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Representatives Dovilla, Roegner

Cosponsors: Representatives Brenner, Anielski, Blessing, Buchy, Burkley, Cupp, Dever, DeVitis, Duffey, Grossman, Hackett, Hagan, Hayes, Henne, Koehler, Kraus, Kunze, Manning, McClain, Pelanda, Perales, Romanchuk, Scherer, Slaby, Smith, R., Terhar, Thompson, Young, Speaker Rosenberger

Senators Coley, Hite, Balderson, Burke, Eklund, Gardner, Jones, LaRose, Lehner, Manning, Obhof, Peterson, Sawyer, Thomas, Widener, Williams, Yuko

A BILL

To amend sections 3302.03, 3314.011, 3314.015,	1
3314.016, 3314.02, 3314.021, 3314.023, 3314.024,	2
3314.027, 3314.029, 3314.03, 3314.07, 3314.074,	3
3314.091, 3314.23, 3314.27, 3314.35, 3314.351,	4
3317.034, and 3321.19; to enact sections	5
117.105, 3302.037, 3313.131, 3314.019, 3314.031,	6
3314.032, 3314.034, 3314.035, 3314.036,	7
3314.037, 3314.038, 3314.039, 3314.251,	8
3314.271, and 3314.46; and to repeal section	9
3314.026 of the Revised Code with regard to	10
governance, sponsorship, and management of	11
community schools; to require the Department of	12
Education to study and use a regression formula	13
to create a measure of student academic	14
performance; and to revise the conditions of	15
enrollment status for high school students.	16

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 3302.03, 3314.011, 3314.015, 17
3314.016, 3314.02, 3314.021, 3314.023, 3314.024, 3314.027, 18
3314.029, 3314.03, 3314.07, 3314.074, 3314.091, 3314.23, 19
3314.27, 3314.35, 3314.351, 3317.034, and 3321.19 be amended and 20
sections 117.105, 3302.037, 3313.131, 3314.019, 3314.031, 21
3314.032, 3314.034, 3314.035, 3314.036, 3314.037, 3314.038, 22
3314.039, 3314.251, 3314.271, and 3314.46 of the Revised Code be 23
enacted to read as follows: 24

Sec. 117.105. The auditor of state shall provide written 25
notice to the sponsor of a community school regarding any action 26
taken against or upcoming audits of a community school to assist 27
the sponsor in complying with the requirements of section 28
3314.019 of the Revised Code. 29

Sec. 3302.03. Annually, not later than the fifteenth day 30
of September or the preceding Friday when that day falls on a 31
Saturday or Sunday, the department of education shall assign a 32
letter grade for overall academic performance and for each 33
separate performance measure for each school district, and each 34
school building in a district, in accordance with this section. 35
The state board shall adopt rules pursuant to Chapter 119. of 36
the Revised Code to establish performance criteria for each 37
letter grade and prescribe a method by which the department 38
assigns each letter grade. For a school building to which any of 39
the performance measures do not apply, due to grade levels 40
served by the building, the state board shall designate the 41
performance measures that are applicable to the building and 42
that must be calculated separately and used to calculate the 43
building's overall grade. The department shall issue annual 44
report cards reflecting the performance of each school district, 45
each building within each district, and for the state as a whole 46
using the performance measures and letter grade system described 47

in this section. The department shall include on the 48
report card for each district and each building within each 49
district the most recent two-year trend data in student 50
achievement for each subject and each grade. 51

(A) (1) For the 2012-2013 school year, the department shall 52
issue grades as described in division (E) of this section for 53
each of the following performance measures: 54

(a) Annual measurable objectives; 55

(b) Performance index score for a school district or 56
building. Grades shall be awarded as a percentage of the total 57
possible points on the performance index system as adopted by 58
the state board. In adopting benchmarks for assigning letter 59
grades under division (A) (1) (b) of this section, the state board 60
of education shall designate ninety per cent or higher for an 61
"A," at least seventy per cent but not more than eighty per cent 62
for a "C," and less than fifty per cent for an "F." 63

(c) The extent to which the school district or building 64
meets each of the applicable performance indicators established 65
by the state board under section 3302.02 of the Revised Code and 66
the percentage of applicable performance indicators that have 67
been achieved. In adopting benchmarks for assigning letter 68
grades under division (A) (1) (c) of this section, the state board 69
shall designate ninety per cent or higher for an "A." 70

(d) The four- and five-year adjusted cohort graduation 71
rates. 72

In adopting benchmarks for assigning letter grades under 73
division (A) (1) (d), (B) (1) (d), or (C) (1) (d) of this section, the 74
department shall designate a four-year adjusted cohort 75
graduation rate of ninety-three per cent or higher for an "A" 76

and a five-year cohort graduation rate of ninety-five per cent 77
or higher for an "A." 78

(e) The overall score under the value-added progress 79
dimension of a school district or building, for which the 80
department shall use up to three years of value-added data as 81
available. The letter grade assigned for this growth measure 82
shall be as follows: 83

(i) A score that is at least two standard errors of 84
measure above the mean score shall be designated as an "A." 85

(ii) A score that is at least one standard error of 86
measure but less than two standard errors of measure above the 87
mean score shall be designated as a "B." 88

(iii) A score that is less than one standard error of 89
measure above the mean score but greater than or equal to one 90
standard error of measure below the mean score shall be 91
designated as a "C." 92

(iv) A score that is not greater than one standard error 93
of measure below the mean score but is greater than or equal to 94
two standard errors of measure below the mean score shall be 95
designated as a "D." 96

(v) A score that is not greater than two standard errors 97
of measure below the mean score shall be designated as an "F." 98

Whenever the value-added progress dimension is used as a 99
graded performance measure, whether as an overall measure or as 100
a measure of separate subgroups, the grades for the measure 101
shall be calculated in the same manner as prescribed in division 102
(A) (1) (e) of this section. 103

(f) The value-added progress dimension score for a school 104

district or building disaggregated for each of the following 105
subgroups: students identified as gifted, students with 106
disabilities, and students whose performance places them in the 107
lowest quintile for achievement on a statewide basis. Each 108
subgroup shall be a separate graded measure. 109

(2) Not later than April 30, 2013, the state board of 110
education shall adopt a resolution describing the performance 111
measures, benchmarks, and grading system for the 2012-2013 112
school year and, not later than June 30, 2013, shall adopt rules 113
in accordance with Chapter 119. of the Revised Code that 114
prescribe the methods by which the performance measures under 115
division (A)(1) of this section shall be assessed and assigned a 116
letter grade, including performance benchmarks for each letter 117
grade. 118

At least forty-five days prior to the state board's 119
adoption of rules to prescribe the methods by which the 120
performance measures under division (A)(1) of this section shall 121
be assessed and assigned a letter grade, the department shall 122
conduct a public presentation before the standing committees of 123
the house of representatives and the senate that consider 124
education legislation describing such methods, including 125
performance benchmarks. 126

(3) There shall not be an overall letter grade for a 127
school district or building for the 2012-2013 school year. 128

(B)(1) For the 2013-2014 school year, the department shall 129
issue grades as described in division (E) of this section for 130
each of the following performance measures: 131

(a) Annual measurable objectives; 132

(b) Performance index score for a school district or 133

building. Grades shall be awarded as a percentage of the total 134
possible points on the performance index system as created by 135
the department. In adopting benchmarks for assigning letter 136
grades under division (B) (1) (b) of this section, the state board 137
shall designate ninety per cent or higher for an "A," at least 138
seventy per cent but not more than eighty per cent for a "C," 139
and less than fifty per cent for an "F." 140

(c) The extent to which the school district or building 141
meets each of the applicable performance indicators established 142
by the state board under section 3302.03 of the Revised Code and 143
the percentage of applicable performance indicators that have 144
been achieved. In adopting benchmarks for assigning letter 145
grades under division (B) (1) (c) of this section, the state board 146
shall designate ninety per cent or higher for an "A." 147

(d) The four- and five-year adjusted cohort graduation 148
rates; 149

(e) The overall score under the value-added progress 150
dimension of a school district or building, for which the 151
department shall use up to three years of value-added data as 152
available. 153

(f) The value-added progress dimension score for a school 154
district or building disaggregated for each of the following 155
subgroups: students identified as gifted in superior cognitive 156
ability and specific academic ability fields under Chapter 3324. 157
of the Revised Code, students with disabilities, and students 158
whose performance places them in the lowest quintile for 159
achievement on a statewide basis. Each subgroup shall be a 160
separate graded measure. 161

(g) Whether a school district or building is making 162

progress in improving literacy in grades kindergarten through 163
three, as determined using a method prescribed by the state 164
board. The state board shall adopt rules to prescribe benchmarks 165
and standards for assigning grades to districts and buildings 166
for purposes of division (B) (1) (g) of this section. In adopting 167
benchmarks for assigning letter grades under divisions (B) (1) (g) 168
and (C) (1) (g) of this section, the state board shall determine 169
progress made based on the reduction in the total percentage of 170
students scoring below grade level, or below proficient, 171
compared from year to year on the reading and writing diagnostic 172
assessments administered under section 3301.0715 of the Revised 173
Code and the third grade English language arts assessment under 174
section 3301.0710 of the Revised Code, as applicable. The state 175
board shall designate for a "C" grade a value that is not lower 176
than the statewide average value for this measure. No grade 177
shall be issued under divisions (B) (1) (g) and (C) (1) (g) of this 178
section for a district or building in which less than five per 179
cent of students have scored below grade level on the diagnostic 180
assessment administered to students in kindergarten under 181
division (B) (1) of section 3313.608 of the Revised Code. 182

(h) For a high mobility school district or building, an 183
additional value-added progress dimension score. For this 184
measure, the department shall use value-added data from the most 185
recent school year available and shall use assessment scores for 186
only those students to whom the district or building has 187
administered the assessments prescribed by section 3301.0710 of 188
the Revised Code for each of the two most recent consecutive 189
school years. 190

As used in this division, "high mobility school district 191
or building" means a school district or building where at least 192
twenty-five per cent of its total enrollment is made up of 193

students who have attended that school district or building for 194
less than one year. 195

(2) In addition to the graded measures in division (B) (1) 196
of this section, the department shall include on a school 197
district's or building's report card all of the following 198
without an assigned letter grade: 199

(a) The percentage of students enrolled in a district or 200
building participating in advanced placement classes and the 201
percentage of those students who received a score of three or 202
better on advanced placement examinations; 203

(b) The number of a district's or building's students who 204
have earned at least three college credits through dual 205
enrollment or advanced standing programs, such as the post- 206
secondary enrollment options program under Chapter 3365. of the 207
Revised Code and state-approved career-technical courses offered 208
through dual enrollment or statewide articulation, that appear 209
on a student's transcript or other official document, either of 210
which is issued by the institution of higher education from 211
which the student earned the college credit. The credits earned 212
that are reported under divisions (B) (2) (b) and (C) (2) (c) of 213
this section shall not include any that are remedial or 214
developmental and shall include those that count toward the 215
curriculum requirements established for completion of a degree. 216

(c) The percentage of students enrolled in a district or 217
building who have taken a national standardized test used for 218
college admission determinations and the percentage of those 219
students who are determined to be remediation-free in accordance 220
with standards adopted under division (F) of section 3345.061 of 221
the Revised Code; 222

(d) The percentage of the district's or the building's 223
students who receive industry-recognized credentials. The state 224
board shall adopt criteria for acceptable industry-recognized 225
credentials. 226

(e) The percentage of students enrolled in a district or 227
building who are participating in an international baccalaureate 228
program and the percentage of those students who receive a score 229
of four or better on the international baccalaureate 230
examinations. 231

(f) The percentage of the district's or building's 232
students who receive an honors diploma under division (B) of 233
section 3313.61 of the Revised Code. 234

(3) Not later than December 31, 2013, the state board 235
shall adopt rules in accordance with Chapter 119. of the Revised 236
Code that prescribe the methods by which the performance 237
measures under divisions (B)(1)(f) and (B)(1)(g) of this section 238
will be assessed and assigned a letter grade, including 239
performance benchmarks for each grade. 240

At least forty-five days prior to the state board's 241
adoption of rules to prescribe the methods by which the 242
performance measures under division (B)(1) of this section shall 243
be assessed and assigned a letter grade, the department shall 244
conduct a public presentation before the standing committees of 245
the house of representatives and the senate that consider 246
education legislation describing such methods, including 247
performance benchmarks. 248

(4) There shall not be an overall letter grade for a 249
school district or building for the 2013-2014 school year. 250

(C) (1) For the 2014-2015 school year and each school year 251

thereafter, the department shall issue grades as described in 252
division (E) of this section for each of the performance 253
measures prescribed in division (C) (1) of this section and an 254
overall letter grade based on an aggregate of those measures, 255
except for the performance measure set forth in division (C) (1) 256
(h) of this section. The graded measures are as follows: 257

(a) Annual measurable objectives; 258

(b) Performance index score for a school district or 259
building. Grades shall be awarded as a percentage of the total 260
possible points on the performance index system as created by 261
the department. In adopting benchmarks for assigning letter 262
grades under division (C) (1) (b) of this section, the state board 263
shall designate ninety per cent or higher for an "A," at least 264
seventy per cent but not more than eighty per cent for a "C," 265
and less than fifty per cent for an "F." 266

(c) The extent to which the school district or building 267
meets each of the applicable performance indicators established 268
by the state board under section 3302.03 of the Revised Code and 269
the percentage of applicable performance indicators that have 270
been achieved. In adopting benchmarks for assigning letter 271
grades under division (C) (1) (c) of this section, the state board 272
shall designate ninety per cent or higher for an "A." 273

(d) The four- and five-year adjusted cohort graduation 274
rates; 275

(e) The overall score under the value-added progress 276
dimension, or another measure of student academic progress if 277
adopted by the state board, of a school district or building, 278
for which the department shall use up to three years of value- 279
added data as available. 280

In adopting benchmarks for assigning letter grades for 281
overall score on value-added progress dimension under division 282
(C) (1) (e) of this section, the state board shall prohibit the 283
assigning of a grade of "A" for that measure unless the 284
district's or building's grade assigned for value-added progress 285
dimension for all subgroups under division (C) (1) (f) of this 286
section is a "B" or higher. 287

For the metric prescribed by division (C) (1) (e) of this 288
section, the state board may adopt a student academic progress 289
measure to be used instead of the value-added progress 290
dimension. If the state board adopts such a measure, it also 291
shall prescribe a method for assigning letter grades for the new 292
measure that is comparable to the method prescribed in division 293
(A) (1) (e) of this section. 294

(f) The value-added progress dimension score of a school 295
district or building disaggregated for each of the following 296
subgroups: students identified as gifted in superior cognitive 297
ability and specific academic ability fields under Chapter 3324. 298
of the Revised Code, students with disabilities, and students 299
whose performance places them in the lowest quintile for 300
achievement on a statewide basis, as determined by a method 301
prescribed by the state board. Each subgroup shall be a separate 302
graded measure. 303

The state board may adopt student academic progress 304
measures to be used instead of the value-added progress 305
dimension. If the state board adopts such measures, it also 306
shall prescribe a method for assigning letter grades for the new 307
measures that is comparable to the method prescribed in division 308
(A) (1) (e) of this section. 309

(g) Whether a school district or building is making 310

progress in improving literacy in grades kindergarten through 311
three, as determined using a method prescribed by the state 312
board. The state board shall adopt rules to prescribe benchmarks 313
and standards for assigning grades to a district or building for 314
purposes of division (C) (1) (g) of this section. The state board 315
shall designate for a "C" grade a value that is not lower than 316
the statewide average value for this measure. No grade shall be 317
issued under division (C) (1) (g) of this section for a district 318
or building in which less than five per cent of students have 319
scored below grade level on the kindergarten diagnostic 320
assessment under division (B) (1) of section 3313.608 of the 321
Revised Code. 322

(h) For a high mobility school district or building, an 323
additional value-added progress dimension score. For this 324
measure, the department shall use value-added data from the most 325
recent school year available and shall use assessment scores for 326
only those students to whom the district or building has 327
administered the assessments prescribed by section 3301.0710 of 328
the Revised Code for each of the two most recent consecutive 329
school years. 330

As used in this division, "high mobility school district 331
or building" means a school district or building where at least 332
twenty-five per cent of its total enrollment is made up of 333
students who have attended that school district or building for 334
less than one year. 335

(2) In addition to the graded measures in division (C) (1) 336
of this section, the department shall include on a school 337
district's or building's report card all of the following 338
without an assigned letter grade: 339

(a) The percentage of students enrolled in a district or 340

building who have taken a national standardized test used for 341
college admission determinations and the percentage of those 342
students who are determined to be remediation-free in accordance 343
with the standards adopted under division (F) of section 344
3345.061 of the Revised Code; 345

(b) The percentage of students enrolled in a district or 346
building participating in advanced placement classes and the 347
percentage of those students who received a score of three or 348
better on advanced placement examinations; 349

(c) The percentage of a district's or building's students 350
who have earned at least three college credits through advanced 351
standing programs, such as the college credit plus program under 352
Chapter 3365. of the Revised Code and state-approved career- 353
technical courses offered through dual enrollment or statewide 354
articulation, that appear on a student's college transcript 355
issued by the institution of higher education from which the 356
student earned the college credit. The credits earned that are 357
reported under divisions (B) (2) (b) and (C) (2) (c) of this section 358
shall not include any that are remedial or developmental and 359
shall include those that count toward the curriculum 360
requirements established for completion of a degree. 361

(d) The percentage of the district's or building's 362
students who receive an honor's diploma under division (B) of 363
section 3313.61 of the Revised Code; 364

(e) The percentage of the district's or building's 365
students who receive industry-recognized credentials; 366

(f) The percentage of students enrolled in a district or 367
building who are participating in an international baccalaureate 368
program and the percentage of those students who receive a score 369

of four or better on the international baccalaureate 370
examinations; 371

(g) The results of the college and career-ready 372
assessments administered under division (B)(1) of section 373
3301.0712 of the Revised Code. 374

(3) The state board shall adopt rules pursuant to Chapter 375
119. of the Revised Code that establish a method to assign an 376
overall grade for a school district or school building for the 377
2014-2015 school year and each school year thereafter. The rules 378
shall group the performance measures in divisions (C)(1) and (2) 379
of this section into the following components: 380

