## As Reported by the Committee of Conference

#### CORRECTED VERSION

# **131st General Assembly**

Regular Session 2015-2016

Am. Sub. H. B. No. 2

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

### A BILL

То	amend sections 3302.03, 3307.01, 3309.011,	1
	3313.12, 3314.011, 3314.015, 3314.016, 3314.02,	2
	3314.021, 3314.023, 3314.024, 3314.027,	3
	3314.029, 3314.03, 3314.07, 3314.074, 3314.10,	4
	3314.19, 3314.23, 3314.27, 3314.35, 3314.351,	5
	3314.50, and 3317.034; to enact sections	6
	117.105, 3302.037, 3309.013, 3313.131, 3314.019,	7
	3314.025, 3314.0210, 3314.031, 3314.032,	8
	3314.034, 3314.035, 3314.036, 3314.037,	9
	3314.038, 3314.039, 3314.251, 3314.271, and	10
	3314.46; and to repeal section 3314.026 of the	11
	Revised Code; and to repeal Section 263.660 of	12
	Am. Sub. H.B. 64 of the 131st General Assembly	13
	with regard to governance, sponsorship, and	14
	management of community schools and community	15
	school employee membership in the School	16
	Employees Retirement System and State Teachers	17

Retirement System; to require the Department of	18
Education to study a regression formula for	19
measuring student academic performance; to limit	20
the total annual amount of compensation that a	21
school district or educational service center	22
board member may receive; and to revise the	23
conditions of enrollment status for high school	24
students.	25

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

Section 1. That sections 3302.03, 3307.01, 3309.011,	26
3313.12, 3314.011, 3314.015, 3314.016, 3314.02, 3314.021,	27
3314.023, 3314.024, 3314.027, 3314.029, 3314.03, 3314.07,	28
3314.074, 3314.10, 3314.19, 3314.23, 3314.27, 3314.35, 3314.351,	29
3314.50, and 3317.034 be amended and sections 117.105, 3302.037,	30
3309.013, 3313.131, 3314.019, 3314.025, 3314.0210, 3314.031,	31
3314.032, 3314.034, 3314.035, 3314.036, 3314.037, 3314.038,	32
3314.039, 3314.251, 3314.271, and 3314.46 of the Revised Code be	33
enacted to read as follows:	34
Sec. 117.105. The auditor of state shall provide written	35
notice to the sponsor of a community school regarding any action	36
taken against or upcoming audits of a community school to assist	37
the sponsor in complying with the requirements of section	38
3314.019 of the Revised Code.	39
Sec. 3302.03. Annually, not later than the fifteenth day	40
of September or the preceding Friday when that day falls on a	41
Saturday or Sunday, the department of education shall assign a	42
letter grade for overall academic performance and for each	43

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separate performance measure for each school district, and each	44
school building in a district, in accordance with this section.	45
The state board shall adopt rules pursuant to Chapter 119. of	46
the Revised Code to establish performance criteria for each	47
letter grade and prescribe a method by which the department	48
assigns each letter grade. For a school building to which any of	49
the performance measures do not apply, due to grade levels	50
served by the building, the state board shall designate the	51
performance measures that are applicable to the building and	52
that must be calculated separately and used to calculate the	53
building's overall grade. The department shall issue annual	54
report cards reflecting the performance of each school district,	55
each building within each district, and for the state as a whole	56
using the performance measures and letter grade system described	57
in this section. The department shall include on the	58
report card for each district and each building within each	59

district the most recent two-year trend data in student achievement for each subject and each grade.

- (A) (1) For the 2012-2013 school year, the department shall 62 issue grades as described in division (E) of this section for 63 each of the following performance measures: 64
  - (a) Annual measurable objectives;
- (b) Performance index score for a school district or building. Grades shall be awarded as a percentage of the total possible points on the performance index system as adopted by the state board. In adopting benchmarks for assigning letter grades under division (A)(1)(b) of this section, the state board of education shall designate ninety per cent or higher for an "A," at least seventy per cent but not more than eighty per cent for a "C," and less than fifty per cent for an "F."

designated as a "C."

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(c) The extent to which the school district or building	74
meets each of the applicable performance indicators established	75
by the state board under section 3302.02 of the Revised Code and	76
the percentage of applicable performance indicators that have	77
been achieved. In adopting benchmarks for assigning letter	78
grades under division (A)(1)(c) of this section, the state board	79
shall designate ninety per cent or higher for an "A."	80
(d) The four- and five-year adjusted cohort graduation	81
rates.	82
In adopting benchmarks for assigning letter grades under	83
division (A)(1)(d), (B)(1)(d), or (C)(1)(d) of this section, the	84
department shall designate a four-year adjusted cohort	85
graduation rate of ninety-three per cent or higher for an "A"	86
and a five-year cohort graduation rate of ninety-five per cent	87
or higher for an "A."	88
(e) The overall score under the value-added progress	89
dimension of a school district or building, for which the	90
department shall use up to three years of value-added data as	91
available. The letter grade assigned for this growth measure	92
shall be as follows:	93
(i) A score that is at least two standard errors of	94
measure above the mean score shall be designated as an "A."	95
(ii) A score that is at least one standard error of	96
measure but less than two standard errors of measure above the	97
mean score shall be designated as a "B."	98
(iii) A score that is less than one standard error of	99
measure above the mean score but greater than or equal to one	100
standard error of measure below the mean score shall be	101

(iv) A score that is not greater than one standard error	103
of measure below the mean score but is greater than or equal to	104
two standard errors of measure below the mean score shall be	105
designated as a "D."	106
(v) A score that is not greater than two standard errors	107
of measure below the mean score shall be designated as an "F."	108
Whenever the value-added progress dimension is used as a	109
graded performance measure, whether as an overall measure or as	110
a measure of separate subgroups, the grades for the measure	111
shall be calculated in the same manner as prescribed in division	112
(A)(1)(e) of this section.	113
(f) The value-added progress dimension score for a school	114
district or building disaggregated for each of the following	115
subgroups: students identified as gifted, students with	116
disabilities, and students whose performance places them in the	117
lowest quintile for achievement on a statewide basis. Each	118
subgroup shall be a separate graded measure.	119
(2) Not later than April 30, 2013, the state board of	120
education shall adopt a resolution describing the performance	121
measures, benchmarks, and grading system for the 2012-2013	122
school year and, not later than June 30, 2013, shall adopt rules	123
in accordance with Chapter 119. of the Revised Code that	124
prescribe the methods by which the performance measures under	125
division (A)(1) of this section shall be assessed and assigned a	126
letter grade, including performance benchmarks for each letter	127
grade.	128
At least forty-five days prior to the state board's	129
adoption of rules to prescribe the methods by which the	130

performance measures under division (A)(1) of this section shall

(e) The overall score under the value-added progress

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dimension of a school district or building, for which the department shall use up to three years of value-added data as available.

