students attending a state university received \$50.8 million (73%) in Bright Futures Scholarships and students attending a private institution received \$9.7 million (14%) in Bright Futures Scholarships.

During the 1998-1999 academic year, Bright Futures Scholarships were awarded to 57,436 students in an amount totaling \$93.3 million. Academic Scholars Awards were disbursed to 21,846 students (38% of total recipients) in an amount totaling \$51.8 million (56% of total dollars disbursed); Merit Scholars Awards were disbursed to 25,745 students (45% of total recipients) in an amount totaling \$31.2 million (33% of total dollars disbursed); and Gold Seal Vocational Scholars Awards were disbursed to 9,629 students (17% of total recipients) in an amount totaling \$10.0 million (11% of total dollars disbursed). Most students (71%) receiving an Academic or Merit Scholars Award attended a state university. Meanwhile, the percent of Gold Seal Vocational Scholars attending a community college declined (from 55% to 48%) and the percent of Gold Seal Vocational Scholars attending a state university increased (from 37% to 44%). Students attending a state university received \$69.6 million (75%) in Bright Futures Scholarships and students attending a private institution received \$12.6 million (13%) in Bright Futures Scholarships.

During the 1999-2000 academic year, the DOE estimates that **more** than 65,000 students will receive Bright Futures Scholarships in an amount totaling approximately \$112 million. For the 2000-2001 academic year, the Legislature has appropriated \$143.1 million for the Florida Bright Futures Scholarship Program.