(a) Gap closing, which shall include the performance 381
measure in division (C)(1)(a) of this section; 382

(b) Achievement, which shall include the performance 383
measures in divisions (C)(1)(b) and (c) of this section; 384

(c) Progress, which shall include the performance measures 385
in divisions (C)(1)(e) and (f) of this section; 386

(d) Graduation, which shall include the performance 387
measure in division (C)(1)(d) of this section; 388

(e) Kindergarten through third-grade literacy, which shall 389
include the performance measure in division (C)(1)(g) of this 390
section; 391

(f) Prepared for success, which shall include the 392
performance measures in divisions (C)(2)(a), (b), (c), (d), (e), 393
and (f) of this section. The state board shall develop a method 394
to determine a grade for the component in division (C)(3)(f) of 395
this section using the performance measures in divisions (C)(2) 396
(a), (b), (c), (d), (e), and (f) of this section. When 397

available, the state board may incorporate the performance 398
measure under division (C) (2) (g) of this section into the 399
component under division (C) (3) (f) of this section. When 400
determining the overall grade for the prepared for success 401
component prescribed by division (C) (3) (f) of this section, no 402
individual student shall be counted in more than one performance 403
measure. However, if a student qualifies for more than one 404
performance measure in the component, the state board may, in 405
its method to determine a grade for the component, specify an 406
additional weight for such a student that is not greater than or 407
equal to 1.0. In determining the overall score under division 408
(C) (3) (f) of this section, the state board shall ensure that the 409
pool of students included in the performance measures aggregated 410
under that division are all of the students included in the 411
four- and five-year adjusted graduation cohort. 412

In the rules adopted under division (C) (3) of this 413
section, the state board shall adopt a method for determining a 414
grade for each component in divisions (C) (3) (a) to (f) of this 415
section. The state board also shall establish a method to assign 416
an overall grade of "A," "B," "C," "D," or "F" using the grades 417
assigned for each component. The method the state board adopts 418
for assigning an overall grade shall give equal weight to the 419
components in divisions (C) (3) (b) and (c) of this section. 420

At least forty-five days prior to the state board's 421
adoption of rules to prescribe the methods for calculating the 422
overall grade for the report card, as required by this division, 423
the department shall conduct a public presentation before the 424
standing committees of the house of representatives and the 425
senate that consider education legislation describing the format 426
for the report card, weights that will be assigned to the 427
components of the overall grade, and the method for calculating 428

the overall grade. 429

(D) Not later than July 1, 2015, the state board shall 430
develop a measure of student academic progress for high school 431
students using only data from assessments in English language 432
arts and mathematics. For the 2014-2015 school year, the 433
department shall include this measure on a school district or 434
building's report card, as applicable, without an assigned 435
letter grade. Beginning with the report card for the 2015-2016 436
school year, each school district and applicable school building 437
shall be assigned a separate letter grade for this measure and 438
the district's or building's grade for that measure shall be 439
included in determining the district's or building's overall 440
letter grade. This measure shall be included within the measure 441
prescribed in division (C) (3) (c) of this section in the 442
calculation for the overall letter grade. 443

(E) The letter grades assigned to a school district or 444
building under this section shall be as follows: 445

(1) "A" for a district or school making excellent 446
progress; 447

(2) "B" for a district or school making above average 448
progress; 449

(3) "C" for a district or school making average progress; 450

(4) "D" for a district or school making below average 451
progress; 452

(5) "F" for a district or school failing to meet minimum 453
progress. 454

(F) When reporting data on student achievement and 455
progress, the department shall disaggregate that data according 456

to the following categories:	457
(1) Performance of students by grade-level;	458
(2) Performance of students by race and ethnic group;	459
(3) Performance of students by gender;	460
(4) Performance of students grouped by those who have been enrolled in a district or school for three or more years;	461 462
(5) Performance of students grouped by those who have been enrolled in a district or school for more than one year and less than three years;	463 464 465
(6) Performance of students grouped by those who have been enrolled in a district or school for one year or less;	466 467
(7) Performance of students grouped by those who are economically disadvantaged;	468 469
(8) Performance of students grouped by those who are enrolled in a conversion community school established under Chapter 3314. of the Revised Code;	470 471 472
(9) Performance of students grouped by those who are classified as limited English proficient;	473 474
(10) Performance of students grouped by those who have disabilities;	475 476
(11) Performance of students grouped by those who are classified as migrants;	477 478
(12) Performance of students grouped by those who are identified as gifted in superior cognitive ability and the specific academic ability fields of reading and math pursuant to Chapter 3324. of the Revised Code. In disaggregating specific academic ability fields for gifted students, the department	479 480 481 482 483

shall use data for those students with specific academic ability 484
in math and reading. If any other academic field is assessed, 485
the department shall also include data for students with 486
specific academic ability in that field as well. 487

(13) Performance of students grouped by those who perform 488
in the lowest quintile for achievement on a statewide basis, as 489
determined by a method prescribed by the state board. 490

The department may disaggregate data on student 491
performance according to other categories that the department 492
determines are appropriate. To the extent possible, the 493
department shall disaggregate data on student performance 494
according to any combinations of two or more of the categories 495
listed in divisions (F) (1) to (13) of this section that it deems 496
relevant. 497

In reporting data pursuant to division (F) of this 498
section, the department shall not include in the report cards 499
any data statistical in nature that is statistically unreliable 500
or that could result in the identification of individual 501
students. For this purpose, the department shall not report 502
student performance data for any group identified in division 503
(F) of this section that contains less than ten students. If the 504
department does not report student performance data for a group 505
because it contains less than ten students, the department shall 506
indicate on the report card that is why data was not reported. 507

(G) The department may include with the report cards any 508
additional education and fiscal performance data it deems 509
valuable. 510

(H) The department shall include on each report card a 511
list of additional information collected by the department that 512

is available regarding the district or building for which the 513
report card is issued. When available, such additional 514
information shall include student mobility data disaggregated by 515
race and socioeconomic status, college enrollment data, and the 516
reports prepared under section 3302.031 of the Revised Code. 517

The department shall maintain a site on the world wide 518
web. The report card shall include the address of the site and 519
shall specify that such additional information is available to 520
the public at that site. The department shall also provide a 521
copy of each item on the list to the superintendent of each 522
school district. The district superintendent shall provide a 523
copy of any item on the list to anyone who requests it. 524

~~(I) Division (I) of this section does not apply to 525
conversion community schools that primarily enroll students 526
between sixteen and twenty two years of age who dropped out of 527
high school or are at risk of dropping out of high school due to 528
poor attendance, disciplinary problems, or suspensions. 529~~

(1) For (a) Except as provided in division (I) (1) (b) of 530
this section, for any district that sponsors a conversion 531
community school under Chapter 3314. of the Revised Code, the 532
department shall combine data regarding the academic performance 533
of students enrolled in the community school with comparable 534
data from the schools of the district for the purpose of 535
determining the performance of the district as a whole on the 536
report card issued for the district under this section or 537
section 3302.033 of the Revised Code. 538

(b) The department shall not combine data from any 539
conversion community school that a district sponsors if a 540
majority of the students enrolled in the conversion community 541
school are enrolled in a dropout prevention and recovery program 542

that is operated by the school, as described in division (A)(4) 543
(a) of section 3314.35 of the Revised Code. The department shall 544
include as an addendum to the district's report card the ratings 545
and performance measures that are required under section 546
3314.017 of the Revised Code for any community school to which 547
division (I)(1)(b) of this section applies. 548

(2) Any district that leases a building to a community 549
school located in the district or that enters into an agreement 550
with a community school located in the district whereby the 551
district and the school endorse each other's programs may elect 552
to have data regarding the academic performance of students 553
enrolled in the community school combined with comparable data 554
from the schools of the district for the purpose of determining 555
the performance of the district as a whole on the district 556
report card. Any district that so elects shall annually file a 557
copy of the lease or agreement with the department. 558

(3) Any municipal school district, as defined in section 559
3311.71 of the Revised Code, that sponsors a community school 560
located within the district's territory, or that enters into an 561
agreement with a community school located within the district's 562
territory whereby the district and the community school endorse 563
each other's programs, may exercise either or both of the 564
following elections: 565

(a) To have data regarding the academic performance of 566
students enrolled in that community school combined with 567
comparable data from the schools of the district for the purpose 568
of determining the performance of the district as a whole on the 569
district's report card; 570

(b) To have the number of students attending that 571
community school noted separately on the district's report card. 572

The election authorized under division (I) (3) (a) of this 573
section is subject to approval by the governing authority of the 574
community school. 575

Any municipal school district that exercises an election 576
to combine or include data under division (I) (3) of this 577
section, by the first day of October of each year, shall file 578
with the department documentation indicating eligibility for 579
that election, as required by the department. 580

(J) The department shall include on each report card the 581
percentage of teachers in the district or building who are 582
highly qualified, as defined by the No Child Left Behind Act of 583
2001, and a comparison of that percentage with the percentages 584
of such teachers in similar districts and buildings. 585

(K) (1) In calculating English language arts, mathematics, 586
social studies, or science assessment passage rates used to 587
determine school district or building performance under this 588
section, the department shall include all students taking an 589
assessment with accommodation or to whom an alternate assessment 590
is administered pursuant to division (C) (1) or (3) of section 591
3301.0711 of the Revised Code. 592

(2) In calculating performance index scores, rates of 593
achievement on the performance indicators established by the 594
state board under section 3302.02 of the Revised Code, and 595
annual measurable objectives for determining adequate yearly 596
progress for school districts and buildings under this section, 597
the department shall do all of the following: 598

(a) Include for each district or building only those 599
students who are included in the ADM certified for the first 600
full school week of October and are continuously enrolled in the 601

district or building through the time of the spring 602
administration of any assessment prescribed by division (A) (1) 603
or (B) (1) of section 3301.0710 or division (B) of section 604
3301.0712 of the Revised Code that is administered to the 605
student's grade level; 606

(b) Include cumulative totals from both the fall and 607
spring administrations of the third grade English language arts 608
achievement assessment; 609

(c) Except as required by the No Child Left Behind Act of 610
2001, exclude for each district or building any limited English 611
proficient student who has been enrolled in United States 612
schools for less than one full school year. 613

(L) Beginning with the 2015-2016 school year and at least 614
once every three years thereafter, the state board of education 615
shall review and may adjust the benchmarks for assigning letter 616
grades to the performance measures and components prescribed 617
under divisions (C) (3) and (D) of this section. 618

Sec. 3302.037. (A) In the 2015-2016 school year, the 619
department of education shall conduct a study to evaluate the 620
validity and usefulness of using the "similar students measure," 621
as created by the California charter schools association, to 622
calculate student academic progress, using a regression model to 623
take into account demographic differences, for each public 624
school. 625

The department shall prepare and submit reports regarding 626
its findings as the state board of education or general assembly 627
requests. 628

(B) Beginning with the 2016-2017 school year, the 629
department shall use the "similar students measure" to produce a 630

measure of student academic progress as the department, in 631
consultation with the state board and the standing committees of 632
the house of representatives and the senate principally 633
responsible for education policy, determines appropriate. 634

(C) As used in this section, "public school" means a 635
school operated by a school district, a community school 636
established under Chapter 3314. of the Revised Code, except as 637
otherwise provided, a STEM school established under Chapter 638
3326. of the Revised Code, and a college-preparatory boarding 639
school established under Chapter 3328. of the Revised Code. 640
"Public school" does not include community schools that 641
primarily serve students enrolled in dropout prevention and 642
recovery programs as described in division (A)(4)(a) of section 643
3314.35 of the Revised Code. 644

Sec. 3313.131. No person who is a member of the governing 645
authority of a community school established under Chapter 3314. 646
of the Revised Code shall be a member of a board of education. 647

Sec. 3314.011. (A) Every community school established 648
under this chapter shall have a designated fiscal officer. 649
Except as provided for in division (C) of this section, the 650
fiscal officer shall be employed by or engaged under a contract 651
with the governing authority of the community school. 652

(B) The auditor of state ~~may shall~~ require ~~by rule~~ that 653
the fiscal officer of any community school, before entering upon 654
duties as fiscal officer of the school, execute a bond in an 655
amount and with surety to be approved by the governing authority 656
of the school, payable to the state, conditioned for the 657
faithful performance of all the official duties required of the 658
fiscal officer. ~~Any such~~ The bond shall be deposited with the 659
governing authority of the school, and a copy thereof, certified 660

by the governing authority, shall be filed with the county auditor. 661
662

(C) Prior to assuming the duties of fiscal officer, the 663
fiscal officer designated under this section shall be licensed 664
under section 3301.074 of the Revised Code. Any person serving 665
as a fiscal officer of a community school on ~~the effective date~~ 666
~~of this amendment~~ March 22, 2013, who is not licensed as a 667
treasurer shall be permitted to serve as a fiscal officer for 668
not more than one year following ~~the effective date of this~~ 669
~~amendment~~ March 22, 2013. Beginning on that date and thereafter, 670
no community school shall permit any individual to serve as a 671
fiscal officer without a license as required by this section. 672

(D) (1) The governing authority of a community school may 673
adopt a resolution waiving the requirement that the governing 674
authority is the party responsible to employ or contract with 675
the designated fiscal officer, as prescribed by division (A) of 676
this section, so long as the school's sponsor also approves the 677
resolution. The resolution shall be valid for one year. A new 678
resolution shall be adopted for each year that the governing 679
authority wishes to waive this requirement, so long as the 680
school's sponsor also approves the resolution. 681

No resolution adopted pursuant to this division may waive 682
the requirement for a community school to have a designated 683
fiscal officer. 684

(2) If the governing authority adopts a resolution 685
pursuant to division (D) (1) of this section, the school's 686
designated fiscal officer annually shall meet with the governing 687
authority to review the school's financial status. 688

(3) The governing authority shall submit to the department 689

of education a copy of each resolution adopted pursuant to 690
division (D) (1) of this section. 691

Sec. 3314.015. (A) The department of education shall be 692
responsible for the oversight of any and all sponsors of the 693
community schools established under this chapter and shall 694
provide technical assistance to schools and sponsors in their 695
compliance with applicable laws and the terms of the contracts 696
entered into under section 3314.03 of the Revised Code and in 697
the development and start-up activities of those schools. In 698
carrying out its duties under this section, the department shall 699
do all of the following: 700

(1) In providing technical assistance to proposing 701
parties, governing authorities, and sponsors, conduct training 702
sessions and distribute informational materials; 703

(2) Approve entities to be sponsors of community schools; 704

(3) Monitor and evaluate, as required under section 705
3314.016 of the Revised Code, the effectiveness of any and all 706
sponsors in their oversight of the schools with which they have 707
contracted; 708

(4) By December thirty-first of each year, issue a report 709
to the governor, the speaker of the house of representatives, 710
the president of the senate, and the chairpersons of the house 711
and senate committees principally responsible for education 712
matters regarding the effectiveness of academic programs, 713
operations, and legal compliance and of the financial condition 714
of all community schools established under this chapter and on 715
the performance of community school sponsors; 716

(5) From time to time, make legislative recommendations to 717
the general assembly designed to enhance the operation and 718

performance of community schools.

(B) (1) Except as provided in sections 3314.021 and
3314.027 of the Revised Code, no entity ~~listed in division (C)~~
~~(1) of section 3314.02 of the Revised Code~~ shall enter into a
preliminary agreement under division (C) (2) of section 3314.02
of the Revised Code or renew an existing contract to sponsor a
community school until it has received approval from the
department of education to sponsor community schools under this
chapter and has entered into a written agreement with the
department regarding the manner in which the entity will conduct
such sponsorship. All new and renewed agreements between the
department and a sponsor shall contain specific language
addressing the parameters under which the department can
intervene and potentially revoke sponsorship authority in the
event that the sponsor is unwilling or unable to fulfill its
obligations. Additionally, each agreement shall provide for an
annual evaluation process and a clause permitting the department
to modify the agreement under the following circumstances:

(a) Poor fiscal management;

(b) Lack of academic progress.

(2) The initial term of a sponsor's agreement with the
department shall be for up to ~~seven~~ five years. ~~For every year~~
~~that the sponsor satisfies the conditions of division (B) (1) (a)~~
~~or (b) of this section, as applicable, the department shall add~~
~~one year to the agreement term, subject to divisions (C) and (F)~~
~~of this section, unless the sponsor notifies the department that~~
~~it does not wish to have the term of the agreement so extended.~~

~~To qualify for the extension of the term of the sponsor's~~
~~agreement, the sponsor shall satisfy one of the following, as~~

applicable:

~~(a) Prior to January 1, 2015, the sponsor is not in the lowest twenty per cent of sponsors statewide according to the composite performance index score as ranked under section 3314.016 of the Revised Code, as that section exists prior to that date, and the sponsor continues to meet all the requirements of this chapter pertaining to community school sponsors.~~

~~(b) On or after January 1, 2015, the sponsor is rated as "exemplary" or "effective" under section 3314.016 of the Revised Code, as that section exists on and after that date, and the sponsor continues to meet all the requirements of this chapter pertaining to community school sponsors.~~

(a) An agreement entered into with the department pursuant to this section may be renewed for a term of up to twelve years using the following criteria:

(i) The academic performance of students enrolled in each community school the entity sponsors, as determined by the department pursuant to division (B) (1) (a) of section 3314.016 of the Revised Code;

(ii) The sponsor's adherence to quality practices, as determined by the department pursuant to division (B) (1) (b) of section 3314.016 of the Revised Code.