- (f) The value-added progress dimension score for a school 164 district or building disaggregated for each of the following 165 subgroups: students identified as gifted in superior cognitive 166 ability and specific academic ability fields under Chapter 3324. 167 of the Revised Code, students with disabilities, and students 168 whose performance places them in the lowest quintile for 169 achievement on a statewide basis. Each subgroup shall be a 170 171 separate graded measure.
- (g) Whether a school district or building is making 172 progress in improving literacy in grades kindergarten through 173 three, as determined using a method prescribed by the state 174 board. The state board shall adopt rules to prescribe benchmarks 175 and standards for assigning grades to districts and buildings 176 for purposes of division (B)(1)(q) of this section. In adopting 177 benchmarks for assigning letter grades under divisions (B) (1) (g) 178 and (C)(1)(g) of this section, the state board shall determine 179 progress made based on the reduction in the total percentage of 180 students scoring below grade level, or below proficient, 181 compared from year to year on the reading and writing diagnostic 182 assessments administered under section 3301.0715 of the Revised 183 Code and the third grade English language arts assessment under 184 section 3301.0710 of the Revised Code, as applicable. The state 185 board shall designate for a "C" grade a value that is not lower 186 than the statewide average value for this measure. No grade 187 shall be issued under divisions (B)(1)(q) and (C)(1)(q) of this 188 section for a district or building in which less than five per 189 cent of students have scored below grade level on the diagnostic 190 assessment administered to students in kindergarten under 191

division (B)(1) of section 3313.608 of the Revised Code.	192
(h) For a high mobility school district or building, an	193
additional value-added progress dimension score. For this	194
measure, the department shall use value-added data from the most	195
recent school year available and shall use assessment scores for	196
only those students to whom the district or building has	197
administered the assessments prescribed by section 3301.0710 of	198
the Revised Code for each of the two most recent consecutive	199
school years.	200
As used in this division, "high mobility school district	201
or building" means a school district or building where at least	202
twenty-five per cent of its total enrollment is made up of	203
students who have attended that school district or building for	204
less than one year.	205
(2) In addition to the graded measures in division (B)(1)	206
of this section, the department shall include on a school	207
district's or building's report card all of the following	208
without an assigned letter grade:	209
(a) The percentage of students enrolled in a district or	210
building participating in advanced placement classes and the	211
percentage of those students who received a score of three or	212
better on advanced placement examinations;	213
(b) The number of a district's or building's students who	214
have earned at least three college credits through dual	215
enrollment or advanced standing programs, such as the post-	216
secondary enrollment options program under Chapter 3365. of the	217
Revised Code and state-approved career-technical courses offered	218
through dual enrollment or statewide articulation, that appear	219

on a student's transcript or other official document, either of

which is issued by the institution of higher education from	221
which the student earned the college credit. The credits earned	222
that are reported under divisions (B)(2)(b) and (C)(2)(c) of	223
this section shall not include any that are remedial or	224
developmental and shall include those that count toward the	225
curriculum requirements established for completion of a degree.	226
(c) The percentage of students enrolled in a district or	227
building who have taken a national standardized test used for	228
college admission determinations and the percentage of those	229
students who are determined to be remediation-free in accordance	230
with standards adopted under division (F) of section 3345.061 of	231
the Revised Code;	232
(d) The percentage of the district's or the building's	233
students who receive industry-recognized credentials. The state	234
board shall adopt criteria for acceptable industry-recognized	235
credentials.	236
(e) The percentage of students enrolled in a district or	237
building who are participating in an international baccalaureate	238
program and the percentage of those students who receive a score	239
of four or better on the international baccalaureate	240
examinations.	241
(f) The percentage of the district's or building's	242
students who receive an honors diploma under division (B) of	243
section 3313.61 of the Revised Code.	244
(3) Not later than December 31, 2013, the state board	245
shall adopt rules in accordance with Chapter 119. of the Revised	246
Code that prescribe the methods by which the performance	247
measures under divisions (B)(1)(f) and (B)(1)(g) of this section	248

will be assessed and assigned a letter grade, including

performance benchmarks for each grade. 250 At least forty-five days prior to the state board's 251 adoption of rules to prescribe the methods by which the 252 performance measures under division (B)(1) of this section shall 253 be assessed and assigned a letter grade, the department shall 254 conduct a public presentation before the standing committees of 255 the house of representatives and the senate that consider 256 education legislation describing such methods, including 257 performance benchmarks. 258 259 (4) There shall not be an overall letter grade for a school district or building for the 2013-2014 school year. 260 (C)(1) For the 2014-2015 school year and each school year 261 thereafter, the department shall issue grades as described in 262 division (E) of this section for each of the performance 263 measures prescribed in division (C)(1) of this section and an 264 overall letter grade based on an aggregate of those measures, 265 except for the performance measure set forth in division (C)(1) 266 (h) of this section. The graded measures are as follows: 267 (a) Annual measurable objectives; 268 (b) Performance index score for a school district or 269 building. Grades shall be awarded as a percentage of the total 270 possible points on the performance index system as created by 271 the department. In adopting benchmarks for assigning letter 272 grades under division (C)(1)(b) of this section, the state board 273 shall designate ninety per cent or higher for an "A," at least 274 seventy per cent but not more than eighty per cent for a "C," 275 and less than fifty per cent for an "F." 276 (c) The extent to which the school district or building 277

meets each of the applicable performance indicators established

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by the state board under section 3302.03 of the Revised Code and	279
the percentage of applicable performance indicators that have	280
been achieved. In adopting benchmarks for assigning letter	281
grades under division (C)(1)(c) of this section, the state board	282
shall designate ninety per cent or higher for an "A."	283
(d) The four- and five-year adjusted cohort graduation	284
rates;	285
(e) The overall score under the value-added progress	286
dimension, or another measure of student academic progress if	287
adopted by the state board, of a school district or building,	288
for which the department shall use up to three years of value-	289
added data as available.	290
In adopting benchmarks for assigning letter grades for	291
overall score on value-added progress dimension under division	292
(C)(1)(e) of this section, the state board shall prohibit the	293
assigning of a grade of "A" for that measure unless the	294
district's or building's grade assigned for value-added progress	295
dimension for all subgroups under division (C)(1)(f) of this	296
section is a "B" or higher.	297
For the metric prescribed by division (C)(1)(e) of this	298
section, the state board may adopt a student academic progress	299
measure to be used instead of the value-added progress	300
dimension. If the state board adopts such a measure, it also	301
shall prescribe a method for assigning letter grades for the new	302
measure that is comparable to the method prescribed in division	303
(A)(1)(e) of this section.	304
(f) The value-added progress dimension score of a school	305

district or building disaggregated for each of the following

subgroups: students identified as gifted in superior cognitive

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ability and specific academic ability fields under Chapter 3324.	308
of the Revised Code, students with disabilities, and students	309
whose performance places them in the lowest quintile for	310
achievement on a statewide basis, as determined by a method	311
prescribed by the state board. Each subgroup shall be a separate	312
graded measure.	313