(b) The department shall adopt in accordance with Chapter 119. of the Revised Code rules containing criteria, procedures, and deadlines for processing applications for approval of sponsors, for oversight of sponsors, for notifying a sponsor of noncompliance with applicable laws and administrative rules under division (F) of this section, for revocation of the

approval of sponsors under division (C) of this section, and for 777
entering into written agreements with sponsors. The rules shall 778
require an entity to submit evidence of the entity's ability and 779
willingness to comply with the provisions of division (D) of 780
section 3314.03 of the Revised Code. The rules also shall 781
require all entities approved as sponsors ~~on and after June 30,~~ 782
~~2005,~~ to demonstrate a record of financial responsibility and 783
successful implementation of educational programs. If an entity 784
seeking approval ~~on or after June 30, 2005,~~ to sponsor community 785
schools in this state sponsors or operates schools in another 786
state, at least one of the schools sponsored or operated by the 787
entity must be comparable to or better than the performance of 788
Ohio schools in need of continuous improvement under section 789
3302.03 of the Revised Code, as determined by the department. 790

Subject to section 3314.016 of the Revised Code, an entity 791
that sponsors community schools may enter into preliminary 792
agreements and sponsor up to one hundred schools, provided each 793
school and the contract for sponsorship meets the requirements 794
of this chapter. 795

~~(2)~~ (3) The state board of education shall determine, 796
pursuant to criteria specified in rules adopted in accordance 797
with Chapter 119. of the Revised Code, whether the mission 798
proposed to be specified in the contract of a community school 799
to be sponsored by a state university board of trustees or the 800
board's designee under division (C) (1) (e) of section 3314.02 of 801
the Revised Code complies with the requirements of that 802
division. Such determination of the state board is final. 803

~~(3)~~ (4) The state board of education shall determine, 804
pursuant to criteria specified in rules adopted in accordance 805
with Chapter 119. of the Revised Code, if any tax-exempt entity 806

under section 501(c)(3) of the Internal Revenue Code that is 807
proposed to be a sponsor of a community school is an education- 808
oriented entity for purpose of satisfying the condition 809
prescribed in division (C)(1)(f)(iii) of section 3314.02 of the 810
Revised Code. Such determination of the state board is final. 811

(C) If at any time the state board of education finds that 812
a sponsor is not in compliance or is no longer willing to comply 813
with its contract with any community school or with the 814
department's rules for sponsorship, the state board or designee 815
shall conduct a hearing in accordance with Chapter 119. of the 816
Revised Code on that matter. If after the hearing, the state 817
board or designee has confirmed the original finding, the 818
department of education may revoke the sponsor's approval to 819
sponsor community schools. In that case, the department's office 820
of Ohio school sponsorship, established under section 3314.029 821
of the Revised Code, may assume the sponsorship of any schools 822
with which the sponsor has contracted until the earlier of the 823
expiration of two school years or until a new sponsor as 824
described in division (C)(1) of section 3314.02 of the Revised 825
Code is secured by the school's governing authority. The office 826
of Ohio school sponsorship may extend the term of the contract 827
in the case of a school for which it has assumed sponsorship 828
under this division as necessary to accommodate the term of the 829
department's authorization to sponsor the school specified in 830
this division. Community schools sponsored under this division 831
shall not apply to the limit on directly authorized community 832
schools under division (A)(3) of section 3314.029 of the Revised 833
Code. However, nothing in this division shall preclude a 834
community school affected by this division from applying for 835
sponsorship under that section. 836

(D) The decision of the department to disapprove an entity 837

for sponsorship of a community school or to revoke approval for 838
such sponsorship under division (C) of this section, may be 839
appealed by the entity in accordance with section 119.12 of the 840
Revised Code. 841

(E) The department shall adopt procedures for use by a 842
community school governing authority and sponsor when the school 843
permanently closes and ceases operation, which shall include at 844
least procedures for data reporting to the department, handling 845
of student records, distribution of assets in accordance with 846
section 3314.074 of the Revised Code, and other matters related 847
to ceasing operation of the school. 848

(F) (1) In lieu of revoking a sponsor's authority to 849
sponsor community schools under division (C) of this section, if 850
the department finds that a sponsor is not in compliance with 851
applicable laws and administrative rules, the department shall 852
declare in a written notice to the sponsor the specific laws or 853
rules, or both, for which the sponsor is noncompliant. A sponsor 854
notified under division (F) (1) of this section shall respond to 855
the department not later than fourteen days after the 856
notification with a proposed plan to remedy the conditions for 857
which the sponsor was found to be noncompliant. The department 858
shall approve or disapprove the plan not later than fourteen 859
days after receiving it. If the plan is disapproved, the sponsor 860
may submit a revised plan to the department not later than 861
fourteen days after receiving notification of disapproval from 862
the department or not later than sixty days after the date the 863
sponsor received notification of noncompliance from the 864
department, whichever is earlier. The department shall approve 865
or disapprove the revised plan not later than fourteen days 866
after receiving it or not later than sixty days after the date 867
the sponsor received notification of noncompliance from the 868

department, whichever is earlier. A sponsor may continue to make 869
revisions by the deadlines prescribed in division (F)(1) of this 870
section to any revised plan that is disapproved by the 871
department until the sixtieth day after the date the sponsor 872
received notification of noncompliance from the department. 873

If a plan or a revised plan is approved, the sponsor shall 874
implement it not later than sixty days after the date the 875
sponsor received notification of noncompliance from the 876
department or not later than thirty days after the plan is 877
approved, whichever is later. If a sponsor does not respond to 878
the department or implement an approved compliance plan by the 879
deadlines prescribed by division (F)(1) of this section, or if a 880
sponsor does not receive approval of a compliance plan on or 881
before the sixtieth day after the date the sponsor received 882
notification of noncompliance from the department, the 883
department shall declare in written notice to the sponsor that 884
the sponsor is in probationary status, and may limit the 885
sponsor's ability to sponsor additional schools. 886

(2) A sponsor that has been placed on probationary status 887
under division (F)(1) of this section may apply to the 888
department for its probationary status to be lifted. The 889
application for a sponsor's probationary status to be lifted 890
shall include evidence, occurring after the initial notification 891
of noncompliance, of the sponsor's compliance with applicable 892
laws and administrative rules. Not later than fourteen days 893
after receiving an application from the sponsor, the department 894
shall decide whether or not to remove the sponsor's probationary 895
status. 896

(G) In carrying out its duties under this chapter, the 897
department shall not impose requirements on community schools or 898

their sponsors that are not permitted by law or duly adopted 899
rules. 900

(H) This section applies to entities that sponsor 901
conversion community schools and new start-up schools. 902

(I) Nothing in divisions (C) to (F) of this section 903
prohibits the department from taking any action permitted or 904
required under the written agreement between the department and 905
a sponsoring entity without a hearing on the matter, in the 906
event that the sponsor is unwilling or unable to fulfill its 907
obligations. 908

Sec. 3314.016. This section applies to any entity that 909
sponsors a community school, regardless of whether section 910
3314.021 or 3314.027 of the Revised Code exempts the entity from 911
the requirement to be approved for sponsorship under divisions 912
(A) (2) and (B) (1) of section 3314.015 of the Revised Code. The 913
office of Ohio school sponsorship established under section 914
3314.029 of the Revised Code shall be rated under division (B) 915
of this section, but divisions (A) and (C) of this section do 916
not apply to the office. 917

(A) An entity that sponsors a community school shall be 918
permitted to enter into contracts under section 3314.03 of the 919
Revised Code to sponsor additional community schools only if the 920
entity meets ~~both~~all of the following criteria: 921

(1) The entity is in compliance with all provisions of 922
this chapter requiring sponsors of community schools to report 923
data or information to the department of education. 924

(2) The entity is not rated as "ineffective" under 925
division (B) (6) of this section. 926

(3) Except as set forth in sections 3314.021 and 3314.027 927

of the Revised Code, the entity has received approval from and 928
entered into an agreement with the department of education 929
pursuant to section 3314.015 of the Revised Code. 930

(B) (1) For purposes of this section, the department shall 931
develop and implement an evaluation system that rates each 932
entity that sponsors a community school based on the following 933
components: 934

(a) ~~Academic~~ Annual academic performance of students 935
enrolled in community schools sponsored by the same entity; 936

(b) Adherence by a sponsor to the quality practices 937
prescribed by the department under division (B) (3) of this 938
section shall be rated every third year. ~~The department shall~~ 939
~~not include this measure in the sponsor evaluation rating system~~ 940
~~until the department prescribes quality practices and develops~~ 941
~~an instrument to measure adherence to those practices under~~ 942
~~division (B) (3) of this section.~~ 943

(c) ~~Compliance~~ Annual compliance with all applicable laws 944
and administrative rules by an entity that sponsors a community 945
school. 946

(2) In calculating an academic performance component, the 947
department shall exclude all of the following: 948

(a) All community schools that have been in operation for 949
not more than two full school years; 950

(b) All community schools described in division (A) (4) (b) 951
of section 3314.35 of the Revised Code. 952

(3) The department, in consultation with entities that 953
sponsor community schools, shall prescribe quality practices for 954
community school sponsors and develop an instrument to measure 955

adherence to those quality practices. The quality practices 956
shall be based on standards developed by the national 957
association of charter school authorizers or any other 958
nationally organized community school organization. 959

(4) (a) The department may permit peer review of a 960
sponsor's adherence to the quality practices prescribed under 961
division (B) (3) of this section. 962

(b) The department shall require individuals participating 963
in peer review under division (B) (4) (a) of this section to 964
complete training approved or established by the department. 965

(c) The department may enter into an agreement with 966
another entity to provide training to individuals conducting 967
peer review of sponsors. Prior to entering into an agreement 968
with an entity, the department shall review and approve of the 969
entity's training program. 970

(5) Not later than July 1, 2013, the state board of 971
education shall adopt rules in accordance with Chapter 119. of 972
the Revised Code prescribing standards for measuring compliance 973
with applicable laws and rules under division (B) (1) (c) of this 974
section. 975

(6) The department annually shall rate all entities that 976
sponsor community schools as either "exemplary," "effective," ~~or~~ 977
"ineffective," or "poor," based on the components prescribed by 978
division (B) of this section, ~~where each component is weighted~~ 979
~~equally, except that entities sponsoring community schools for~~ 980
~~the first time may be assigned the rating of "emerging" for only~~ 981
~~the first two consecutive years. A separate rating shall be~~ 982
given for each component of the evaluation system according to 983
the established timeline. The department shall also assign an 984

overall rating.

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If the department determines the data submitted by a
sponsor to the department is insufficient to assess the annual
academic performance component required pursuant to division (B)
(1) (a) of this section, the sponsor shall not receive a rating
of "exemplary" for that rating year.

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The department shall publish the ratings between the first
day of October and the fifteenth day of October of the
applicable rating year, as set forth in division (B) (1) (a), (b),
or (c) of this section.

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~~(7) (a) Prior to the 2014-2015 school year, student~~
~~academic performance prescribed under division (B) (1) (a) of this~~
~~section shall not include student academic performance data from~~
~~community schools that primarily serve students enrolled in a~~
~~dropout prevention and recovery program as described in division~~
~~(A) (4) (a) of section 3314.35 of the Revised Code.~~

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~~(b) Entities with an overall rating of "exemplary" for at~~
~~least two consecutive years may take advantage of the following~~
~~incentives:~~

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(i) Renewal of the written agreement with the department,
not to exceed twelve years, provided that the entity consents to
continued evaluation of adherence to quality practices as
described in division (B) (1) (b) of this section;

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(ii) The ability to extend the term of the contract
between the sponsoring entity and the community school beyond
the term described in the written agreement with the department;

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(iii) An exemption from the preliminary agreement and
contract adoption and execution deadline requirements prescribed
in division (D) of section 3314.02 of the Revised Code;

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(iv) An exemption from the automatic contract expiration 1014
requirement, should a new community school fail to open by the 1015
thirtieth day of September of the calendar year in which the 1016
community school contract is executed; 1017

(v) No limit on the number of community schools the entity 1018
may sponsor; 1019

(vi) No territorial restrictions on sponsorship. 1020

An entity may continue to sponsor any community schools 1021
with which it entered into agreements under division (B) (7) (a) 1022
(v) or (vi) of this section while rated "exemplary," 1023
notwithstanding the fact that the entity later receives a lower 1024
overall rating. 1025

(b) Entities that receive an overall rating of 1026
"ineffective" shall be prohibited from sponsoring any new or 1027
additional community schools and shall be subject to a one-year 1028
quality improvement plan based on correcting the deficiencies 1029
that led to the "ineffective" rating, with timelines and 1030
benchmarks that have been established by the department. 1031

(c) Entities that receive an overall rating of "poor" 1032
shall have all sponsorship authority revoked. Within thirty days 1033
after receiving a rating of "poor," the entity may appeal the 1034
revocation of its sponsorship authority to the superintendent of 1035
public instruction, who shall appoint an independent hearing 1036
officer to conduct a hearing in accordance with Chapter 119. of 1037
the Revised Code. If, after the hearing, the state 1038
superintendent determines that the revocation is appropriate, 1039
the revocation shall be confirmed. 1040

(8) For the 2014-2015 school year and each school year 1041
thereafter, student academic performance prescribed under 1042

division (B) (1) (a) of this section shall include student 1043
academic performance data from community schools that primarily 1044
serve students enrolled in a dropout prevention and recovery 1045
program. 1046

(C) If the governing authority of a community school 1047
enters into a contract with a sponsor prior to the date on which 1048
the sponsor is prohibited from sponsoring additional schools 1049
under division (A) of this section and the school has not opened 1050
for operation as of that date, that contract shall be void and 1051
the school shall not open until the governing authority secures 1052
a new sponsor by entering into a contract with the new sponsor 1053
under section 3314.03 of the Revised Code. However, the 1054
department's office of Ohio school sponsorship, established 1055
under section 3314.029 of the Revised Code, may assume the 1056
sponsorship of the school until the earlier of the expiration of 1057
two school years or until a new sponsor is secured by the 1058
school's governing authority. A community school sponsored by 1059
the department under this division shall not be included when 1060
calculating the maximum number of directly authorized community 1061
schools permitted under division (A) (3) of section 3314.029 of 1062
the Revised Code. 1063

(D) When an entity's authority to sponsor schools is 1064
revoked pursuant to division (B) (7) (c) of this section, the 1065
office of Ohio school sponsorship shall assume sponsorship of 1066
any schools with which the original sponsor has contracted for 1067
the remainder of that school year. The office may continue 1068
sponsoring those schools until the earlier of: 1069

(1) The expiration of two school years from the time that 1070
sponsorship is revoked; 1071

(2) When a new sponsor is secured by the governing 1072

authority pursuant to division (C)(1) of section 3314.02 of the 1073
Revised Code. 1074

Any community school sponsored under this division shall 1075
not be counted for purposes of directly authorized community 1076
schools under division (A)(3) of section 3314.029 of the Revised 1077
Code. 1078

Sec. 3314.019. A community school's sponsor shall 1079
communicate with the auditor of state regarding an audit of the 1080
school or the condition of financial and enrollment records of 1081
the school, and shall maintain a presence at any and all 1082
meetings with the auditor of state regardless of whether the 1083
sponsor has entered into an agreement with another entity to 1084
perform all or part of the sponsor's oversight duties. 1085

Sec. 3314.02. (A) As used in this chapter: 1086

(1) "Sponsor" means the board of education of a school 1087
district or the governing board of an educational service center 1088
that agrees to the conversion of all or part of a school or 1089
building under division (B) of this section, or an entity listed 1090
in division (C)(1) of this section, which either has been 1091
approved by the department of education to sponsor community 1092
schools or is exempted by section 3314.021 or 3314.027 of the 1093
Revised Code from obtaining approval, and with which the 1094
governing authority of a community school enters into a contract 1095
under section 3314.03 of the Revised Code. 1096

(2) "Pilot project area" means the school districts 1097
included in the territory of the former community school pilot 1098
project established by former Section 50.52 of Am. Sub. H.B. No. 1099
215 of the 122nd general assembly. 1100

(3) "Challenged school district" means any of the 1101

following: 1102

(a) A school district that is part of the pilot project 1103
area; 1104

(b) A school district that meets one of the following 1105
conditions: 1106

(i) On March 22, 2013, the district was in a state of 1107
academic emergency or in a state of academic watch under section 1108
3302.03 of the Revised Code, as that section existed prior to 1109
March 22, 2013; 1110

(ii) For two of the 2012-2013, 2013-2014, and 2014-2015 1111
school years, the district received a grade of "D" or "F" for 1112
the performance index score and a grade of "F" for the value- 1113
added progress dimension under section 3302.03 of the Revised 1114
Code; 1115

(iii) For the 2015-2016 school year and for any school 1116
year thereafter, the district has received an overall grade of 1117
"D" or "F" under division (C) (3) of section 3302.03 of the 1118
Revised Code, or, for at least two of the three most recent 1119
school years, the district received a grade of "F" for the 1120
value-added progress dimension under division (C) (1) (e) of that 1121
section. 1122

(c) A big eight school district; 1123

(d) A school district ranked in the lowest five per cent 1124
of school districts according to performance index score under 1125
section 3302.21 of the Revised Code. 1126

(4) "Big eight school district" means a school district 1127
that for fiscal year 1997 had both of the following: 1128

(a) A percentage of children residing in the district and 1129

participating in the predecessor of Ohio works first greater 1130
than thirty per cent, as reported pursuant to section 3317.10 of 1131
the Revised Code; 1132

(b) An average daily membership greater than twelve 1133
thousand, as reported pursuant to former division (A) of section 1134
3317.03 of the Revised Code. 1135

(5) "New start-up school" means a community school other 1136
than one created by converting all or part of an existing public 1137
school or educational service center building, as designated in 1138
the school's contract pursuant to division (A)(17) of section 1139
3314.03 of the Revised Code. 1140

(6) "Urban school district" means one of the state's 1141
twenty-one urban school districts as defined in division (O) of 1142
section 3317.02 of the Revised Code as that section existed 1143
prior to July 1, 1998. 1144

(7) "Internet- or computer-based community school" means a 1145
community school established under this chapter in which the 1146
enrolled students work primarily from their residences on 1147
assignments in nonclassroom-based learning opportunities 1148
provided via an internet- or other computer-based instructional 1149
method that does not rely on regular classroom instruction or 1150
via comprehensive instructional methods that include internet- 1151
based, other computer-based, and noncomputer-based learning 1152
opportunities. 1153

(8) "Operator" means either of the following: 1154

(a) An individual or organization that manages the daily 1155
operations of a community school pursuant to a contract between 1156
the operator and the school's governing authority; 1157

(b) A nonprofit organization that provides programmatic 1158

oversight and support to a community school under a contract 1159
with the school's governing authority and that retains the right 1160
to terminate its affiliation with the school if the school fails 1161
to meet the organization's quality standards. 1162

(9) "Alliance municipal school district" has the same 1163
meaning as in section 3311.86 of the Revised Code. 1164

(B) (1) Any person or group of individuals may initially 1165
propose under this division the conversion of all or a portion 1166
of a public school to a community school. The proposal shall be 1167
made to the board of education of the city, local, exempted 1168
village, or joint vocational school district in which the public 1169
school is proposed to be converted. 1170

(2) Any person or group of individuals may initially 1171
propose under this division the conversion of all or a portion 1172
of a building operated by an educational service center to a 1173
community school. The proposal shall be made to the governing 1174
board of the service center. 1175

~~A service center that proposes the establishment of a 1176
conversion community school located in a county within the 1177
territory of the service center or in a county contiguous to 1178
such county is exempt from approval from the department of 1179
education, except as provided under division (B) (4) of this 1180
section, and from the agreement required under division (B) (1) 1181
of section 3314.015 of the Revised Code. 1182~~

~~However, a service center that proposes the establishment 1183
of a conversion community school located in a county outside of 1184
the territory of the service center or a county contiguous to 1185
such county shall be subject to approval from the department of 1186
education and from the agreement required under that section. 1187~~

~~Division (B) (2) of this section does not apply to an~~ 1188
~~educational service center that sponsors community schools and~~ 1189
~~that is exempted under section 3314.021 or 3314.027 of the~~ 1190
~~Revised Code from the requirement to be approved for sponsorship~~ 1191
~~under divisions (A) (2) and (B) (1) of section 3314.015 of the~~ 1192
~~Revised Code.~~ 1193

An educational service center that sponsors a community 1194
school in accordance with this division shall be approved by and 1195
enter into a written agreement with the department as described 1196
in section 3314.015 of the Revised Code. 1197

(3) Upon receipt of a proposal, and after an agreement has 1198
been entered into pursuant to section 3314.015 of the Revised 1199
Code, a board may enter into a preliminary agreement with the 1200
person or group proposing the conversion of the public school or 1201
service center building, indicating the intention of the board 1202
to support the conversion to a community school. A proposing 1203
person or group that has a preliminary agreement under this 1204
division may proceed to finalize plans for the school, establish 1205
a governing authority for the school, and negotiate a contract 1206
with the board. Provided the proposing person or group adheres 1207
to the preliminary agreement and all provisions of this chapter, 1208
the board shall negotiate in good faith to enter into a contract 1209
in accordance with section 3314.03 of the Revised Code and 1210
division (C) of this section. 1211

(4) The sponsor of a conversion community school proposed 1212
to open in an alliance municipal school district shall be 1213
subject to approval by the department of education for 1214
sponsorship of that school using the criteria established under 1215
division (A) of section 3311.87 of the Revised Code. 1216

Division (B) (4) of this section does not apply to a 1217

sponsor that is exempted under section 3314.021 or 3314.027 of 1218
the Revised Code from the requirement to be approved for 1219
sponsorship under divisions (A) (2) and (B) (1) of section 1220
3314.015 of the Revised Code. 1221

(C) (1) Any person or group of individuals may propose 1222
under this division the establishment of a new start-up school 1223
to be located in a challenged school district. The proposal may 1224
be made to any of the following entities: 1225

(a) The board of education of the district in which the 1226
school is proposed to be located; 1227

(b) The board of education of any joint vocational school 1228
district with territory in the county in which is located the 1229
majority of the territory of the district in which the school is 1230
proposed to be located; 1231

(c) The board of education of any other city, local, or 1232
exempted village school district having territory in the same 1233
county where the district in which the school is proposed to be 1234
located has the major portion of its territory; 1235

(d) The governing board of any educational service center, 1236
regardless of the location of the proposed school, may sponsor a 1237
new start-up school in any challenged school district in the 1238
state if all of the following are satisfied: 1239

(i) If applicable, it satisfies the requirements of 1240
division (E) of section 3311.86 of the Revised Code; 1241

(ii) It is approved to do so by the department; 1242

(iii) It enters into an agreement with the department 1243
under section 3314.015 of the Revised Code. 1244

(e) A sponsoring authority designated by the board of 1245

trustees of any of the thirteen state universities listed in 1246
section 3345.011 of the Revised Code or the board of trustees 1247
itself as long as a mission of the proposed school to be 1248
specified in the contract under division (A) (2) of section 1249
3314.03 of the Revised Code and as approved by the department 1250
under division (B) ~~(2)~~ (3) of section 3314.015 of the Revised 1251
Code will be the practical demonstration of teaching methods, 1252
educational technology, or other teaching practices that are 1253
included in the curriculum of the university's teacher 1254
preparation program approved by the state board of education; 1255

(f) Any qualified tax-exempt entity under section 501(c) 1256
(3) of the Internal Revenue Code as long as all of the following 1257
conditions are satisfied: 1258

(i) The entity has been in operation for at least five 1259
years prior to applying to be a community school sponsor. 1260

(ii) The entity has assets of at least five hundred 1261
thousand dollars and a demonstrated record of financial 1262
responsibility. 1263

(iii) The department has determined that the entity is an 1264
education-oriented entity under division (B) ~~(3)~~ (4) of section 1265
3314.015 of the Revised Code and the entity has a demonstrated 1266
record of successful implementation of educational programs. 1267

(iv) The entity is not a community school. 1268

(g) The mayor of a city in which the majority of the 1269
territory of a school district to which section 3311.60 of the 1270
Revised Code applies is located, regardless of whether that 1271
district has created the position of independent auditor as 1272
prescribed by that section. The mayor's sponsorship authority 1273
under this division is limited to community schools that are 1274

located in that school district. Such mayor may sponsor 1275
community schools only with the approval of the city council of 1276
that city, after establishing standards with which community 1277
schools sponsored by the mayor must comply, and after entering 1278
into a sponsor agreement with the department as prescribed under 1279
section 3314.015 of the Revised Code. The mayor shall establish 1280
the standards for community schools sponsored by the mayor not 1281
later than one hundred eighty days after July 15, 2013, and 1282
shall submit them to the department upon their establishment. 1283
The department shall approve the mayor to sponsor community 1284
schools in the district, upon receipt of an application by the 1285
mayor to do so. Not later than ninety days after the 1286
department's approval of the mayor as a community school 1287
sponsor, the department shall enter into the sponsor agreement 1288
with the mayor. 1289

Any entity described in division (C) (1) of this section 1290
may enter into a preliminary agreement pursuant to division (C) 1291
(2) of this section with the proposing person or group. 1292

(2) A preliminary agreement indicates the intention of an 1293
entity described in division (C) (1) of this section to sponsor 1294
the community school. A proposing person or group that has such 1295
a preliminary agreement may proceed to finalize plans for the 1296
school, establish a governing authority as described in division 1297
(E) of this section for the school, and negotiate a contract 1298
with the entity. Provided the proposing person or group adheres 1299
to the preliminary agreement and all provisions of this chapter, 1300
the entity shall negotiate in good faith to enter into a 1301
contract in accordance with section 3314.03 of the Revised Code. 1302

(3) A new start-up school that is established in a school 1303
district described in either division (A) (3) (b) or (d) of this 1304

section may continue in existence once the school district no 1305
longer meets the conditions described in either division, 1306
provided there is a valid contract between the school and a 1307
sponsor. 1308

(4) A copy of every preliminary agreement entered into 1309
under this division shall be filed with the superintendent of 1310
public instruction. 1311

(D) A majority vote of the board of a sponsoring entity 1312
and a majority vote of the members of the governing authority of 1313
a community school shall be required to adopt a contract and 1314
convert the public school or educational service center building 1315
to a community school or establish the new start-up school. 1316
Beginning September 29, 2005, adoption of the contract shall 1317
occur not later than the fifteenth day of March, and signing of 1318
the contract shall occur not later than the fifteenth day of 1319
May, prior to the school year in which the school will open. The 1320
governing authority shall notify the department of education 1321
when the contract has been signed. Subject to sections 3314.013 1322
and 3314.016 of the Revised Code, an unlimited number of 1323
community schools may be established in any school district 1324
provided that a contract is entered into for each community 1325
school pursuant to this chapter. 1326

(E) (1) As used in this division, "immediate relatives" are 1327
limited to spouses, children, parents, grandparents, siblings, 1328
and in-laws. 1329

Each new start-up community school established under this 1330
chapter shall be under the direction of a governing authority 1331
which shall consist of a board of not less than five 1332
individuals. 1333

(2)(a) No person shall serve on the governing authority or 1334
operate the community school under contract with the governing 1335
authority so long as the person under any of the following 1336
circumstances: 1337

(i) The person owes the state any money or is in a dispute 1338
over whether the person owes the state any money concerning the 1339
operation of a community school that has closed. 1340

(ii) The person would otherwise be subject to division (B) 1341
of section 3319.31 of the Revised Code with respect to refusal, 1342
limitation, or revocation of a license to teach, if the person 1343
were a licensed educator. 1344

(iii) The person has pleaded guilty to or been convicted 1345
of theft in office under section 2921.41 of the Revised Code, or 1346
has pleaded guilty to or been convicted of a substantially 1347
similar offense in another state. 1348

(b) No person shall serve on the governing authority or 1349
engage in the financial day-to-day management of the community 1350
school under contract with the governing authority unless and 1351
until that person has submitted to a criminal records check in 1352
the manner prescribed by section 3319.39 of the Revised Code. 1353

(c) Each sponsor of a community school shall annually 1354
verify that a finding for recovery has not been issued by the 1355
auditor of state against any individual or individuals who 1356
propose to create a community school or any member of the 1357
governing authority, the operator, or any employee of each 1358
community school. 1359

~~(2)~~(3) No person shall serve on the governing authorities 1360
of more than five start-up community schools at the same time. 1361

~~(3)~~(4) No present or former member, or immediate relative 1362

of a present or former member, of the governing authority of any 1363
community school established under this chapter shall be an 1364
owner, employee, or consultant of any sponsor or operator of a 1365
community school, unless at least one year has elapsed since the 1366
conclusion of the person's membership. 1367

~~(4)~~ (5) The governing authority of a start-up community 1368
school may provide by resolution for the compensation of its 1369
members. However, no individual who serves on the governing 1370
authority of a start-up community school shall be compensated 1371
more than ~~four hundred twenty-five~~ one hundred twenty-five 1372
dollars per meeting of that governing authority and no such 1373
individual shall be compensated more than a total amount of five 1374
thousand dollars per year for all governing authorities upon 1375
which the individual serves. Each member of the governing 1376
authority may be paid compensation for attendance at an approved 1377
training program, provided that such compensation shall not 1378
exceed sixty dollars a day for attendance at a training program 1379
three hours or less in length and one hundred twenty-five 1380
dollars a day for attendance at a training program longer than 1381
three hours in length. 1382

(6) No person who is the employee of a school district or 1383
educational service center shall serve on the governing 1384
authority of any community school sponsored by that school 1385
district or service center. 1386

(7) Each member of the governing authority of a community 1387
school shall annually file a disclosure statement setting forth 1388
the names of any immediate relatives or business associates 1389
employed by any of the following within the previous three 1390
years: 1391

(a) The sponsor or operator of that community school; 1392

(b) A school district or educational service center that 1393
has contracted with that community school; 1394

(c) A vendor that is or has engaged in business with that 1395
community school. 1396

(8) No person who is a member of a school district board 1397
of education shall serve on the governing authority of any 1398
community school. 1399

(F) (1) A new start-up school that is established prior to 1400
August 15, 2003, in an urban school district that is not also a 1401
big-eight school district may continue to operate after that 1402
date and the contract between the school's governing authority 1403
and the school's sponsor may be renewed, as provided under this 1404
chapter, after that date, but no additional new start-up schools 1405
may be established in such a district unless the district is a 1406
challenged school district as defined in this section as it 1407
exists on and after that date. 1408

(2) A community school that was established prior to June 1409
29, 1999, and is located in a county contiguous to the pilot 1410
project area and in a school district that is not a challenged 1411
school district may continue to operate after that date, 1412
provided the school complies with all provisions of this 1413
chapter. The contract between the school's governing authority 1414
and the school's sponsor may be renewed, but no additional 1415
start-up community school may be established in that district 1416
unless the district is a challenged school district. 1417

(3) Any educational service center that, on June 30, 2007, 1418
sponsors a community school that is not located in a county 1419
within the territory of the service center or in a county 1420
contiguous to such county may continue to sponsor that community 1421

school on and after June 30, 2007, and may renew its contract 1422
with the school. However, the educational service center shall 1423
not enter into a contract with any additional community school, 1424
unless the school is located in a county within the territory of 1425
the service center or in a county contiguous to such county, or 1426
unless the governing board of the service center has entered 1427
into an agreement with the department authorizing the service 1428
center to sponsor a community school in any challenged school 1429
district in the state. 1430

Sec. 3314.021. (A) This section applies to any entity that 1431
is exempt from taxation under section 501(c)(3) of the Internal 1432
Revenue Code and that satisfies the conditions specified in 1433
divisions (C)(1)(f)(ii) and (iii) of section 3314.02 of the 1434
Revised Code but does not satisfy the condition specified in 1435
division (C)(1)(f)(i) of that section. 1436

(B) Notwithstanding division (C)(1)(f)(i) of section 1437
3314.02 of the Revised Code, and subject to division (D)(2) of 1438
this section, an entity described in division (A) of this 1439
section may do both of the following without obtaining the 1440
department of education's initial approval of its sponsorship 1441
under divisions (A)(2) and (B)(1) of section 3314.015 of the 1442
Revised Code: 1443

(1) Succeed the board of trustees of a state university 1444
located in the pilot project area or that board's designee as 1445
the sponsor of a community school established under this 1446
chapter; 1447

(2) Continue to sponsor that school in conformance with 1448
the terms of the contract between the board of trustees or its 1449
designee and the governing authority of the community school and 1450
renew that contract as provided in division (E) of section 1451

3314.03 of the Revised Code. 1452

(C) The entity that succeeds the board of trustees or the 1453
board's designee as sponsor of a community school under division 1454
(B) of this section also may enter into contracts to sponsor 1455
other community schools located in any challenged school 1456
district, without obtaining the department's initial approval of 1457
its sponsorship of those schools under divisions (A) (2) and (B) 1458
(1) of section 3314.015 of the Revised Code as long as the 1459
contracts conform with and the entity complies with all other 1460
requirements of this chapter. 1461

(D) (1) Regardless of the entity's authority to sponsor 1462
community schools without the initial approval of the 1463
department, the entity is under the continuing oversight of the 1464
department in accordance with rules adopted under section 1465
3314.015 of the Revised Code. 1466

(2) If an entity described in division (A) of this section 1467
receives a rating below "effective" under division (B) of 1468
section 3314.016 of the Revised Code for two or more consecutive 1469
years, that entity shall receive approval from the department of 1470
education to sponsor community schools and enter into a written 1471
agreement with the department in accordance with division (B) (1) 1472
of section 3314.015 of the Revised Code prior to entering into 1473
any further preliminary agreements under division (C) (2) of 1474
section 3314.02 of the Revised Code or renewing any existing 1475
contract to sponsor a community school. 1476

Sec. 3314.023. A sponsor shall provide monitoring, 1477
oversight, and technical assistance to each school that it 1478
sponsors. In order to provide monitoring, oversight, and 1479
technical assistance, a representative of the sponsor of a 1480
community school shall meet with the governing authority or 1481

fiscal officer of the school and shall review the financial and 1482
enrollment records of the school at least once every month. Not 1483
later than ten days after each review, the sponsor shall provide 1484
the governing authority and fiscal officer with a written report 1485
regarding the review. Copies of those financial and enrollment 1486
records shall be furnished to the community school sponsor and 1487
operator, members of the governing authority, and the fiscal 1488
officer designated in section 3314.011 of the Revised Code on a 1489
monthly basis. 1490

If a community school closes or is permanently closed, the 1491
designated fiscal officer shall deliver all financial and 1492
enrollment records to the school's sponsor within thirty days of 1493
the school's closure. If the fiscal officer fails to provide the 1494
records in a timely manner, or fails to faithfully perform any 1495
of the fiscal officer's other duties, the sponsor has the right 1496
of action against the fiscal officer to compel delivery of all 1497
financial and enrollment records of the school and shall, if 1498
necessary, seek recovery of any funds owed as a result of any 1499
finding of recovery by the auditor of state against the fiscal 1500
officer. 1501

For purposes of this chapter, "monitoring, oversight, and 1502
technical assistance" shall include the following: 1503

(A) Monitoring the community school's compliance with all 1504
laws applicable to the school and with the terms of the 1505
contract; 1506

(B) Monitoring and evaluating the academic and fiscal 1507
performance and the organization and operation of the community 1508
school on at least an annual basis; 1509

(C) Reporting on an annual basis the results of the 1510

evaluation conducted under division (D)(2) of section 3314.03 of 1511
the Revised Code to the department of education and to the 1512
parents of students enrolled in the community school; 1513

(D) Providing technical assistance to the community school 1514
in complying with laws applicable to the school and terms of the 1515
contract; 1516

(E) Taking steps to intervene in the school's operation to 1517
correct problems in the school's overall performance, declaring 1518
the school to be on probationary status pursuant to section 1519
3314.073 of the Revised Code, suspending the operation of the 1520
school pursuant to section 3314.072 of the Revised Code, or 1521
terminating the contract of the school pursuant to section 1522
3314.07 of the Revised Code as determined necessary by the 1523
sponsor; 1524

(F) Having in place a plan of action to be undertaken in 1525
the event the community school experiences financial 1526
difficulties or closes prior to the end of a school year. 1527

(G) Other activities designed to specifically benefit the 1528
community school the entity sponsors. 1529

Sec. 3314.024. (A) A management company that ~~provides~~ 1530
~~services to a community school that amounts to~~ receives more 1531
than twenty per cent of the annual gross revenues of ~~the a~~ 1532
community school shall provide a detailed accounting including 1533
the nature and costs of ~~the goods and~~ services it provides to 1534
the community school. This information shall be ~~included in the~~ 1535
~~footnotes of the financial statements of the school reported~~ 1536
using the categories and designations set forth in divisions (B) 1537
and (C) of this section, as applicable. 1538