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

- (g) Whether a school district or building is making 320 progress in improving literacy in grades kindergarten through 321 three, as determined using a method prescribed by the state 322 board. The state board shall adopt rules to prescribe benchmarks 323 and standards for assigning grades to a district or building for 324 purposes of division (C)(1)(g) of this section. The state board 325 shall designate for a "C" grade a value that is not lower than 326 the statewide average value for this measure. No grade shall be 327 issued under division (C)(1)(g) of this section for a district 328 or building in which less than five per cent of students have 329 scored below grade level on the kindergarten diagnostic 330 assessment under division (B)(1) of section 3313.608 of the 331 Revised Code. 332
- (h) For a high mobility school district or building, an 333 additional value-added progress dimension score. For this 334 measure, the department shall use value-added data from the most 335 recent school year available and shall use assessment scores for 336 only those students to whom the district or building has 337

administered the assessments prescribed by section 3301.0710 of	338
the Revised Code for each of the two most recent consecutive	339
school years.	340
As used in this division, "high mobility school district	341
or building" means a school district or building where at least	342
twenty-five per cent of its total enrollment is made up of	343
students who have attended that school district or building for	344
less than one year.	345
(2) In addition to the graded measures in division (C)(1)	346
of this section, the department shall include on a school	347
district's or building's report card all of the following	348
without an assigned letter grade:	349
(a) The percentage of students enrolled in a district or	350
building who have taken a national standardized test used for	351
college admission determinations and the percentage of those	352
students who are determined to be remediation-free in accordance	353
with the standards adopted under division (F) of section	354
3345.061 of the Revised Code;	355
(b) The percentage of students enrolled in a district or	356
building participating in advanced placement classes and the	357
percentage of those students who received a score of three or	358
better on advanced placement examinations;	359
(c) The percentage of a district's or building's students	360
who have earned at least three college credits through advanced	361
standing programs, such as the college credit plus program under	362
Chapter 3365. of the Revised Code and state-approved career-	363
technical courses offered through dual enrollment or statewide	364
articulation, that appear on a student's college transcript	365

issued by the institution of higher education from which the

student earned the college credit. The credits earned that are	367
reported under divisions (B)(2)(b) and (C)(2)(c) of this section	368
shall not include any that are remedial or developmental and	369
shall include those that count toward the curriculum	370
requirements established for completion of a degree.	371
(d) The percentage of the district's or building's	372
students who receive an honor's diploma under division (B) of	373
section 3313.61 of the Revised Code;	374
(e) The percentage of the district's or building's	375
students who receive industry-recognized credentials;	376
(f) The percentage of students enrolled in a district or	377
building who are participating in an international baccalaureate	378
program and the percentage of those students who receive a score	379
of four or better on the international baccalaureate	
examinations;	381
(g) The results of the college and career-ready	382
assessments administered under division (B)(1) of section	383
3301.0712 of the Revised Code.	384
(3) The state board shall adopt rules pursuant to Chapter	385
119. of the Revised Code that establish a method to assign an	386
overall grade for a school district or school building for the	387
2014-2015 school year and each school year thereafter. The rules	388
shall group the performance measures in divisions (C) $(1)$ and $(2)$	389
of this section into the following components:	390
(a) Gap closing, which shall include the performance	391
measure in division (C)(1)(a) of this section;	392
(b) Achievement, which shall include the performance	393

measures in divisions (C)(1)(b) and (c) of this section;

(c) Progress, which shall include the performance measures	395
in divisions (C)(1)(e) and (f) of this section;	396
(d) Graduation, which shall include the performance	397
measure in division (C)(1)(d) of this section;	398
(e) Kindergarten through third-grade literacy, which shall	399
include the performance measure in division (C)(1)(g) of this	400
section;	401
(f) Prepared for success, which shall include the	402
performance measures in divisions (C)(2)(a), (b), (c), (d), (e),	403
and (f) of this section. The state board shall develop a method	404
to determine a grade for the component in division (C)(3)(f) of	405
this section using the performance measures in divisions (C)(2)	406
(a), (b), (c), (d), (e), and (f) of this section. When	407
available, the state board may incorporate the performance	408
measure under division (C)(2)(g) of this section into the	409
component under division (C)(3)(f) of this section. When	410
determining the overall grade for the prepared for success	411
component prescribed by division (C)(3)(f) of this section, no	412
individual student shall be counted in more than one performance	413
measure. However, if a student qualifies for more than one	414
performance measure in the component, the state board may, in	415
its method to determine a grade for the component, specify an	416
additional weight for such a student that is not greater than or	417
equal to 1.0. In determining the overall score under division	418
(C)(3)(f) of this section, the state board shall ensure that the	419
pool of students included in the performance measures aggregated	420
under that division are all of the students included in the	421
four- and five-year adjusted graduation cohort.	422
In the rules adopted under division (C)(3) of this	423

section, the state board shall adopt a method for determining a

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grade for each component in divisions (C)(3)(a) to (f) of this	425
section. The state board also shall establish a method to assign	426
an overall grade of "A," "B," "C," "D," or "F" using the grades	427
assigned for each component. The method the state board adopts	428
for assigning an overall grade shall give equal weight to the	429
components in divisions (C)(3)(b) and (c) of this section.	430

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

- (D) Not later than July 1, 2015, the state board shall 440 develop a measure of student academic progress for high school 441 students using only data from assessments in English language 442 arts and mathematics. For the 2014-2015 school year, the 443 department shall include this measure on a school district or 444 building's report card, as applicable, without an assigned 445 letter grade. Beginning with the report card for the 2015-2016 446 school year, each school district and applicable school building 447 shall be assigned a separate letter grade for this measure and 448 the district's or building's grade for that measure shall be 449 included in determining the district's or building's overall 450 letter grade. This measure shall be included within the measure 451 prescribed in division (C)(3)(c) of this section in the 452 calculation for the overall letter grade. 453
  - (E) The letter grades assigned to a school district or