(B) The detailed accounting shall include the following 1539

<u>categories of expenses for each designation as set forth in</u>	1540
<u>division (C) of this section:</u>	1541
<u>(1) Aggregate salaries and wages;</u>	1542
<u>(2) Aggregate employee benefits;</u>	1543
<u>(3) Professional and technical services;</u>	1544
<u>(4) Property services;</u>	1545
<u>(5) Utilities;</u>	1546
<u>(6) Contracted craft or trade services;</u>	1547
<u>(7) Tuition paid to other districts;</u>	1548
<u>(8) Transportation;</u>	1549
<u>(9) Other purchased services;</u>	1550
<u>(10) Supplies;</u>	1551
<u>(11) Land;</u>	1552
<u>(12) Buildings;</u>	1553
<u>(13) Improvements other than buildings;</u>	1554
<u>(14) Equipment;</u>	1555
<u>(15) All other capital outlay;</u>	1556
<u>(16) Principal;</u>	1557
<u>(17) Interest;</u>	1558
<u>(18) Judgments;</u>	1559
<u>(19) Other direct costs;</u>	1560
<u>(20) Other miscellaneous expenses.</u>	1561
<u>(C) The expenses set forth in division (B) of this section</u>	1562

shall be disaggregated according to the following designations, 1563
as applicable: 1564

(1) Regular instruction; 1565

(2) Special instruction; 1566

(3) Vocational instruction; 1567

(4) Other instruction; 1568

(5) Support services; 1569

(6) Noninstructional activities. 1570

(D) The information provided pursuant to this section 1571
shall be subject to audit during the course of the regular 1572
financial audit of the community school. 1573

Sec. 3314.027. Notwithstanding the requirement for initial 1574
approval of sponsorship by the department of education 1575
prescribed in divisions (A) (2) and (B) (1) of section 3314.015 of 1576
the Revised Code and any geographical restriction or mission 1577
requirement prescribed in division (C) (1) of section 3314.02 of 1578
the Revised Code, an entity that has entered into a contract to 1579
sponsor a community school on April 8, 2003, may continue to 1580
sponsor the school in conformance with the terms of that 1581
contract and also may enter into new contracts to sponsor 1582
community schools after April 8, 2003, as long as the contracts 1583
conform to and the entity complies with all other provisions of 1584
this chapter. 1585

Regardless of the entity's authority to sponsor community 1586
schools without the initial approval of the department, each 1587
entity described in this section is under the continuing 1588
oversight of the department in accordance with rules adopted 1589
under section 3314.015 of the Revised Code. 1590

If an entity to which this section applies receives a 1591
rating below "effective" under division (B) of section 3314.016 1592
of the Revised Code for two or more consecutive years, that 1593
entity shall receive approval from the department of education 1594
to sponsor community schools and enter into a written agreement 1595
with the department in accordance with division (B) (1) of 1596
section 3314.015 of the Revised Code prior to entering into any 1597
further preliminary agreements under division (C) (2) of section 1598
3314.02 of the Revised Code or renewing any existing contract to 1599
sponsor a community school. 1600

Sec. 3314.029. This section establishes the Ohio school 1601
sponsorship program. The department of education shall establish 1602
an office of Ohio school sponsorship to perform the department's 1603
duties prescribed by this section. 1604

(A) (1) Notwithstanding anything to the contrary in this 1605
chapter, any person, group of individuals, or entity may apply 1606
to the department for direct authorization to establish a 1607
community school and, upon approval of the application, may 1608
establish the school. Notwithstanding anything to the contrary 1609
in this chapter, the governing authority of an existing 1610
community school, upon the expiration or termination of its 1611
contract with the school's sponsor entered into under section 1612
3314.03 of the Revised Code, may apply to the department for 1613
direct authorization to continue operating the school and, upon 1614
approval of the application, may continue to operate the school. 1615
The department may establish a format and deadlines for an 1616
application. 1617

Each application submitted to the department shall include 1618
the following: 1619

(a) Evidence that the applicant will be able to comply 1620

with division (C) of this section; 1621

(b) A statement indicating that the applicant agrees to 1622
comply with all applicable provisions of this chapter, including 1623
the requirement to be established as a nonprofit corporation or 1624
public benefit corporation in accordance with division (A) (1) of 1625
section 3314.03 of the Revised Code; 1626

(c) A statement attesting that no unresolved finding of 1627
recovery has been issued by the auditor of state against any 1628
person, group of individuals, or entity that is a party to the 1629
application and that no person who is party to the application 1630
has been a member of the governing authority of any community 1631
school that has permanently closed and against which an 1632
unresolved finding of recovery has been issued by the auditor of 1633
state. In the case of an application submitted by the governing 1634
authority of an existing community school, a person who is party 1635
to the application shall include each individual member of that 1636
governing authority. 1637

(d) A statement that the school will be nonsectarian in 1638
its programs, admission policies, employment practices, and all 1639
other operations, and will not be operated by a sectarian school 1640
or religious institution; 1641

(e) A statement of whether the school is to be created by 1642
converting all or part of an existing public school or 1643
educational service center building or is to be a new start-up 1644
school. If it is a converted public school or service center 1645
building, the statement shall include a specification of any 1646
duties or responsibilities of an employer that the board of 1647
education or service center governing board that operated the 1648
school or building before conversion is delegating to the 1649
governing authority of the community school with respect to all 1650

or any specified group of employees, provided the delegation is 1651
not prohibited by a collective bargaining agreement applicable 1652
to such employees. 1653

(f) A statement that the school's teachers will be 1654
licensed in the manner prescribed by division (A) (10) of section 1655
3314.03 of the Revised Code; 1656

(g) A statement that the school will comply with all of 1657
the provisions of law enumerated in divisions (A) (11) (d) and (e) 1658
of section 3314.03 of the Revised Code and of division (A) (11) 1659
(h) of that section, if applicable; 1660

(h) A statement that the school's graduation and 1661
curriculum requirements will comply with division (A) (11) (f) of 1662
section 3314.03 of the Revised Code; 1663

(i) A description of each of the following: 1664

(i) The school's mission and educational program, the 1665
characteristics of the students the school is expected to 1666
attract, the ages and grade levels of students, and the focus of 1667
the curriculum; 1668

(ii) The school's governing authority, which shall be in 1669
compliance with division (E) of section 3314.02 of the Revised 1670
Code; 1671

(iii) The school's admission and dismissal policies, which 1672
shall be in compliance with divisions (A) (5) and (6) of section 1673
3314.03 of the Revised Code; 1674

(iv) The school's business plan, including a five-year 1675
financial forecast; 1676

(v) In the case of an application to establish a community 1677
school, the applicant's resources and capacity to establish and 1678

operate the school; 1679

(vi) The school's academic goals to be achieved and the 1680
method of measurement that will be used to determine progress 1681
toward those goals, which shall include the statewide 1682
achievement assessments; 1683

(vii) The facilities to be used by the school and their 1684
locations; 1685

(viii) A description of the learning opportunities that 1686
will be offered to students including both classroom-based and 1687
nonclassroom-based learning opportunities that are in compliance 1688
with criteria for student participation established by the 1689
department under division (H) (2) of section 3314.08 of the 1690
Revised Code. 1691

(2) Subject to division (A) (3) of this section, the 1692
department ~~shall may approve each application, unless, within~~ 1693
~~thirty days after receipt of the application, the department~~ 1694
~~determines that the application does not satisfy the~~ 1695
~~requirements of division (A) (1) of this section and provides the~~ 1696
~~applicant a written explanation of the reasons for the~~ 1697
~~determination. In that case, the department shall grant the~~ 1698
~~applicant thirty days to correct the insufficiencies in the~~ 1699
~~application. If the department determines that the~~ 1700
~~insufficiencies have been corrected, it shall approve the~~ 1701
~~application. If the department determines that the~~ 1702
~~insufficiencies have not been corrected, it shall deny the~~ 1703
~~application and provide the applicant with a written explanation~~ 1704
~~of the reasons for the denial. The denial of an application may~~ 1705
~~be appealed in accordance with section 119.12 of the Revised~~ 1706
~~Code or deny an application, taking into consideration the~~ 1707
~~standards for quality authorizing, capacity requirements,~~ 1708

financial constraints, or any other criteria it determines 1709
necessary and appropriate. The department shall assign each 1710
applicant school a rating established for a new start-up 1711
community school or an existing community school, as applicable. 1712

The department of education shall annually publish on its 1713
web site the criteria it uses to approve or deny an application 1714
submitted pursuant to this section. 1715

(3) For each of five school years, beginning with the 1716
school year that begins in the calendar year in which this 1717
section takes effect, the department may approve up to twenty 1718
applications for community schools to be established or to 1719
continue operation under division (A) of this section; however, 1720
of the twenty applications that may be approved each school 1721
year, only up to five may be for the establishment of new 1722
schools. 1723

(4) Notwithstanding division (A)(2) of this section, the 1724
department may deny an application submitted by the governing 1725
authority of an existing community school, if a previous sponsor 1726
of that school did not renew its contract or terminated its 1727
contract with the school entered into under section 3314.03 of 1728
the Revised Code. 1729

(5) In the case of a proposed new community school to be 1730
located in an alliance municipal school district, in addition to 1731
the requirements of division (A)(2) of this section, the 1732
department shall not approve the application of that community 1733
school unless the application complies with the rules adopted by 1734
the state board of education under division (A)(5) of this 1735
section. 1736

The state board shall adopt rules in accordance with 1737

Chapter 119. of the Revised Code to establish criteria, 1738
procedures, and deadlines for processing applications for direct 1739
authorization of a community school located in, or proposed to 1740
be located in, an alliance municipal school district. The rules 1741
shall require the department to do both of the following: 1742

(a) Determine that the applicant has requested and 1743
received a recommendation from the alliance in the manner 1744
prescribed by divisions (E) (1) and (2) of section 3311.86 of the 1745
Revised Code; 1746

(b) Use the criteria established under division (A) (1) of 1747
section 3311.87 of the Revised Code to determine if it will 1748
authorize the community school. 1749

As used in this section, "alliance municipal school 1750
district" and "alliance" have the same meanings as in section 1751
3311.86 of the Revised Code. 1752

(B) The department and the governing authority of each 1753
community school authorized under this section shall enter into 1754
a contract under section 3314.03 of the Revised Code. 1755
Notwithstanding division (A) (13) of that section, the contract 1756
with an existing community school may begin at any time during 1757
the academic year. The length of the initial contract of any 1758
community school under this section may be for any term up to 1759
five years. The contract may be renewed in accordance with 1760
division (E) of that section. The contract may provide for the 1761
school's governing authority to pay a fee for oversight and 1762
monitoring of the school that does not exceed three per cent of 1763
the total amount of payments for operating expenses that the 1764
school receives from the state. 1765

(C) The department may require a community school 1766

authorized under this section to post and file with the 1767
superintendent of public instruction a bond payable to the state 1768
or to file with the state superintendent a guarantee, which 1769
shall be used to pay the state any moneys owed by the community 1770
school in the event the school closes. 1771

(D) Except as otherwise provided in this section, a 1772
community school authorized under this section shall comply with 1773
all applicable provisions of this chapter. The department may 1774
take any action that a sponsor may take under this chapter to 1775
enforce the school's compliance with this division and the terms 1776
of the contract entered into under division (B) of this section. 1777

(E) Not later than December 31, 2012, and annually 1778
thereafter, the department shall issue a report on the program, 1779
including information about the number of community schools 1780
participating in the program and their compliance with the 1781
provisions of this chapter. In its fifth report, the department 1782
shall include a complete evaluation of the program and 1783
recommendations regarding the program's continuation. Each 1784
report shall be provided to the general assembly, in accordance 1785
with section 101.68 of the Revised Code, and to the governor. 1786

Sec. 3314.03. A copy of every contract entered into under 1787
this section shall be filed with the superintendent of public 1788
instruction. The department of education shall make available on 1789
its web site a copy of every approved, executed contract filed 1790
with the superintendent under this section. 1791

(A) Each contract entered into between a sponsor and the 1792
governing authority of a community school shall specify the 1793
following: 1794

(1) That the school shall be established as either of the 1795

following: 1796

(a) A nonprofit corporation established under Chapter 1797
1702. of the Revised Code, if established prior to April 8, 1798
2003; 1799

(b) A public benefit corporation established under Chapter 1800
1702. of the Revised Code, if established after April 8, 2003. 1801

(2) The education program of the school, including the 1802
school's mission, the characteristics of the students the school 1803
is expected to attract, the ages and grades of students, and the 1804
focus of the curriculum; 1805

(3) The academic goals to be achieved and the method of 1806
measurement that will be used to determine progress toward those 1807
goals, which shall include the statewide achievement 1808
assessments; 1809

(4) Performance standards, including but not limited to 1810
all applicable report card measures set forth in section 3302.03 1811
or 3314.017 of the Revised Code, by which the success of the 1812
school will be evaluated by the sponsor; 1813

(5) The admission standards of section 3314.06 of the 1814
Revised Code and, if applicable, section 3314.061 of the Revised 1815
Code; 1816

(6) (a) Dismissal procedures; 1817

(b) A requirement that the governing authority adopt an 1818
attendance policy that includes a procedure for automatically 1819
withdrawing a student from the school if the student without a 1820
legitimate excuse fails to participate in one hundred five 1821
consecutive hours of the learning opportunities offered to the 1822
student. 1823

(7) The ways by which the school will achieve racial and 1824
ethnic balance reflective of the community it serves; 1825

(8) Requirements for financial audits by the auditor of 1826
state. The contract shall require financial records of the 1827
school to be maintained in the same manner as are financial 1828
records of school districts, pursuant to rules of the auditor of 1829
state. Audits shall be conducted in accordance with section 1830
117.10 of the Revised Code. 1831

(9) ~~The~~ An addendum to the contract outlining the 1832
facilities to be used and their locations, that contains at least 1833
the following information: 1834

(a) A detailed description of each facility used for 1835
instructional purposes; 1836

(b) The annual costs associated with leasing each facility 1837
that are paid by or on behalf of the school; 1838

(c) The annual mortgage principal and interest payments 1839
that are paid by the school; 1840

(d) The name of the lender or landlord, identified as 1841
such, and the lender's or landlord's relationship to the 1842
operator, if any. 1843

(10) Qualifications of teachers, including a requirement 1844
that the school's classroom teachers be licensed in accordance 1845
with sections 3319.22 to 3319.31 of the Revised Code, except 1846
that a community school may engage noncertificated persons to 1847
teach up to twelve hours per week pursuant to section 3319.301 1848
of the Revised Code. 1849

(11) That the school will comply with the following 1850
requirements: 1851

(a) The school will provide learning opportunities to a 1852
minimum of twenty-five students for a minimum of nine hundred 1853
twenty hours per school year. 1854

(b) The governing authority will purchase liability 1855
insurance, or otherwise provide for the potential liability of 1856
the school. 1857

(c) The school will be nonsectarian in its programs, 1858
admission policies, employment practices, and all other 1859
operations, and will not be operated by a sectarian school or 1860
religious institution. 1861

(d) The school will comply with sections 9.90, 9.91, 1862
109.65, 121.22, 149.43, 2151.357, 2151.421, 2313.19, 3301.0710, 1863
3301.0711, 3301.0712, 3301.0715, 3301.948, 3313.472, 3313.50, 1864
3313.536, 3313.539, 3313.608, 3313.609, 3313.6012, 3313.6013, 1865
3313.6014, 3313.6015, 3313.6020, 3313.643, 3313.648, 3313.6411, 1866
3313.66, 3313.661, 3313.662, 3313.666, 3313.667, 3313.67, 1867
3313.671, 3313.672, 3313.673, 3313.69, 3313.71, 3313.716, 1868
3313.718, 3313.719, 3313.7112, 3313.80, 3313.814, 3313.816, 1869
3313.817, 3313.86, 3313.89, 3313.96, 3319.073, 3319.321, 1870
3319.39, 3319.391, 3319.41, 3319.46, 3321.01, 3321.041, 3321.13, 1871
3321.14, 3321.17, 3321.18, 3321.19, 3321.191, 3327.10, 4111.17, 1872
4113.52, and 5705.391 and Chapters 117., 1347., 2744., 3365., 1873
3742., 4112., 4123., 4141., and 4167. of the Revised Code as if 1874
it were a school district and will comply with section 3301.0714 1875
of the Revised Code in the manner specified in section 3314.17 1876
of the Revised Code. 1877

(e) The school shall comply with Chapter 102. and section 1878
2921.42 of the Revised Code. 1879

(f) The school will comply with sections 3313.61, 1880

3313.611, and 3313.614 of the Revised Code, except that for 1881
students who enter ninth grade for the first time before July 1, 1882
2010, the requirement in sections 3313.61 and 3313.611 of the 1883
Revised Code that a person must successfully complete the 1884
curriculum in any high school prior to receiving a high school 1885
diploma may be met by completing the curriculum adopted by the 1886
governing authority of the community school rather than the 1887
curriculum specified in Title XXXIII of the Revised Code or any 1888
rules of the state board of education. Beginning with students 1889
who enter ninth grade for the first time on or after July 1, 1890
2010, the requirement in sections 3313.61 and 3313.611 of the 1891
Revised Code that a person must successfully complete the 1892
curriculum of a high school prior to receiving a high school 1893
diploma shall be met by completing the requirements prescribed 1894
in division (C) of section 3313.603 of the Revised Code, unless 1895
the person qualifies under division (D) or (F) of that section. 1896
Each school shall comply with the plan for awarding high school 1897
credit based on demonstration of subject area competency, 1898
adopted by the state board of education under division (J) of 1899
section 3313.603 of the Revised Code. 1900

(g) The school governing authority will submit within four 1901
months after the end of each school year a report of its 1902
activities and progress in meeting the goals and standards of 1903
divisions (A) (3) and (4) of this section and its financial 1904
status to the sponsor and the parents of all students enrolled 1905
in the school. 1906

(h) The school, unless it is an internet- or computer- 1907
based community school, will comply with section 3313.801 of the 1908
Revised Code as if it were a school district. 1909

(i) If the school is the recipient of moneys from a grant 1910

awarded under the federal race to the top program, Division (A), 1911
Title XIV, Sections 14005 and 14006 of the "American Recovery 1912
and Reinvestment Act of 2009," Pub. L. No. 111-5, 123 Stat. 115, 1913
the school will pay teachers based upon performance in 1914
accordance with section 3317.141 and will comply with section 1915
3319.111 of the Revised Code as if it were a school district. 1916

(12) Arrangements for providing health and other benefits 1917
to employees; 1918

(13) The length of the contract, which shall begin at the 1919
beginning of an academic year. No contract shall exceed five 1920
years unless such contract has been renewed pursuant to division 1921
(E) of this section. 1922

(14) The governing authority of the school, which shall be 1923
responsible for carrying out the provisions of the contract; 1924

(15) A financial plan detailing an estimated school budget 1925
for each year of the period of the contract and specifying the 1926
total estimated per pupil expenditure amount for each such year. 1927

(16) Requirements and procedures regarding the disposition 1928
of employees of the school in the event the contract is 1929
terminated or not renewed pursuant to section 3314.07 of the 1930
Revised Code; 1931

(17) Whether the school is to be created by converting all 1932
or part of an existing public school or educational service 1933
center building or is to be a new start-up school, and if it is 1934
a converted public school or service center building, 1935
specification of any duties or responsibilities of an employer 1936
that the board of education or service center governing board 1937
that operated the school or building before conversion is 1938
delegating to the governing authority of the community school 1939

with respect to all or any specified group of employees provided 1940
the delegation is not prohibited by a collective bargaining 1941
agreement applicable to such employees; 1942

(18) Provisions establishing procedures for resolving 1943
disputes or differences of opinion between the sponsor and the 1944
governing authority of the community school; 1945

(19) A provision requiring the governing authority to 1946
adopt a policy regarding the admission of students who reside 1947
outside the district in which the school is located. That policy 1948
shall comply with the admissions procedures specified in 1949
sections 3314.06 and 3314.061 of the Revised Code and, at the 1950
sole discretion of the authority, shall do one of the following: 1951

(a) Prohibit the enrollment of students who reside outside 1952
the district in which the school is located; 1953

(b) Permit the enrollment of students who reside in 1954
districts adjacent to the district in which the school is 1955
located; 1956

(c) Permit the enrollment of students who reside in any 1957
other district in the state. 1958

(20) A provision recognizing the authority of the 1959
department of education to take over the sponsorship of the 1960
school in accordance with the provisions of division (C) of 1961
section 3314.015 of the Revised Code; 1962

(21) A provision recognizing the sponsor's authority to 1963
assume the operation of a school under the conditions specified 1964
in division (B) of section 3314.073 of the Revised Code; 1965

(22) A provision recognizing both of the following: 1966

(a) The authority of public health and safety officials to 1967

inspect the facilities of the school and to order the facilities 1968
closed if those officials find that the facilities are not in 1969
compliance with health and safety laws and regulations; 1970

(b) The authority of the department of education as the 1971
community school oversight body to suspend the operation of the 1972
school under section 3314.072 of the Revised Code if the 1973
department has evidence of conditions or violations of law at 1974
the school that pose an imminent danger to the health and safety 1975
of the school's students and employees and the sponsor refuses 1976
to take such action. 1977

(23) A description of the learning opportunities that will 1978
be offered to students including both classroom-based and non- 1979
classroom-based learning opportunities that is in compliance 1980
with criteria for student participation established by the 1981
department under division (H) (2) of section 3314.08 of the 1982
Revised Code; 1983

(24) The school will comply with sections 3302.04 and 1984
3302.041 of the Revised Code, except that any action required to 1985
be taken by a school district pursuant to those sections shall 1986
be taken by the sponsor of the school. However, the sponsor 1987
shall not be required to take any action described in division 1988
(F) of section 3302.04 of the Revised Code. 1989

(25) Beginning in the 2006-2007 school year, the school 1990
will open for operation not later than the thirtieth day of 1991
September each school year, unless the mission of the school as 1992
specified under division (A) (2) of this section is solely to 1993
serve dropouts. In its initial year of operation, if the school 1994
fails to open by the thirtieth day of September, or within one 1995
year after the adoption of the contract pursuant to division (D) 1996
of section 3314.02 of the Revised Code if the mission of the 1997

school is solely to serve dropouts, the contract shall be void.	1998
(26) Whether the school's governing authority is planning	1999
to seek designation for the school as a STEM school equivalent	2000
under section 3326.032 of the Revised Code;	2001
<u>(27) That the school's attendance and participation</u>	2002
<u>policies and records will be available for public inspection;</u>	2003
<u>(28) If a school operates using the blended learning</u>	2004
<u>model, as defined in section 3301.079 of the Revised Code, all</u>	2005
<u>of the following information:</u>	2006
<u>(a) An indication of what blended learning model or models</u>	2007
<u>will be used;</u>	2008
<u>(b) A description of how student instructional needs will</u>	2009
<u>be determined and documented;</u>	2010
<u>(c) The method to be used for determining competency,</u>	2011
<u>granting credit, and promoting students to a higher grade level;</u>	2012
<u>(d) The school's attendance requirements, including how</u>	2013
<u>the school will document participation in learning</u>	2014
<u>opportunities;</u>	2015
<u>(e) A statement describing how student progress will be</u>	2016
<u>monitored;</u>	2017
<u>(f) A statement describing how private student data will</u>	2018
<u>be protected;</u>	2019
<u>(g) A description of the professional development</u>	2020
<u>activities that will be offered to teachers.</u>	2021
<u>(29) A provision requiring that all moneys the school's</u>	2022
<u>operator loans to the school, including facilities loans or cash</u>	2023
<u>flow assistance, must be accounted for, documented, and bear</u>	2024

interest at a fair market rate; 2025

(30) A provision requiring that, if the governing 2026
authority contracts with an attorney, accountant, or entity 2027
specializing in audits, the attorney, accountant, or entity 2028
shall be independent from the operator with which the school has 2029
contracted. 2030

(B) The community school shall also submit to the sponsor 2031
a comprehensive plan for the school. The plan shall specify the 2032
following: 2033

(1) The process by which the governing authority of the 2034
school will be selected in the future; 2035

(2) The management and administration of the school; 2036

(3) If the community school is a currently existing public 2037
school or educational service center building, alternative 2038
arrangements for current public school students who choose not 2039
to attend the converted school and for teachers who choose not 2040
to teach in the school or building after conversion; 2041

(4) The instructional program and educational philosophy 2042
of the school; 2043

(5) Internal financial controls. 2044

When submitting the plan under this division, the school 2045
shall also submit copies of all policies and procedures 2046
regarding internal financial controls adopted by the governing 2047
authority of the school. 2048

(C) A contract entered into under section 3314.02 of the 2049
Revised Code between a sponsor and the governing authority of a 2050
community school may provide for the community school governing 2051
authority to make payments to the sponsor, which is hereby 2052

authorized to receive such payments as set forth in the contract 2053
between the governing authority and the sponsor. The total 2054
amount of such payments for ~~oversight and monitoring~~, oversight, 2055
and technical assistance of the school shall not exceed three 2056
per cent of the total amount of payments for operating expenses 2057
that the school receives from the state. Any amount paid 2058
pursuant to this division shall be used only to carry out the 2059
duties of a sponsor in compliance with this chapter. 2060

(D) The contract shall specify the duties of the sponsor 2061
which shall be in accordance with the written agreement entered 2062
into with the department of education under division (B) of 2063
section 3314.015 of the Revised Code and shall include the 2064
following: 2065

(1) Monitor the community school's compliance with all 2066
laws applicable to the school and with the terms of the 2067
contract; 2068

(2) Monitor and evaluate the academic and fiscal 2069
performance and the organization and operation of the community 2070
school on at least an annual basis; 2071

(3) Report on an annual basis the results of the 2072
evaluation conducted under division (D) (2) of this section to 2073
the department of education and to the parents of students 2074
enrolled in the community school; 2075

(4) Provide technical assistance to the community school 2076
in complying with laws applicable to the school and terms of the 2077
contract; 2078

(5) Take steps to intervene in the school's operation to 2079
correct problems in the school's overall performance, declare 2080
the school to be on probationary status pursuant to section 2081

3314.073 of the Revised Code, suspend the operation of the 2082
school pursuant to section 3314.072 of the Revised Code, or 2083
terminate the contract of the school pursuant to section 3314.07 2084
of the Revised Code as determined necessary by the sponsor; 2085

(6) Have in place a plan of action to be undertaken in the 2086
event the community school experiences financial difficulties or 2087
closes prior to the end of a school year. 2088

(E) Upon the expiration of a contract entered into under 2089
this section, the sponsor of a community school may, with the 2090
approval of the governing authority of the school, renew that 2091
contract for a period of time determined by the sponsor, but not 2092
ending earlier than the end of any school year, if the sponsor 2093
finds that the school's compliance with applicable laws and 2094
terms of the contract and the school's progress in meeting the 2095
academic goals prescribed in the contract have been 2096
satisfactory. Any contract that is renewed under this division 2097
remains subject to the provisions of sections 3314.07, 3314.072, 2098
and 3314.073 of the Revised Code. 2099

(F) If a community school fails to open for operation 2100
within one year after the contract entered into under this 2101
section is adopted pursuant to division (D) of section 3314.02 2102
of the Revised Code or permanently closes prior to the 2103
expiration of the contract, the contract shall be void and the 2104
school shall not enter into a contract with any other sponsor. A 2105
school shall not be considered permanently closed because the 2106
operations of the school have been suspended pursuant to section 2107
3314.072 of the Revised Code. 2108

Sec. 3314.031. (A) Beginning December 31, 2015, the 2109
department shall do the following: 2110

(1) Maintain and annually publish an accurate record of 2111
the names and identifying information of all entities that have 2112
entered into a contract with the governing authority of a 2113
community school to manage or operate that school; 2114

(2) Receive from the governing authority of each community 2115
school a copy of the contract between a governing authority and 2116
its operator. A copy of each contract shall be made available on 2117
the department's web site. 2118

(B) Not later than July 1, 2016, and annually thereafter, 2119
the department shall develop and publish a report on operator 2120
performance for all operators of community schools in the state. 2121
The report shall be made available on the department's web site. 2122

(C) The department shall include the performance report 2123
obtained pursuant to division (B) of this section in the 2124
department's annual report required by division (A) (4) of 2125
section 3314.015 of the Revised Code. 2126

(D) For purposes of this section, "operator" has the same 2127
meaning as in division (A) (8) of section 3314.02 of the Revised 2128
Code. 2129

Sec. 3314.032. (A) On and after the effective date of this 2130
section, any new or renewed contract between the governing 2131
authority of a community school and an operator shall include at 2132
least the following: 2133

(1) Criteria to be used for early termination of the 2134
operator contract; 2135

(2) Required notification procedures and timeline for 2136
early termination or nonrenewal of the operator contract; 2137

(3) A stipulation of which entity owns all community 2138

school facilities and property including, but not limited to, 2139
equipment, furniture, fixtures, instructional materials and 2140
supplies, computers, printers, and other digital devices 2141
purchased by the governing authority or operator. 2142

(B) (1) The operator with which the governing authority of 2143
a community school contracts for services shall not lease any 2144
parcel of real property to that community school until an 2145
independent professional in the real estate field verifies via 2146
addendum that at the time the lease was agreed to, the lease was 2147
commercially reasonable. 2148

(2) The independent professional described in division (B) 2149
(1) of this section shall be immune from civil liability for any 2150
decision rendered pursuant to this section. 2151

(C) On and after the effective date of this section the 2152
governing authority of a community school shall adopt an annual 2153
budget by the thirty-first day of October of each year. The 2154
governing authority shall include the following information in 2155
each budget: 2156

(1) Administrative costs for the community school as a 2157
whole; 2158

(2) Instructional services costs for each category of 2159
service provided directly to students, compiled and reported in 2160
terms of average expenditure per pupil receiving the service; 2161

(3) The cost of instructional support services, such as 2162
services provided by a speech-language pathologist, classroom 2163
aide, multimedia aide, or librarian, provided directly to 2164
students; 2165

(4) The cost of administrative support services, such as 2166
the cost of personnel that develop the curriculum and the cost 2167

of personnel supervising or coordinating the delivery of the 2168
instructional services; 2169

(5) The cost of support or extracurricular services costs 2170
for services directly provided to students; 2171

(6) The cost of services provided directly to students by 2172
a nonlicensed employee related to support or extracurricular 2173
services, such as janitorial services, cafeteria services, or 2174
services of a sports trainer; 2175

(7) The cost of administrative services related to support 2176
or extracurricular services, such as the cost of any licensed or 2177
unlicensed employees that develop, supervise, coordinate, or 2178
otherwise are involved in administrating or aiding the delivery 2179
of services. 2180

(D) The governing authority of a community school may 2181
consult with, but shall not delegate to, any operator or other 2182
entity with which the governing authority contracts the drafting 2183
and establishment of an annual budget for the school. 2184

Sec. 3314.034. (A) Subject to division (B) of this 2185
section, and after December 31, 2015, any community school to 2186
which either of the following conditions apply shall be 2187
prohibited from entering into a contract with a new sponsor: 2188

(1) The community school has received a grade of "D" or 2189
"F" for the performance index score, under division (C)(1)(b) of 2190
section 3302.03 of the Revised Code, and an overall grade of "D" 2191
or "F" for the value-added progress dimension or another measure 2192
of student academic progress if adopted by the state board, 2193
under division (C)(1)(e) of that section, on the most recent 2194
report card issued for the school pursuant to that section. 2195

(2) The community school is one in which a majority of the 2196

students are enrolled in a dropout prevention and recovery 2197
program, and it has received a rating of "does not meet 2198
standards" for the annual student growth measure and combined 2199
graduation rates on the most recent report card issued for the 2200
school under section 3314.017 of the Revised Code. 2201

(B) A community school to which division (A) of this 2202
section applies may enter into a contract with a new sponsor if 2203
all of the following conditions are satisfied: 2204

(1) The proposed sponsor received a rating of "effective" 2205
or higher pursuant to division (B) (6) of section 3314.016 of the 2206
Revised Code on its most recent evaluation conducted according 2207
to that section. 2208

(2) The community school submits a request to enter into a 2209
new contract with a sponsor. 2210

(3) The community school has not submitted a prior request 2211
that was granted. 2212

(4) The department, after conducting a hearing in 2213
accordance with Chapter 119. of the Revised Code on the matter, 2214
at which the community school and the proposed new sponsor 2215
submits reasons why the request should be granted, grants the 2216
school's request. 2217

Sec. 3314.035. Each community school shall post on the 2218
school's web site the name of each member of the school's 2219
governing authority. Each community school also shall provide, 2220
upon request, the name and address of each member of the 2221
governing authority to the sponsor of the school and the 2222
department of education. 2223

Sec. 3314.036. The governing authority of a community 2224
school shall employ an attorney, who shall be independent from 2225

the school's sponsor or the operator with which the school has 2226
contracted, for any services related to the negotiation of the 2227
community school's contract with the sponsor or the school's 2228
contract with the operator. 2229

Sec. 3314.037. The members of the governing authority of a 2230
community school, the designated fiscal officer of the school, 2231
the chief administrative officer and other administrative 2232
employees of the school, and all individuals performing 2233
supervisory or administrative services for the school under a 2234
contract with the operator of the school shall complete training 2235
on an annual basis on the public records and open meetings laws, 2236
so that they may comply with those laws as prescribed by 2237
division (A) (11) (d) of section 3314.03 of the Revised Code. 2238

Sec. 3314.038. Each community school shall annually submit 2239
to the department of education and auditor of state a report of 2240
each instance under which a student who is enrolled in that 2241
community school resides in a children's residential center as 2242
defined under section 5103.05 of the Revised Code. 2243

Sec. 3314.039. The department of education shall compile 2244
and publish the following information, for each year since the 2245
2010-2011 school year, in a simple, easily accessible location 2246
on its web site: 2247

(A) A single document identifying each community school 2248
that has closed during each year and the reason for the closure 2249
of each school; 2250

(B) A single document for each entity that submitted an 2251
application to sponsor schools that contains the following, 2252
where applicable: 2253

(1) The entity's application and most recent evaluation; 2254

<u>(2) A designation of whether the entity's application was</u>	2255
<u>approved or denied;</u>	2256
<u>(3) All documentation used in determining whether to</u>	2257
<u>approve or deny the entity's application;</u>	2258
<u>(4) A short statement describing the rationale used in</u>	2259
<u>approving or denying the entity's application.</u>	2260
<u>(C) A single document containing the following</u>	2261
<u>information:</u>	2262
<u>(1) A list of all sponsor ratings for each school year for</u>	2263
<u>which ratings are available;</u>	2264
<u>(2) A list of each sponsor that is prohibited, as of the</u>	2265
<u>thirty-first day of December of each school year, from</u>	2266
<u>sponsoring new schools;</u>	2267
<u>(3) A list of each sponsor that sponsors or has sponsored</u>	2268
<u>a school that is or was subject to closure, and the reason for</u>	2269
<u>that closure.</u>	2270
<u>(D) The department shall update the document required</u>	2271
<u>pursuant to division (A) of this section on an annual basis.</u>	2272
Sec. 3314.07. (A) The expiration of the contract for a	2273
community school between a sponsor and a school shall be the	2274
date provided in the contract. A successor contract may be	2275
entered into pursuant to division (E) of section 3314.03 of the	2276
Revised Code unless the contract is terminated or not renewed	2277
pursuant to this section.	2278
(B) (1) A sponsor may choose not to renew a contract at its	2279
expiration or may choose to terminate a contract prior to its	2280
expiration for any of the following reasons:	2281

(a) Failure to meet student performance requirements	2282
stated in the contract;	2283
(b) Failure to meet generally accepted standards of fiscal	2284
management;	2285
(c) Violation of any provision of the contract or	2286
applicable state or federal law;	2287
(d) Other good cause.	2288
(2) A sponsor may choose to terminate a contract prior to	2289
its expiration if the sponsor has suspended the operation of the	2290
contract under section 3314.072 of the Revised Code.	2291
(3) Not later than the first day of February-December in-	2292
prior to the year in which the sponsor intends to terminate or	2293
take actions not to renew the community school's contract, the	2294
sponsor shall notify the school of the proposed action in	2295
writing. The notice shall include the reasons for the proposed	2296
action in detail, the effective date of the termination or	2297
nonrenewal, and a statement that the school may, within fourteen	2298
days of receiving the notice, request an informal hearing before	2299
the sponsor. Such request must be in writing. The informal	2300
hearing shall be held within fourteen days of the receipt of a	2301
request for the hearing. Not later than fourteen days after the	2302
informal hearing, the sponsor shall issue a written decision	2303
either affirming or rescinding the decision to terminate or not	2304
renew the contract.	2305
(4) A decision by the sponsor to terminate a contract may	2306
be appealed to the state board of education. The notice of	2307
appeal shall be filed with the state board not later than	2308
fourteen days following receipt of the sponsor's written	2309
decision to terminate the contract. Within sixty days of receipt	2310