building under this section shall be as follows:	455
(1) "A" for a district or school making excellent	456
progress;	457
(2) "B" for a district or school making above average	458
progress;	459
(3) "C" for a district or school making average progress;	460
(4) "D" for a district or school making below average	461
progress;	462
(5) "F" for a district or school failing to meet minimum	463
progress.	464
(F) When reporting data on student achievement and	465
progress, the department shall disaggregate that data according	466
to the following categories:	467
(1) Performance of students by grade-level;	468
(2) Performance of students by race and ethnic group;	469
(3) Performance of students by gender;	470
(4) Performance of students grouped by those who have been	471
enrolled in a district or school for three or more years;	472
(5) Performance of students grouped by those who have been	473
enrolled in a district or school for more than one year and less	474
than three years;	475
(6) Performance of students grouped by those who have been	476
enrolled in a district or school for one year or less;	477
(7) Performance of students grouped by those who are	478
economically disadvantaged;	479
(8) Performance of students grouped by those who are	480

section, the department shall not include in the report cards

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any data statistical in nature that is statistically unreliable	510
or that could result in the identification of individual	511
students. For this purpose, the department shall not report	512
student performance data for any group identified in division	513
(F) of this section that contains less than ten students. If the	514
department does not report student performance data for a group	515
because it contains less than ten students, the department shall	516
indicate on the report card that is why data was not reported.	517
(G) The department may include with the report cards any	518
additional education and fiscal performance data it deems	519
valuable.	520
(H) The department shall include on each report card a	521
list of additional information collected by the department that	522
is available regarding the district or building for which the	523
report card is issued. When available, such additional	524
information shall include student mobility data disaggregated by	525
race and socioeconomic status, college enrollment data, and the	526
reports prepared under section 3302.031 of the Revised Code.	527
The department shall maintain a site on the world wide	528
web. The report card shall include the address of the site and	529
shall specify that such additional information is available to	530
the public at that site. The department shall also provide a	531
copy of each item on the list to the superintendent of each	532
school district. The district superintendent shall provide a	533
copy of any item on the list to anyone who requests it.	534
(I) - Division (I) of this section does not apply to-	535
conversion community schools that primarily enroll students	536
between sixteen and twenty-two years of age who dropped out of	537
high school or are at risk of dropping out of high school due to	538

poor attendance, disciplinary problems, or suspensions.

(1) For (a) Except as provided in division (I) (1) (b) of	540
this section, for any district that sponsors a conversion	541
community school under Chapter 3314. of the Revised Code, the	542
department shall combine data regarding the academic performance	543
of students enrolled in the community school with comparable	544
data from the schools of the district for the purpose of	545
determining the performance of the district as a whole on the	546
report card issued for the district under this section or	547
section 3302.033 of the Revised Code.	548
(b) The department shall not combine data from any	549
conversion community school that a district sponsors if a	550
majority of the students enrolled in the conversion community	551
school are enrolled in a dropout prevention and recovery program	552
that is operated by the school, as described in division (A)(4)	553
(a) of section 3314.35 of the Revised Code. The department shall	554
include as an addendum to the district's report card the ratings	555
and performance measures that are required under section	556
3314.017 of the Revised Code for any community school to which	557
division (I)(1)(b) of this section applies. This addendum shall	558
include, at a minimum, the data specified in divisions (C)(1)	559
(a), (C)(2), and (C)(3) of section 3314.017 of the Revised Code.	560
(2) Any district that leases a building to a community	561
school located in the district or that enters into an agreement	562
with a community school located in the district whereby the	563
district and the school endorse each other's programs may elect	564
to have data regarding the academic performance of students	565
enrolled in the community school combined with comparable data	566
from the schools of the district for the purpose of determining	567
the performance of the district as a whole on the district	568
report card. Any district that so elects shall annually file a	569

copy of the lease or agreement with the department.

(3) Any municipal school district, as defined in section	571
3311.71 of the Revised Code, that sponsors a community school	572
located within the district's territory, or that enters into an	573
agreement with a community school located within the district's	574
territory whereby the district and the community school endorse	575
each other's programs, may exercise either or both of the	576
following elections:	577
(a) To have data regarding the academic performance of	578
students enrolled in that community school combined with	579
comparable data from the schools of the district for the purpose	580
of determining the performance of the district as a whole on the	581
district's report card;	582
(b) To have the number of students attending that	583
community school noted separately on the district's report card.	584
The election authorized under division (I)(3)(a) of this	585
section is subject to approval by the governing authority of the	586
community school.	587
Any municipal school district that exercises an election	588
to combine or include data under division (I)(3) of this	589
section, by the first day of October of each year, shall file	590
with the department documentation indicating eligibility for	591
that election, as required by the department.	592
(J) The department shall include on each report card the	593
percentage of teachers in the district or building who are	594
highly qualified, as defined by the No Child Left Behind Act of	595
2001, and a comparison of that percentage with the percentages	596
of such teachers in similar districts and buildings.	597
(K)(1) In calculating English language arts, mathematics,	598

social studies, or science assessment passage rates used to

determine school district or building performance under this	600
section, the department shall include all students taking an	601
assessment with accommodation or to whom an alternate assessment	602
is administered pursuant to division (C)(1) or (3) of section	603
3301.0711 of the Revised Code.	604
(2) In calculating performance index scores, rates of	605
achievement on the performance indicators established by the	606
state board under section 3302.02 of the Revised Code, and	607
annual measurable objectives for determining adequate yearly	608
progress for school districts and buildings under this section,	609
the department shall do all of the following:	610
(a) Include for each district or building only those	611
students who are included in the ADM certified for the first	612
full school week of October and are continuously enrolled in the	613
district or building through the time of the spring	614
administration of any assessment prescribed by division (A)(1)	615
or (B)(1) of section 3301.0710 or division (B) of section	616
3301.0712 of the Revised Code that is administered to the	617
student's grade level;	618
(b) Include cumulative totals from both the fall and	619
spring administrations of the third grade English language arts	620
achievement assessment;	621
(c) Except as required by the No Child Left Behind Act of	622
2001, exclude for each district or building any limited English	623
proficient student who has been enrolled in United States	624
schools for less than one full school year.	625
(L) Beginning with the 2015-2016 school year and at least	626
once every three years thereafter, the state board of education	627

shall review and may adjust the benchmarks for assigning letter

grades to the performance measures and components prescribed	629
under divisions (C)(3) and (D) of this section.	630
Sec. 3302.037. The department of education shall conduct a	631
study to evaluate the validity and usefulness of using the	632
"similar students measure," as created by the California charter	633
schools association, to calculate student academic progress,	634
using a regression model to take into account demographic	635
differences, for each public school.	636
Not later than December 1, 2016, the department shall	637
prepare and submit a report regarding its findings and	638
recommendations to the state board of education and the general	639
assembly in accordance with section 101.68 of the Revised Code.	640
Sec. 3307.01. As used in this chapter:	641
(A) "Employer" means the board of education, school	642
district, governing authority of any community school	643
established under Chapter 3314. of the Revised Code, a science,	644
technology, engineering, and mathematics school established	645
under Chapter 3326. of the Revised Code, college, university,	646
institution, or other agency within the state by which a teacher	647
is employed and paid.	648
(B)(1) "Teacher" means all of the following:	649
(a) Any person paid from public funds and employed in the	650
public schools of the state under any type of contract described	651
in section 3311.77 or 3319.08 of the Revised Code in a position	652
for which the person is required to have a license issued	653
pursuant to sections 3319.22 to 3319.31 of the Revised Code;	654
(b) Any Except as provided in division (B)(2)(b) or (c) of	655
this section, any person employed as a teacher by or faculty	656
member in a community school or a science, technology.	657