~~of the notice of appeal, the state board shall conduct a hearing and issue a written decision on the appeal. The written decision of the state board shall include the reasons for affirming or rescinding the decision of the sponsor. The decision by the state board pertaining to an appeal under this division is final. If the sponsor is the state board, its decision to terminate a contract under division (B)(3) of this section shall be final.~~ 2311
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~~(5)~~ The termination of a contract under this section shall be effective upon the occurrence of the later of the following events: 2319
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(a) The date the sponsor notifies the school of its decision to terminate the contract as prescribed in division (B)(3) of this section; 2322
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(b) If an informal hearing is requested under division (B)(3) of this section and as a result of that hearing the sponsor affirms its decision to terminate the contract, the effective date of the termination specified in the notice issued under division (B)(3) of this section, ~~or if that decision is appealed to the state board under division (B)(4) of this section and the state board affirms that decision, the date established in the resolution of the state board affirming the sponsor's decision.~~ 2325
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~~(6)~~ (5) Any community school whose contract is terminated or not renewed under division (B) (1) (a) or (b) of this section shall close permanently at the end of the current school year or on a date specified in the notification of termination or nonrenewal under division (B) (3) of this section. Any community school whose contract is terminated or not renewed for failure to meet student performance requirements stated in the contract, or for failure to meet generally accepted standards of fiscal 2333
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management under this division shall not enter into a contract 2341
with any other sponsor. 2342

(C) A child attending a community school whose contract 2343
has been terminated, nonrenewed, or suspended or that closes for 2344
any reason shall be admitted to the schools of the district in 2345
which the child is entitled to attend under section 3313.64 or 2346
3313.65 of the Revised Code. Any deadlines established for the 2347
purpose of admitting students under section 3313.97 or 3313.98 2348
of the Revised Code shall be waived for students to whom this 2349
division pertains. 2350

(D) If a community school does not intend to renew a 2351
contract with its sponsor, the community school shall notify its 2352
sponsor in writing of that fact at least one hundred eighty days 2353
prior to the expiration of the contract. Such a community school 2354
may enter into a contract with a new sponsor in accordance with 2355
section 3314.03 of the Revised Code upon the expiration of the 2356
previous contract. 2357

(E) A sponsor of a community school and the officers, 2358
directors, or employees of such a sponsor are immune from civil 2359
liability for any action authorized under this chapter or the 2360
contract entered into with the school under section 3314.03 of 2361
the Revised Code that is taken to fulfill the sponsor's 2362
responsibility to oversee and monitor the school. The sponsor 2363
and its officers, directors, or employees are not liable in 2364
damages in a tort or other civil action for harm allegedly 2365
arising from ~~either~~ any of the following: 2366

(1) A failure of the community school or any of its 2367
officers, directors, or employees to perform any statutory or 2368
common law duty or responsibility or any other legal obligation; 2369

(2) An action or omission of the community school or any 2370
of its officers, directors, or employees that results in harm. 2371

(3) A failure of the community school or any of its 2372
officers, directors, or employees to meet the obligations of any 2373
contract or other obligation entered into on behalf of the 2374
community school and another party. 2375

A sponsor who prevails in an action for a failure to meet 2376
contractual obligations as described in division (E) (3) of this 2377
section shall be awarded, upon request, reasonable attorney's 2378
fees and other expenses of litigation to be paid jointly and 2379
severally by the governing authority of the community school or 2380
from any other plaintiff the court considers necessary and 2381
appropriate. 2382

(F) As used in this section: 2383

(1) "Harm" means injury, death, or loss to person or 2384
property. 2385

(2) "Tort action" means a civil action for damages for 2386
injury, death, or loss to person or property other than a civil 2387
action for damages for a breach of contract or another agreement 2388
between persons. 2389

Sec. 3314.074. Divisions (A) and (B) of this section apply 2390
only to the extent permitted under Chapter 1702. of the Revised 2391
Code. 2392

(A) If any community school established under this chapter 2393
permanently closes and ceases its operation as a community 2394
school, the assets of that school shall be distributed first to 2395
the retirement funds of employees of the school, employees of 2396
the school, and private creditors who are owed compensation, and 2397
then any remaining funds shall be paid to the department of 2398

education for redistribution to the school districts in which 2399
the students who were enrolled in the school at the time it 2400
ceased operation were entitled to attend school under section 2401
3313.64 or 3313.65 of the Revised Code. The amount distributed 2402
to each school district shall be proportional to the district's 2403
share of the total enrollment in the community school. 2404

(B) If a community school closes and ceases to operate as 2405
a community school and the school has received computer hardware 2406
or software from the former Ohio SchoolNet commission or the 2407
former eTech Ohio commission, such hardware or software shall be 2408
turned over to the department of education, which shall 2409
redistribute the hardware and software, to the extent such 2410
redistribution is possible, to school districts in conformance 2411
with the provisions of the programs as they were operated and 2412
administered by the former eTech Ohio commission. 2413

(C) If the assets of the school are insufficient to pay 2414
all persons or entities to whom compensation is owed, the 2415
prioritization of the distribution of the assets to individual 2416
persons or entities within each class of payees may be 2417
determined by decree of a court in accordance with this section 2418
and Chapter 1702. of the Revised Code. 2419

(D) A community school that engages in a merger or 2420
consolidation pursuant to division (B) of section 1702.41 of the 2421
Revised Code and becomes a single public benefit corporation 2422
shall not be required to distribute assets pursuant to divisions 2423
(A), (B), and (C) of this section, provided that the governing 2424
authority of the community school created by the merger or 2425
consolidation enters into a contract for sponsorship under 2426
section 3314.03 of the Revised Code with an entity rated 2427
"effective" or higher by the department of education pursuant to 2428

section 3314.016 of the Revised Code.

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Sec. 3314.091. (A) A school district is not required to
provide transportation for any native student enrolled in a
community school if the district board of education has entered
into an agreement with the community school's governing
authority that designates the community school as responsible
for providing or arranging for the transportation of the
district's native students to and from the community school. For
any such agreement to be effective, it must be certified by the
superintendent of public instruction as having met all of the
following requirements:

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(1) It is submitted to the department of education by a
deadline which shall be established by the department.

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(2) In accordance with divisions (C) (1) and (2) of this
section, it specifies qualifications, such as residing a minimum
distance from the school, for students to have their
transportation provided or arranged.

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(3) The transportation provided by the community school is
subject to all provisions of the Revised Code and all rules
adopted under the Revised Code pertaining to pupil
transportation.

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(4) The sponsor of the community school also has signed
the agreement.

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(B) (1) For the school year that begins on July 1, 2007, a
school district is not required to provide transportation for
any native student enrolled in a community school, if the
community school during the previous school year transported the
students enrolled in the school or arranged for the students'
transportation, even if that arrangement consisted of having

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parents transport their children to and from the school, but did 2458
not enter into an agreement to transport or arrange for 2459
transportation for those students under division (A) of this 2460
section, and if the governing authority of the community school 2461
by July 15, 2007, submits written notification to the district 2462
board of education stating that the governing authority is 2463
accepting responsibility for providing or arranging for the 2464
transportation of the district's native students to and from the 2465
community school. 2466

(2) Except as provided in division (B) (4) of this section, 2467
for any school year subsequent to the school year that begins on 2468
July 1, 2007, a school district is not required to provide 2469
transportation for any native student enrolled in a community 2470
school if the governing authority of the community school, by 2471
the thirty-first day of January of the previous school year, 2472
submits written notification to the district board of education 2473
stating that the governing authority is accepting responsibility 2474
for providing or arranging for the transportation of the 2475
district's native students to and from the community school. If 2476
the governing authority of the community school has previously 2477
accepted responsibility for providing or arranging for the 2478
transportation of a district's native students to and from the 2479
community school, under division (B) (1) or (2) of this section, 2480
and has since relinquished that responsibility under division 2481
(B) (3) of this section, the governing authority shall not accept 2482
that responsibility again unless the district board consents to 2483
the governing authority's acceptance of that responsibility. 2484

(3) A governing authority's acceptance of responsibility 2485
under division (B) (1) or (2) of this section shall cover an 2486
entire school year, and shall remain in effect for subsequent 2487
school years unless the governing authority submits written 2488

notification to the district board that the governing authority 2489
is relinquishing the responsibility. However, a governing 2490
authority shall not relinquish responsibility for transportation 2491
before the end of a school year, and shall submit the notice 2492
relinquishing responsibility by the thirty-first day of January, 2493
in order to allow the school district reasonable time to prepare 2494
transportation for its native students enrolled in the school. 2495

(4) (a) For any school year that begins on or after July 1, 2496
2014, a school district is not required to provide 2497
transportation for any native student enrolled in a community 2498
school scheduled to open for operation in the current school 2499
year, if the governing authority of the community school, by the 2500
fifteenth day of April of the previous school year, submits 2501
written notification to the district board of education stating 2502
that the governing authority is accepting responsibility for 2503
providing or arranging for the transportation of the district's 2504
native students to and from the community school. 2505

(b) The governing authority of a community school that 2506
accepts responsibility for transporting its students under 2507
division (B) (4) (a) of this section shall comply with divisions 2508
(B) (2) and (3) of this section to renew or relinquish that 2509
authority for subsequent school years. 2510

(C) (1) A community school governing authority that enters 2511
into an agreement under division (A) of this section, or that 2512
accepts responsibility under division (B) of this section, shall 2513
provide or arrange transportation free of any charge for each of 2514
its enrolled students who is required to be transported under 2515
section 3327.01 of the Revised Code ~~or who would otherwise be~~ 2516
~~transported by the school district under the district's~~ 2517
~~transportation policy.~~ The governing authority shall report to 2518

the department of education the number of students transported 2519
or for whom transportation is arranged under this section in 2520
accordance with rules adopted by the state board of education. 2521

(2) The governing authority may provide or arrange 2522
transportation for any other enrolled student who is not 2523
eligible for transportation in accordance with division (C) (1) 2524
of this section and may charge a fee for such service up to the 2525
actual cost of the service. 2526

(3) Notwithstanding anything to the contrary in division 2527
(C) (1) or (2) of this section, a community school governing 2528
authority shall provide or arrange transportation free of any 2529
charge for any disabled student enrolled in the school for whom 2530
the student's individualized education program developed under 2531
Chapter 3323. of the Revised Code specifies transportation. 2532

(D) (1) If a school district board and a community school 2533
governing authority elect to enter into an agreement under 2534
division (A) of this section, the department of education shall 2535
make payments to the community school according to the terms of 2536
the agreement for each student actually transported under 2537
division (C) (1) of this section. 2538

If a community school governing authority accepts 2539
transportation responsibility under division (B) of this 2540
section, the department shall make payments to the community 2541
school for each student actually transported or for whom 2542
transportation is arranged by the community school under 2543
division (C) (1) of this section, calculated as follows: 2544

(a) For any fiscal year which the general assembly has 2545
specified that transportation payments to school districts be 2546
based on an across-the-board percentage of the district's 2547

payment for the previous school year, the per pupil payment to 2548
the community school shall be the following quotient: 2549

(i) The total amount calculated for the school district in 2550
which the child is entitled to attend school for student 2551
transportation other than transportation of children with 2552
disabilities; divided by 2553

(ii) The number of students included in the district's 2554
transportation ADM for the current fiscal year, as calculated 2555
under section 3317.03 of the Revised Code, plus the number of 2556
students enrolled in the community school not counted in the 2557
district's transportation ADM who are transported under division 2558
(B) (1) or (2) of this section. 2559

(b) For any fiscal year which the general assembly has 2560
specified that the transportation payments to school districts 2561
be calculated in accordance with section 3317.0212 of the 2562
Revised Code and any rules of the state board of education 2563
implementing that section, the payment to the community school 2564
shall be the amount so calculated on a per rider basis that 2565
otherwise would be paid to the school district in which the 2566
student is entitled to attend school by the method of 2567
transportation the district would have used. The community 2568
school, however, is not required to use the same method to 2569
transport that student. 2570

(c) Divisions (D) (1) (a) and (b) of this section do not 2571
apply to fiscal years 2012 and 2013. Rather, for each of those 2572
fiscal years, the per pupil payment to a community school for 2573
transporting a student shall be the total amount paid under 2574
former section 3306.12 of the Revised Code for fiscal year 2011 2575
to the school district in which the child is entitled to attend 2576
school divided by that district's "qualifying ridership," as 2577

defined in that section for fiscal year 2011. 2578

As used in this division "entitled to attend school" means 2579
entitled to attend school under section 3313.64 or 3313.65 of 2580
the Revised Code. 2581

(2) The department shall deduct the payment under division 2582
(D) (1) of this section from the state education aid, as defined 2583
in section 3314.08 of the Revised Code, and, if necessary, the 2584
payment under sections 321.14 and 323.156 of the Revised Code, 2585
that is otherwise paid to the school district in which the 2586
student enrolled in the community school is entitled to attend 2587
school. The department shall include the number of the 2588
district's native students for whom payment is made to a 2589
community school under division (D) (1) of this section in the 2590
calculation of the district's transportation payment under 2591
section 3317.0212 of the Revised Code and the operating 2592
appropriations act. 2593

(3) A community school shall be paid under division (D) (1) 2594
of this section only for students who are eligible as specified 2595
in section 3327.01 of the Revised Code and division (C) (1) of 2596
this section, and whose transportation to and from school is 2597
actually provided, who actually utilized transportation 2598
arranged, or for whom a payment in lieu of transportation is 2599
made by the community school's governing authority. To qualify 2600
for the payments, the community school shall report to the 2601
department, in the form and manner required by the department, 2602
data on the number of students transported or whose 2603
transportation is arranged, the number of miles traveled, cost 2604
to transport, and any other information requested by the 2605
department. 2606

(4) A community school shall use payments received under 2607

this section solely to pay the costs of providing or arranging 2608
for the transportation of students who are eligible as specified 2609
in section 3327.01 of the Revised Code and division (C) (1) of 2610
this section, which may include payments to a parent, guardian, 2611
or other person in charge of a child in lieu of transportation. 2612

(E) Except when arranged through payment to a parent, 2613
guardian, or person in charge of a child, transportation 2614
provided or arranged for by a community school pursuant to an 2615
agreement under this section is subject to all provisions of the 2616
Revised Code, and all rules adopted under the Revised Code, 2617
pertaining to the construction, design, equipment, and operation 2618
of school buses and other vehicles transporting students to and 2619
from school. The drivers and mechanics of the vehicles are 2620
subject to all provisions of the Revised Code, and all rules 2621
adopted under the Revised Code, pertaining to drivers and 2622
mechanics of such vehicles. The community school also shall 2623
comply with sections 3313.201, 3327.09, and 3327.10 of the 2624
Revised Code, division (B) of section 3327.16 of the Revised 2625
Code and, subject to division (C) (1) of this section, sections 2626
3327.01 and 3327.02 of the Revised Code, as if it were a school 2627
district. 2628

Sec. 3314.23. (A) Subject to division (B) of this section, 2629
each internet- or computer-based community school shall ~~do the~~ 2630
~~applicable one of the following:~~ 2631

~~(1) If the general assembly has enacted standards for the~~ 2632
~~operation of internet- or computer-based community schools by~~ 2633
~~January 1, 2013, comply with the standards so enacted;~~ 2634

~~(2) If the general assembly has not enacted such standards~~ 2635
~~by that date, comply with the standards developed by the~~ 2636
international association for K-12 online learning. 2637

(B) Each internet- or computer-based community school that 2638
initially opens for operation on or after January 1, 2013, shall 2639
comply with the standards required by division (A) of this 2640
section at the time it opens. Each internet- or computer-based 2641
community school that initially opened for operation prior to 2642
January 1, 2013, shall comply with the standards required by 2643
division (A) of this section not later than July 1, 2013. 2644

(C) The sponsor of each internet- or computer-based 2645
community school shall be responsible for monitoring, ensuring, 2646
and reporting compliance with the online learning standards 2647
described in divisions (A) and (B) of this section. 2648

Sec. 3314.251. Notwithstanding any provision of law to the 2649
contrary, each internet- or computer-based community school may 2650
provide its students with a location within a fifty-mile radius 2651
of the student's residence at which the student may receive 2652
counseling, instructional coaching, and testing assistance. 2653

Sec. 3314.27. No student enrolled in an internet- or 2654
computer-based community school may participate in more than ten 2655
hours of learning opportunities in any period of twenty-four 2656
consecutive hours. Any time such a student participates in 2657
learning opportunities beyond the limit prescribed in this 2658
section shall not count toward the annual minimum number of 2659
hours required to be provided to that student as prescribed in 2660
division (A)(11)(a) of section 3314.03 of the Revised Code. If 2661
any internet- or computer-based community school requires its 2662
students to participate in learning opportunities on the basis 2663
of days rather than hours, one day shall consist of a minimum of 2664
five hours of such participation. 2665

Each internet- or computer-based community school shall 2666
keep an accurate record of each individual student's 2667

participation in learning opportunities each day. The record 2668
shall be kept in such a manner that the information contained 2669
within it easily can be submitted to the department of 2670
education, upon request by the department or the auditor of 2671
state. 2672

Sec. 3314.271. (A) Each internet- or computer-based 2673
community school shall offer a student orientation course and 2674
shall notify each student who enrolls in that school of that 2675
student's opportunity to participate in the student orientation 2676
course. 2677

(B) The department of education shall provide guidance to 2678
internet- or computer-based community schools for developing and 2679
delivering the orientation course. 2680

(C) (1) Each internet- or computer-based community school 2681
shall notify a student's parent or guardian of record in the 2682
event the student is failing only one course while the student 2683
is enrolled in that school. 2684

(2) If a student is failing two or more courses, the 2685
student's parents or guardians, the student's teachers, and the 2686
principal or lead teacher of the community school shall confer 2687
to evaluate the student's performance. The conference may take 2688
place via telephone or other electronic means. 2689

Sec. 3314.35. (A) (1) Except as provided in division (A) (4) 2690
of this section, this section applies to any community school 2691
that meets one of the following criteria after July 1, 2009, but 2692
before July 1, 2011: 2693