engineering, and mathematics school pursuant to Chapter 3314. or	658
3326. of the Revised Code;	659
(c) Any person having a license issued pursuant to	660
sections 3319.22 to 3319.31 of the Revised Code and employed in	661
a public school in this state in an educational position, as	662
determined by the state board of education, under programs	663
provided for by federal acts or regulations and financed in	664
whole or in part from federal funds, but for which no licensure	665
requirements for the position can be made under the provisions	666
of such federal acts or regulations;	667
(d) Any other teacher or faculty member employed in any	668
school, college, university, institution, or other agency wholly	669
controlled and managed, and supported in whole or in part, by	670
the state or any political subdivision thereof, including	671
Central state university, Cleveland state university, and the	672
university of Toledo;	673
(e) The educational employees of the department of	674
education, as determined by the state superintendent of public	675
instruction.	676
In all cases of doubt, the state teachers retirement board	677
shall determine whether any person is a teacher, and its	678
decision shall be final.	679
(2) "Teacher" does not include any of the following:	680
(a) Any eligible employee of a public institution of	681
higher education, as defined in section 3305.01 of the Revised	682
Code, who elects to participate in an alternative retirement	683
plan established under Chapter 3305. of the Revised Code;	684
(b) Any person employed by a community school operator, as	685
defined in section 3314.02 of the Revised Code, for whom the	686

operator withholds and pays employee and employer taxes pursuant	687
to 26 U.S.C. 3101(a) and 3111(a), unless the person had	688
contributing service in a community school in the state within	689
one year prior to the later of July 1, 2016, or the date on	690
which the operator for the first time withholds and pays	691
employee and employer taxes pursuant to 26 U.S.C. 3101(a) and	692
3111(a) for that person;	693
(c) Any person who would otherwise be a teacher under	694
division (B)(2)(b) of this section who terminates employment	695
with a community school operator and has no contributing service	696
in a community school in the state for a period of at least one	697
year from the date of termination of employment.	698
(C) "Member" means any person included in the membership	699
of the state teachers retirement system, which shall consist of	700
all teachers and contributors as defined in divisions (B) and	701
(D) of this section and all disability benefit recipients, as	702
defined in section 3307.50 of the Revised Code. However, for	703
purposes of this chapter, the following persons shall not be	704
considered members:	705
(1) A student, intern, or resident who is not a member	706
while employed part-time by a school, college, or university at	707
which the student, intern, or resident is regularly attending	708
classes;	709
(2) A person denied membership pursuant to section 3307.24	710
of the Revised Code;	711
(3) An other system retirant, as defined in section	712
3307.35 of the Revised Code, or a superannuate;	713
(4) An individual employed in a program established	714
pursuant to the "Job Training Partnership Act," 96 Stat. 1322	715

(1982), 29 U.S.C.A. 1501;	716
(5) The surviving spouse of a member or retirant if the	717
surviving spouse's only connection to the retirement system is	718
an account in an STRS defined contribution plan.	719
(D) "Contributor" means any person who has an account in	720
the teachers' savings fund or defined contribution fund, except	721
that "contributor" does not mean a member or retirant's	722
surviving spouse with an account in an STRS defined contribution	723
plan.	724
(E) "Beneficiary" means any person eligible to receive, or	725
in receipt of, a retirement allowance or other benefit provided	726
by this chapter.	727
(F) "Year" means the year beginning the first day of July	728
and ending with the thirtieth day of June next following, except	729
that for the purpose of determining final average salary under	730
the plan described in sections 3307.50 to 3307.79 of the Revised	731
Code, "year" may mean the contract year.	732
(G) "Local district pension system" means any school	733
teachers pension fund created in any school district of the	734
state in accordance with the laws of the state prior to	735
September 1, 1920.	736
(H) "Employer contribution" means the amount paid by an	737
employer, as determined by the employer rate, including the	738
normal and deficiency rates, contributions, and funds wherever	739
used in this chapter.	740
(I) "Five years of service credit" means employment	741
covered under this chapter and employment covered under a former	742
retirement plan operated, recognized, or endorsed by a college,	743
institute, university, or political subdivision of this state	744

prior to coverage under this chapter.	745
(J) "Actuary" means an actuarial professional contracted	746
with or employed by the state teachers retirement board, who	747
shall be either of the following:	748
(1) A member of the American academy of actuaries;	749
(2) A firm, partnership, or corporation of which at least	750
one person is a member of the American academy of actuaries.	751
(K) "Fiduciary" means a person who does any of the	752
following:	753
(1) Exercises any discretionary authority or control with	754
respect to the management of the system, or with respect to the	755
management or disposition of its assets;	756
(2) Renders investment advice for a fee, direct or	757
indirect, with respect to money or property of the system;	758
(3) Has any discretionary authority or responsibility in	759
the administration of the system.	760
(L)(1) Except as provided in this division, "compensation"	761
means all salary, wages, and other earnings paid to a teacher by	762
reason of the teacher's employment, including compensation paid	763
pursuant to a supplemental contract. The salary, wages, and	764
other earnings shall be determined prior to determination of the	765
amount required to be contributed to the teachers' savings fund	766
or defined contribution fund under section 3307.26 of the	767
Revised Code and without regard to whether any of the salary,	768
wages, or other earnings are treated as deferred income for	769
federal income tax purposes.	770
(2) Compensation does not include any of the following:	771

(a) Payments for accrued but unused sick leave or personal	772
leave, including payments made under a plan established pursuant	773
to section 124.39 of the Revised Code or any other plan	774
established by the employer;	775
(b) Payments made for accrued but unused vacation leave,	776
including payments made pursuant to section 124.13 of the	777
Revised Code or a plan established by the employer;	778
(c) Payments made for vacation pay covering concurrent	779
periods for which other salary, compensation, or benefits under	780
this chapter or Chapter 145. or 3309. of the Revised Code are	781
paid;	782
(d) Amounts paid by the employer to provide life	783
insurance, sickness, accident, endowment, health, medical,	784
hospital, dental, or surgical coverage, or other insurance for	785
the teacher or the teacher's family, or amounts paid by the	786
employer to the teacher in lieu of providing the insurance;	787
(e) Incidental benefits, including lodging, food, laundry,	788
parking, or services furnished by the employer, use of the	789
employer's property or equipment, and reimbursement for job-	790
related expenses authorized by the employer, including moving	791
and travel expenses and expenses related to professional	792
development;	793
(f) Payments made by the employer in exchange for a	794
member's waiver of a right to receive any payment, amount, or	795
benefit described in division (L)(2) of this section;	796
(g) Payments by the employer for services not actually	797
rendered;	798
(h) Any amount paid by the employer as a retroactive	799
increase in salary, wages, or other earnings, unless the	800

increase is one of the following:	801
(i) A retroactive increase paid to a member employed by a	802
school district board of education in a position that requires a	803
license designated for teaching and not designated for being an	804
administrator issued under section 3319.22 of the Revised Code	805
that is paid in accordance with uniform criteria applicable to	806
all members employed by the board in positions requiring the	807
licenses;	808
(ii) A retroactive increase paid to a member employed by a	809
school district board of education in a position that requires a	810
license designated for being an administrator issued under	811
section 3319.22 of the Revised Code that is paid in accordance	812
with uniform criteria applicable to all members employed by the	813
board in positions requiring the licenses;	814
(iii) A retroactive increase paid to a member employed by	815
a school district board of education as a superintendent that is	816
also paid as described in division (L)(2)(h)(i) of this section;	817
(iv) A retroactive increase paid to a member employed by	818
an employer other than a school district board of education in	819
accordance with uniform criteria applicable to all members	820
employed by the employer.	821
(i) Payments made to or on behalf of a teacher that are in	822
excess of the annual compensation that may be taken into account	823
by the retirement system under division (a)(17) of section 401	824
of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26	825
U.S.C.A. 401(a)(17), as amended. For a teacher who first	826
establishes membership before July 1, 1996, the annual	827
compensation that may be taken into account by the retirement	828

system shall be determined under division (d)(3) of section

13212 of the "Omnibus Budget Reconciliation Act of 1993," Pub.	830
L. No. 103-66, 107 Stat. 472.	831
(j) Payments made under division (B), (C), or (E) of	832
section 5923.05 of the Revised Code, Section 4 of Substitute	833
Senate Bill No. 3 of the 119th general assembly, Section 3 of	834
Amended Substitute Senate Bill No. 164 of the 124th general	835
assembly, or Amended Substitute House Bill No. 405 of the 124th	836
<pre>general assembly;</pre>	837
(k) Anything of value received by the teacher that is	838
based on or attributable to retirement or an agreement to	839
retire;	840
(1) Any amount paid by the employer as a retroactive	841
payment of earnings, damages, or back pay pursuant to a court	842
order, court-adopted settlement agreement, or other settlement	843
agreement, unless the retirement system receives both of the	844
following:	845
(i) Teacher and employer contributions under sections	846
3307.26 and 3307.28 of the Revised Code, plus interest	847
compounded annually at a rate determined by the board, for each	848
year or portion of a year for which amounts are paid under the	849
order or agreement;	850
(ii) Teacher and employer contributions under sections	851
3307.26 and 3307.28 of the Revised Code, plus interest	852
compounded annually at a rate determined by the board, for each	853
year or portion of a year not subject to division (L)(2)(1)(i)	854
of this section for which the board determines the teacher was	855
improperly paid, regardless of the teacher's ability to recover	856
on such amounts improperly paid.	857
(3) The retirement board shall determine both of the	858

(P) "Faculty" means the teaching staff of a university,

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Am. Sub. H. B. No. 2

As Reported by the Committee of Conference

college, or school, including any academic administrators.	886
Sec. 3309.011. "Employee" as defined in division (B) of	887
section 3309.01 of the Revised Code, does not include either any	888
of the following:	889
(A) Any person having a license issued pursuant to	890
sections 3319.22 to 3319.31 of the Revised Code and employed in	891
a public school in this state in an educational position, as	892
determined by the state board of education, under programs	893
provided for by federal acts or regulations and financed in	894
whole or in part from federal funds, but for which no licensure	895
requirements for the position can be made under the provisions	896
of such federal acts or regulations;	897
(B) Any person who participates in an alternative	898
retirement plan established under Chapter 3305. of the Revised	899
Code;	900
(C) Any person who elects to transfer from the school	901
employees retirement system to the public employees retirement	902
system under section 3309.312 of the Revised Code;	903
(D) Any person whose full-time employment by the	904
university of Akron as a state university law enforcement	905
officer pursuant to section 3345.04 of the Revised Code	906
commences on or after the effective date of this amendment	907
<u>September 16, 1998;</u>	908
(E) Any person described in division (B) of section	909
3309.013 of the Revised Code.	910
Sec. 3309.013. (A) As used in this section, "operator" has	911
the same meaning as in section 3314.02 of the Revised Code.	912
(B) "Employee," as defined in division (B) of section	913

3309.01 of the Revised Code, does not include either of the	914
<pre>following:</pre>	915
(1) Any person initially employed on or after July 1,	916
2016, by a community school operator and for whom the operator	917
withholds and pays employee and employer taxes pursuant to 26	918
U.S.C. 3101(a) and 3111(a) beginning with the first paycheck	919
<pre>after commencing initial employment;</pre>	920
(2) Except as provided in division (C) of this section,	921
any person who is a former employee of a community school	922
operator who is reemployed on or after July 1, 2016, by that	923
operator and for whom the operator withholds and pays employee	924
and employer taxes pursuant to 26 U.S.C. 3101(a) and 3111(a)	925
beginning with the first paycheck after commencing reemployment	926
with that operator.	927
(C) Division (B)(2) of this section does not apply to	928
<pre>either of the following:</pre>	929
(1) Any person who was employed by the same operator at	930
any time within the period of July 1, 2015, to June 30, 2016,	931
and whose date of reemployment is before July 1, 2017;	932
(2) Any person to whom both of the following apply:	933
(a) The person was employed by the same operator at any	934
time in the twelve-month period preceding the date the operator	935
for the first time withholds and pays employee and employer	936
taxes pursuant to 26 U.S.C. 3101(a) and 3111(a) on behalf of its	937
employees and had previously only contributed to the school	938
<pre>employees retirement system;</pre>	939
(b) The person's date of reemployment is not more than	940
twelve months after the date the operator for the first time	941
withholds and pays employee and employer taxes pursuant to 26	942

#### U.S.C. 3101(a) and 3111(a).

Sec. 3313.12. (A) Each member of the educational service 944 center governing board may be paid such compensation as the 945 governing board provides by resolution, provided that any such 946 compensation shall not exceed one hundred twenty-five dollars a 947 day plus mileage both ways, at the rate per mile provided by 948 resolution of the governing board, for attendance at any meeting 949 of the board. No member of an educational service center 950 governing board shall receive in compensation under this 951 division a total amount greater than five thousand dollars per 952 year for service on the governing board. Such compensation and 953 the expenses of the educational service center superintendent, 954 itemized and verified, shall be paid from the educational 955 service center governing board fund upon vouchers signed by the 956 president of the governing board. 957