(a) The school does not offer a grade level higher than 2694
three and has been declared to be in a state of academic 2695
emergency under section 3302.03 of the Revised Code for three of 2696

the four most recent school years. 2697

(b) The school satisfies all of the following conditions: 2698

(i) The school offers any of grade levels four to eight 2699
but does not offer a grade level higher than nine. 2700

(ii) The school has been declared to be in a state of 2701
academic emergency under section 3302.03 of the Revised Code for 2702
two of the three most recent school years. 2703

(iii) In at least two of the three most recent school 2704
years, the school showed less than one standard year of academic 2705
growth in either reading or mathematics, as determined by the 2706
department of education in accordance with rules adopted under 2707
division (A) of section 3302.021 of the Revised Code. 2708

(c) The school offers any of grade levels ten to twelve 2709
and has been declared to be in a state of academic emergency 2710
under section 3302.03 of the Revised Code for three of the four 2711
most recent school years. 2712

(2) Except as provided in division (A)(4) of this section, 2713
this section applies to any community school that meets one of 2714
the following criteria after July 1, 2011, but before July 1, 2715
2013: 2716

(a) The school does not offer a grade level higher than 2717
three and has been declared to be in a state of academic 2718
emergency under section 3302.03 of the Revised Code for two of 2719
the three most recent school years. 2720

(b) The school satisfies all of the following conditions: 2721

(i) The school offers any of grade levels four to eight 2722
but does not offer a grade level higher than nine. 2723

(ii) The school has been declared to be in a state of 2724
academic emergency under section 3302.03 of the Revised Code for 2725
two of the three most recent school years. 2726

(iii) In at least two of the three most recent school 2727
years, the school showed less than one standard year of academic 2728
growth in either reading or mathematics, as determined by the 2729
department in accordance with rules adopted under division (A) 2730
of section 3302.021 of the Revised Code. 2731

(c) The school offers any of grade levels ten to twelve 2732
and has been declared to be in a state of academic emergency 2733
under section 3302.03 of the Revised Code for two of the three 2734
most recent school years. 2735

(3) Except as provided in division (A) (4) of this section, 2736
this section applies to any community school that meets one of 2737
the following criteria on or after July 1, 2013: 2738

(a) The school does not offer a grade level higher than 2739
three and, for two of the three most recent school years, 2740
satisfies any of the following criteria: 2741

(i) The school has been declared to be in a state of 2742
academic emergency under section 3302.03 of the Revised Code, as 2743
it existed prior to March 22, 2013; 2744

(ii) The school has received a grade of "F" in improving 2745
literacy in grades kindergarten through three under division (B) 2746
(1) (g) or (C) (1) (g) of section 3302.03 of the Revised Code; 2747

(iii) The school has received an overall grade of "F" 2748
under division (C) of section 3302.03 of the Revised Code. 2749

(b) The school offers any of grade levels four to eight 2750
but does not offer a grade level higher than nine and, for two 2751

of the three most recent school years, satisfies any of the 2752
following criteria: 2753

(i) The school has been declared to be in a state of 2754
academic emergency under section 3302.03 of the Revised Code, as 2755
it existed prior to March 22, 2013, and the school showed less 2756
than one standard year of academic growth in either reading or 2757
mathematics, as determined by the department in accordance with 2758
rules adopted under division (A) of section 3302.021 of the 2759
Revised Code; 2760

(ii) The school has received a grade of "F" for the 2761
performance index score under division (A) (1) (b), (B) (1) (b), or 2762
(C) (1) (b) and a grade of "F" for the value-added progress 2763
dimension under division (A) (1) (e), (B) (1) (e), or (C) (1) (e) of 2764
section 3302.03 of the Revised Code; 2765

(iii) The school has received an overall grade of "F" 2766
under division (C) and a grade of "F" for the value-added 2767
progress dimension under division (C) (1) (e) of section 3302.03 2768
of the Revised Code. 2769

(c) The school offers any of grade levels ten to twelve 2770
and, for two of the three most recent school years, satisfies 2771
any of the following criteria: 2772

(i) The school has been declared to be in a state of 2773
academic emergency under section 3302.03 of the Revised Code, as 2774
it existed prior to March 22, 2013; 2775

(ii) The school has received a grade of "F" for the 2776
performance index score under division (A) (1) (b), (B) (1) (b), or 2777
(C) (1) (b) and has not met annual measurable objectives under 2778
division (A) (1) (a), (B) (1) (a), or (C) (1) (a) of section 3302.03 2779
of the Revised Code; 2780

(iii) The school has received an overall grade of "F" 2781
under division (C) and a grade of "F" for the value-added 2782
progress dimension under division (C) (1) (e) of section 3302.03 2783
of the Revised Code. 2784

For purposes of division (A) (3) of this section only, the 2785
department of education shall calculate the value-added progress 2786
dimension for a community school using assessment scores for 2787
only those students to whom the school has administered the 2788
achievement assessments prescribed by section 3301.0710 of the 2789
Revised Code for at least the two most recent school years but 2790
using value-added data from only the most recent school year. 2791

(4) This section does not apply to either of the 2792
following: 2793

(a) Any community school in which a majority of the 2794
students are enrolled in a dropout prevention and recovery 2795
program that is operated by the school. Rather, such schools 2796
shall be subject to closure only as provided in section 3314.351 2797
of the Revised Code. However, prior to July 1, 2014, a community 2798
school in which a majority of the students are enrolled in a 2799
dropout prevention and recovery program shall be exempt from 2800
this section only if it has been granted a waiver under section 2801
3314.36 of the Revised Code. 2802

(b) Any community school in which a majority of the 2803
enrolled students are children with disabilities receiving 2804
special education and related services in accordance with 2805
Chapter 3323. of the Revised Code. 2806

(B) Any community school to which this section applies 2807
shall permanently close at the conclusion of the school year in 2808
which the school first becomes subject to this section. The 2809

sponsor and governing authority of the school shall comply with 2810
all procedures for closing a community school adopted by the 2811
department under division (E) of section 3314.015 of the Revised 2812
Code. The governing authority of the school shall not enter into 2813
a contract with any other sponsor under section 3314.03 of the 2814
Revised Code after the school closes. 2815

(C) In accordance with division (B) of section 3314.012 of 2816
the Revised Code, the department shall not consider the 2817
performance ratings assigned to a community school for its first 2818
two years of operation when determining whether the school meets 2819
the criteria prescribed by division (A) (1) or (2) of this 2820
section. 2821

(D) Nothing in this section or in any other provision of 2822
the Revised Code prohibits the sponsor of a community school 2823
from exercising its option not to renew a contract for any 2824
reason or from terminating a contract prior to its expiration 2825
for any of the reasons set forth in section 3314.07 of the 2826
Revised Code. 2827

Sec. 3314.351. (A) This section applies to any community 2828
school in which a majority of the students are enrolled in a 2829
dropout prevention and recovery program. Beginning on or after 2830
July 1, 2014, any such community school that has received a 2831
designation of "does not meet standards," as described in 2832
division (D) (1) of section 3314.017 of the Revised Code on the 2833
report card issued under that section, for at least two of the 2834
three most recent school years shall be subject to closure in 2835
accordance with this section. 2836

(B) Not later than the first day of September in each 2837
school year, the department of education shall notify each 2838
school subject to closure under this section that the school 2839

must close not later than the thirtieth day of the following 2840
June. 2841

A school so notified shall close as required. 2842

(C) A school that opens on or after July 1, 2014, shall 2843
not be subject to closure under this section for its first two 2844
years of operation. A school that is in operation prior to July 2845
1, 2014, shall not be subject to closure under this section 2846
until after August 31, 2016. 2847

(D) The sponsor and governing authority of the school 2848
shall comply with all procedures for closing a community school 2849
adopted by the department under division (E) of section 3314.015 2850
of the Revised Code. The governing authority of the school shall 2851
not enter into a contract with any other sponsor under section 2852
3314.03 of the Revised Code after the school closes. 2853

(E) Nothing in this section or in any other provision of 2854
the Revised Code prohibits the sponsor of a community school 2855
from exercising its option not to renew a contract for any 2856
reason or from terminating a contract prior to its expiration 2857
for any of the reasons set forth in section 3314.07 of the 2858
Revised Code. 2859

Sec. 3314.46. As used in this section, "sponsor" includes 2860
any officer, director, employee of the sponsor of a community 2861
school, and any person with decision-making authority regarding 2862
the operations of a sponsor of a community school. 2863

(A) Except as provided in division (B) of this section, no 2864
sponsor of a community school shall sell any goods or services 2865
to any community school it sponsors. 2866

(B) (1) If the sponsor of a community school entered into a 2867
contract prior to the effective date of this section that 2868

involves the sale of goods or services to a community school it 2869
sponsors, the sponsor shall not be required to comply with 2870
division (A) of this section with respect to that school until 2871
the expiration of the contract. 2872

(2) If the sponsor of a community school is also the 2873
school district in which that community school is located, the 2874
sponsor may sell goods or services to that community school at 2875
no profit to the sponsor. 2876

Sec. 3317.034. For purposes of section 3317.03 of the 2877
Revised Code: 2878

(A) A student shall be considered to be enrolled in the 2879
district for any portion of the school year the student is 2880
participating at a college under Chapter 3365. of the Revised 2881
Code. 2882

(B) A student shall be considered to be enrolled in the 2883
district for the period of time beginning on the date on which 2884
the school has both received the documentation of the student's 2885
enrollment from a parent and the student has commenced 2886
participation in learning opportunities offered by the district. 2887
For purposes of applying divisions (B) and (C) of this section, 2888
"learning opportunities" means both classroom-based and 2889
nonclassroom-based learning opportunities overseen by licensed 2890
educational employees of the district that is in compliance with 2891
criteria and documentation requirements for student 2892
participation, which shall be established by the department. Any 2893
student's instruction time in nonclassroom-based learning 2894
opportunities shall be certified by an employee of the district. 2895

(C) A student's enrollment shall be considered to cease on 2896
the date on which any of the following occur: 2897

(1) The district receives documentation from a parent 2898
terminating enrollment of the student. 2899

(2) The district is provided documentation of a student's 2900
enrollment in another public or nonpublic school. 2901

(3) The student ceases to participate in learning 2902
opportunities provided by the school. 2903

(D) No public school may enroll or withdraw a student from 2904
the education management information system established under 2905
section 3310.0714 of the Revised Code later than thirty days 2906
after the student's actual enrollment or withdrawal from the 2907
school. 2908

(E) A student in any of grades nine through twelve ~~shall~~ 2909
may be considered a full-time equivalent student if the student 2910
is enrolled in at least five units of instruction, as defined in 2911
section 3313.603 of the Revised Code, per school year. 2912

Sec. 3321.19. (A) As used in this section and section 2913
3321.191 of the Revised Code: 2914

(1) "Habitual truant" has the same meaning as in section 2915
2151.011 of the Revised Code. 2916

(2) "Chronic truant" has the same meaning as in section 2917
2152.02 of the Revised Code. 2918

(B) When a board of education of any city, exempted 2919
village, local, joint vocational, or cooperative education 2920
school district or the governing board of any educational 2921
service center determines that a student in its district has 2922
been truant and the parent, guardian, or other person having 2923
care of the child has failed to cause the student's attendance 2924
at school, the board may require the parent, guardian, or other 2925

person having care of the child pursuant to division (B) of this 2926
section to attend an educational program established pursuant to 2927
rules adopted by the state board of education for the purpose of 2928
encouraging parental involvement in compelling the attendance of 2929
the child at school. 2930

No parent, guardian, or other person having care of a 2931
child shall fail without good cause to attend an educational 2932
program described in this division if the parent, guardian, or 2933
other person has been served notice pursuant to division (C) of 2934
this section. 2935

(C) On the request of the superintendent of schools, the 2936
superintendent of any educational service center, the board of 2937
education of any city, exempted village, local, joint 2938
vocational, or cooperative education school district, or the 2939
governing board of any educational service center or when it 2940
otherwise comes to the notice of the attendance officer or other 2941
appropriate officer of the school district, the attendance 2942
officer or other appropriate officer shall examine into any case 2943
of supposed truancy within the district and shall warn the 2944
child, if found truant, and the child's parent, guardian, or 2945
other person having care of the child, in writing, of the legal 2946
consequences of being an habitual or chronic truant. When any 2947
child of compulsory school age, in violation of law, is not 2948
attending school, the attendance or other appropriate officer 2949
shall notify the parent, guardian, or other person having care 2950
of that child of the fact, and require the parent, guardian, or 2951
other person to cause the child to attend school immediately. 2952
The parent, guardian, or other person having care of the child 2953
shall cause the child's attendance at school. Upon the failure 2954
of the parent, guardian, or other person having care of the 2955
child to do so, the attendance officer or other appropriate 2956

officer, if so directed by the superintendent, the district 2957
board, or the educational service center governing board, shall 2958
send notice requiring the attendance of that parent, guardian, 2959
or other person at a parental education program established 2960
pursuant to division (B) of this section and, subject to 2961
divisions (D) and (E) of this section, may file a complaint 2962
against the parent, guardian, or other person having care of the 2963
child in any court of competent jurisdiction. 2964

(D) Upon the failure of the parent, guardian, or other 2965
person having care of the child to cause the child's attendance 2966
at school, if the child is considered an habitual truant, the 2967
board of education of the school district or the governing board 2968
of the educational service center shall do either or both of the 2969
following: 2970

(1) Take any appropriate action as an intervention 2971
strategy contained in the policy developed by the board pursuant 2972
to section 3321.191 of the Revised Code; 2973

(2) File a complaint in the juvenile court of the county 2974
in which the child has a residence or legal settlement or in 2975
which the child is supposed to attend school jointly against the 2976
child and the parent, guardian, or other person having care of 2977
the child. A complaint filed in the juvenile court under this 2978
division shall allege that the child is an unruly child for 2979
being an habitual truant or is a delinquent child for being an 2980
habitual truant who previously has been adjudicated an unruly 2981
child for being an habitual truant and that the parent, 2982
guardian, or other person having care of the child has violated 2983
section 3321.38 of the Revised Code. In the event that the child 2984
withdraws from the school district after a complaint has been 2985
filed with the juvenile court, the school district shall proceed 2986

with the complaint until the court has reached its 2987
determination. A designation by a court pursuant to this section 2988
shall follow the child if the child later enrolls in a community 2989
school established under Chapter 3314. of the Revised Code. 2990

(E) Upon the failure of the parent, guardian, or other 2991
person having care of the child to cause the child's attendance 2992
at school, if the child is considered a chronic truant, the 2993
board of education of the school district or the governing board 2994
of the educational service center shall file a complaint in the 2995
juvenile court of the county in which the child has a residence 2996
or legal settlement or in which the child is supposed to attend 2997
school jointly against the child and the parent, guardian, or 2998
other person having care of the child. A complaint filed in the 2999
juvenile court under this division shall allege that the child 3000
is a delinquent child for being a chronic truant and that the 3001
parent, guardian, or other person having care of the child has 3002
violated section 3321.38 of the Revised Code. In the event that 3003
the child withdraws from the school district after a complaint 3004
has been filed with the juvenile court, the school district 3005
shall proceed with the complaint until the court has reached its 3006
determination. A designation by a court pursuant to this section 3007
shall follow the child if the child later enrolls in a community 3008
school established under Chapter 3314. of the Revised Code. 3009

Section 2. That existing sections 3302.03, 3314.011, 3010
3314.015, 3314.016, 3314.02, 3314.021, 3314.023, 3314.024, 3011
3314.027, 3314.029, 3314.03, 3314.07, 3314.074, 3314.091, 3012
3314.23, 3314.27, 3314.35, 3314.351, 3317.034, and 3321.19 and 3013
section 3314.026 of the Revised Code are hereby repealed. 3014

Section 3. Not later than December 31, 2015, the State 3015
Board of Education shall make recommendations to the General 3016

Assembly, in accordance with section 101.68 of the Revised Code, 3017
and the Governor regarding the following: 3018

(A) Performance standards for community schools in which a 3019
majority of the enrolled students are children with disabilities 3020
receiving special education and related services in accordance 3021
with Chapter 3323. of the Revised Code; 3022

(B) The feasibility of removal of the exemption from 3023
permanent closure, prescribed by division (A) (4) (b) of section 3024
3314.35 of the Revised Code, for schools described in division 3025
(A) of this section. 3026

Section 4. (A) There is hereby created a committee to make 3027
recommendations to the General Assembly regarding the definition 3028
of "quality" for community schools that primarily enroll 3029
students between sixteen and twenty-two years of age who dropped 3030
out of high school or are at risk of dropping out of high school 3031
due to poor attendance, disciplinary problems, or suspensions. 3032
The committee shall also study the efficacy of a completion or 3033
competency-based funding structure for these schools. The 3034
committee shall consist of the following members: 3035

(1) A business leader appointed by the Governor or the 3036
Governor's designee; 3037

(2) The president of a community college or the 3038
president's designee, appointed by the Governor or the 3039
Governor's designee; 3040

(3) The superintendent of a community school that received 3041
a rating of "meets standards" or "exceeds standards" on its most 3042
recent report card issued under section 3314.017 of the Revised 3043
Code and primarily enrolls students between sixteen and twenty- 3044
two years of age who dropped out of high school or are at risk 3045

of dropping out of high school due to poor attendance, 3046
disciplinary problems, or suspensions, appointed by the Governor 3047
or the Governor's designee; 3048

(4) The superintendent of a career-technical school, 3049
appointed by the Speaker of the House of Representatives; 3050

(5) An individual representing the House of 3051
Representatives, appointed by the Speaker of the House of 3052
Representatives; 3053

(6) An individual representing the Senate, appointed by 3054
the President of the Senate; 3055

(7) The president of a four-year university, or the 3056
president's designee, appointed by the President of the Senate; 3057

(8) A representative of the Ohio Board of Regents, 3058
appointed by the Chancellor of the Board of Regents; 3059

(9) A representative of the Department of Education, 3060
appointed by the Superintendent of Public Instruction; 3061

(10) The superintendent of a big eight school district, as 3062
defined in section 3314.02 of the Revised Code, as selected by 3063
the Ohio 8 Coalition. 3064

(B) The committee shall serve under the guidance of the 3065
Department of Education. 3066

(C) Not later than six months after the effective date of 3067
this section, the committee shall prepare a report of its 3068
recommendations and submit the report to the chairpersons of the 3069
standing committees of the House of Representatives and the 3070
Senate that are principally responsible for education policy. 3071