958 (B) The board of education of any city, local, or exempted village school district may provide by resolution for 959 compensation of its members, provided that such compensation 960 shall not exceed one hundred twenty-five dollars per member for 961 meetings attended. No member of a school district board of 962 education shall receive in compensation under this division a 963 964 total amount greater than five thousand dollars per year for service on the board of education. The board may provide by 965 resolution for the deduction of amounts payable for benefits 966 under section 3313.202 of the Revised Code. 967

(C) Each member of a district board or educational service 968 center governing board may be paid such compensation as the 969 respective board provides by resolution for attendance at an 970 approved training program, provided that such compensation shall 971 not exceed sixty dollars a day for attendance at a training 972

program three hours or fewer in length and one hundred twenty-	973
five dollars a day for attendance at a training program longer	974
than three hours in length.	975
Sec. 3313.131. No person who is a member of the governing	976
authority of a community school established under Chapter 3314.	977
of the Revised Code shall be a member of a board of education.	978
Sec. 3314.011. (A) Every community school established	979
under this chapter shall have a designated fiscal officer.	980
Except as provided for in division (C) of this section, the	981
fiscal officer shall be employed by or engaged under a contract	982
with the governing authority of the community school.	983
(B) The auditor of state may shall require by rule that	984
the fiscal officer of any community school, before entering upon	985
duties as fiscal officer of the school, execute a bond in an	986
amount and with surety to be approved by the governing authority	987
of the school, payable to the state, conditioned for the	988
faithful performance of all the official duties required of the	989
fiscal officer. Any such The bond shall be deposited with the	990
governing authority of the school, and a copy thereof, certified	991
by the governing authority, shall be filed with the county	992
auditor.	993
(C) Prior to assuming the duties of fiscal officer, the	994
fiscal officer designated under this section shall be licensed	995
under section 3301.074 of the Revised Code. Any person serving	996
as a fiscal officer of a community school on the effective date	997
of this amendment March 22, 2013, who is not licensed as a	998
treasurer shall be permitted to serve as a fiscal officer for	999
not more than one year following the effective date of this	1000
amendment March 22, 2013. Beginning on that date and thereafter,	1001
no community school shall permit any individual to serve as a	1002

fiscal officer without a license as required by this section.	1003
(D)(1) The governing authority of a community school may	1004
adopt a resolution waiving the requirement that the governing	1005
authority is the party responsible to employ or contract with	1006
the designated fiscal officer, as prescribed by division (A) of	1007
this section, so long as the school's sponsor also approves the	1008
resolution. The resolution shall be valid for one year. A new	1009
resolution shall be adopted for each year that the governing	1010
authority wishes to waive this requirement, so long as the	1011
school's sponsor also approves the resolution.	1012
No resolution adopted pursuant to this division may waive	1013
the requirement for a community school to have a designated	1014
fiscal officer.	1015
(2) If the governing authority adopts a resolution	1016
pursuant to division (D)(1) of this section, the school's	1017
designated fiscal officer annually shall meet with the governing	1018
authority to review the school's financial status.	1019
(3) The governing authority shall submit to the department	1020
of education a copy of each resolution adopted pursuant to	1021
division (D)(1) of this section.	1022
Sec. 3314.015. (A) The department of education shall be	1023
responsible for the oversight of any and all sponsors of the	1024
community schools established under this chapter and shall	1025
provide technical assistance to schools and sponsors in their	1026
compliance with applicable laws and the terms of the contracts	1027
entered into under section 3314.03 of the Revised Code and in	1028
the development and start-up activities of those schools. In	1029
carrying out its duties under this section, the department shall	1030
do all of the following:	1031

(1) In providing technical assistance to proposing	1032
parties, governing authorities, and sponsors, conduct training	1033
sessions and distribute informational materials;	1034
(2) Approve entities to be sponsors of community schools;	1035
(3) Monitor and evaluate, as required under section	1036
3314.016 of the Revised Code, the effectiveness of any and all	1037
sponsors in their oversight of the schools with which they have	1038
contracted;	1039
(4) By December thirty-first of each year, issue a report	1040
to the governor, the speaker of the house of representatives,	1041
the president of the senate, and the chairpersons of the house	1042
and senate committees principally responsible for education	1043
matters regarding the effectiveness of academic programs,	1044
operations, and legal compliance and of the financial condition	1045
of all community schools established under this chapter and on	1046
the performance of community school sponsors;	1047
(5) From time to time, make legislative recommendations to	1048
the general assembly designed to enhance the operation and	1049
performance of community schools.	1050
(B)(1) Except as provided in sections 3314.021 and	1051
3314.027 of the Revised Code, no entity—listed in division (C)	1052
(1) of section 3314.02 of the Revised Code shall enter into a	1053
preliminary agreement under division (C)(2) of section 3314.02	1054
of the Revised Code or renew an existing contract to sponsor a	1055
<pre>community school until it has received approval from the</pre>	1056
department of education to sponsor community schools under this	1057
chapter and has entered into a written agreement with the	1058
department regarding the manner in which the entity will conduct	1059
such sponsorship.	1060

On and after July 1, 2017, each entity that sponsors a	1061
community school in this state, except for an entity described	1062
in sections 3314.021 and 3314.027 of the Revised Code, shall	1063
attain approval from the department in order to continue	1064
sponsoring schools regardless of whether that entity intends to	1065
enter into a preliminary agreement or renew an existing	1066
contract.	1067
All new and renewed agreements between the department and	1068
a sponsor shall contain specific language addressing the	1069
parameters under which the department can intervene and	1070
potentially revoke sponsorship authority in the event that the	1071
sponsor is unwilling or unable to fulfill its obligations.	1072
Additionally, each agreement shall set forth any territorial	1073
restrictions and limits on the number of schools that entity may	1074
sponsor, provide for an annual evaluation process, and include a	1075
stipulation permitting the department to modify the agreement	1076
under the following circumstances:	1077
(a) Poor fiscal management;	1078
(b) Lack of agademic progress	1079
(b) Lack of academic progress.	1079
(2) The initial term of a sponsor's agreement with the	1080
department shall be for up to seven five years. For every year	1081
that the sponsor satisfies the conditions of division (B)(1)(a)	1082
or (b) of this section, as applicable, the department shall add-	1083
one year to the agreement term, subject to divisions (C) and (F)	1084
of this section, unless the sponsor notifies the department that	1085
it does not wish to have the term of the agreement so extended.	1086
To qualify for the extension of the term of the sponsor's	1087
agreement, the sponsor shall satisfy one of the following, as	1088
applicable:	1089

(a) Prior to January 1, 2015, the sponsor is not in the	1090
lowest twenty per cent of sponsors statewide according to the	1091
composite performance index score as ranked under section	1092
3314.016 of the Revised Code, as that section exists prior to	1093
that date, and the sponsor continues to meet all the	1094
requirements of this chapter pertaining to community school-	1095
<del>sponsors.</del>	1096
(b) On or after January 1, 2015, the sponsor is rated as	1097
"exemplary" or "effective" under section 3314.016 of the Revised	1098
Code, as that section exists on and after that date, and the	1099
sponsor continues to meet all the requirements of this chapter-	1100
pertaining to community school sponsors.	1101
(a) An agreement entered into with the department pursuant	1102
to this section may be renewed for a term of up to ten years	1103
using the following criteria:	1104
(i) The academic performance of students enrolled in each	1105
community school the entity sponsors, as determined by the	1106
department pursuant to division (B)(1)(a) of section 3314.016 of	1107
the Revised Code;	1108
(ii) The sponsor's adherence to quality practices, as	1109
determined by the department pursuant to division (B)(1)(b) of	1110
section 3314.016 of the Revised Code;	1111
(iii) The sponsor's compliance with all applicable laws	1112
and administrative rules.	1113
(b) Each agreement between the department and a sponsor	1114
shall specify that entities with an overall rating of	1115
"exemplary" for at least two consecutive years shall not be	1116
subject to the limit on the number of community schools the	1117
entity may sponsor or any territorial restrictions on	1118

sponsorship, for so long as that entity continues to be rated	1119
<pre>"exemplary."</pre>	1120
(c) The department state board of education shall adopt in	1121
accordance with Chapter 119. of the Revised Code rules	1122
containing criteria, procedures, and deadlines for processing	1123
applications for approval of sponsors, for oversight of	1124
sponsors, for notifying a sponsor of noncompliance with	1125
applicable laws and administrative rules under division (F) of	1126
this section, for revocation of the approval of sponsors under	1127
division (C) of this section, and for entering into written	1128
agreements with sponsors. The rules shall require an entity to	1129
submit evidence of the entity's ability and willingness to	1130
comply with the provisions of division (D) of section 3314.03 of	1131
the Revised Code. The rules also shall require <u>all</u> entities	1132
approved as sponsors on and after June 30, 2005, to demonstrate	1133
a record of financial responsibility and successful	1134
implementation of educational programs. If an entity seeking	1135
approval <del>on or after June 30, 2005, to sponsor community schools</del>	1136
in this state sponsors or operates schools in another state, at	1137
least one of the schools sponsored or operated by the entity	1138
must be comparable to or better than the performance of Ohio	1139
schools in need of continuous improvement under section 3302.03	1140
of the Revised Code, as determined by the department.	1141
Subject to section 3314.016 of the Revised Code, an entity	1142
that sponsors community schools may enter into preliminary	1143
agreements and sponsor up to one hundred schools, provided each	1144
school and the contract for sponsorship meets the requirements	1145
of this chapter.	1146
$\frac{(2)}{(3)}$ The state board of education shall determine,	1147
pursuant to criteria specified in rules adopted in accordance	1148

with Chapter 119. of the Revised Code, whether the mission	1149
proposed to be specified in the contract of a community school	1150
to be sponsored by a state university board of trustees or the	1151
board's designee under division (C)(1)(e) of section 3314.02 of	1152
the Revised Code complies with the requirements of that	1153
division. Such determination of the state board is final.	1154

 $\frac{(3)}{(4)}$  The state board of education shall determine, 1155 pursuant to criteria specified in rules adopted in accordance 1156 with Chapter 119. of the Revised Code, if any tax-exempt entity 1157 under section 501(c)(3) of the Internal Revenue Code that is 1158 proposed to be a sponsor of a community school is an education-1159 oriented entity for purpose of satisfying the condition 1160 prescribed in division (C)(1)(f)(iii) of section 3314.02 of the 1161 Revised Code. Such determination of the state board is final. 1162

(C) If at any time the state board of education finds that 1163 a sponsor is not in compliance or is no longer willing to comply 1164 with its contract with any community school or with the 1165 department's rules for sponsorship, the state board or designee 1166 shall conduct a hearing in accordance with Chapter 119. of the 1167 Revised Code on that matter. If after the hearing, the state 1168 board or designee has confirmed the original finding, the 1169 department of education may revoke the sponsor's approval to 1170 sponsor community schools. In that case, the department's office 1171 of Ohio school sponsorship, established under section 3314.029 1172 of the Revised Code, may assume the sponsorship of any schools 1173 with which the sponsor has contracted until the earlier of the 1174 expiration of two school years or until a new sponsor as 1175 described in division (C)(1) of section 3314.02 of the Revised 1176 Code is secured by the school's governing authority. The office 1177 of Ohio school sponsorship may extend the term of the contract 1178 in the case of a school for which it has assumed sponsorship 1179

under this division as necessary to accommodate the term of the	1180
department's authorization to sponsor the school specified in	1181
this division. Community schools sponsored under this division	1182
shall not apply to the limit on directly authorized community	1183
schools under division (A)(3) of section 3314.029 of the Revised	1184
Code. However, nothing in this division shall preclude a	1185
community school affected by this division from applying for	1186
sponsorship under that section.	1187

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

  for sponsorship of a community school or to revoke approval for

  such sponsorship under division (C) of this section, may be

  appealed by the entity in accordance with section 119.12 of the

  Revised Code.

  1192
- (E) The department shall adopt procedures for use by a 1193 community school governing authority and sponsor when the school 1194 permanently closes and ceases operation, which shall include at 1195 least procedures for data reporting to the department, handling 1196 of student records, distribution of assets in accordance with 1197 section 3314.074 of the Revised Code, and other matters related 1198 to ceasing operation of the school. 1199
- (F)(1) In lieu of revoking a sponsor's authority to 1200 sponsor community schools under division (C) of this section, if 1201 the department finds that a sponsor is not in compliance with 1202 applicable laws and administrative rules, the department shall 1203 declare in a written notice to the sponsor the specific laws or 1204 rules, or both, for which the sponsor is noncompliant. A sponsor 1205 notified under division (F)(1) of this section shall respond to 1206 the department not later than fourteen days after the 1207 notification with a proposed plan to remedy the conditions for 1208 which the sponsor was found to be noncompliant. The department 1209

shall approve or disapprove the plan not later than fourteen	1210
days after receiving it. If the plan is disapproved, the sponsor	1211
may submit a revised plan to the department not later than	1212
fourteen days after receiving notification of disapproval from	1213
the department or not later than sixty days after the date the	1214
sponsor received notification of noncompliance from the	1215
department, whichever is earlier. The department shall approve	1216
or disapprove the revised plan not later than fourteen days	1217
after receiving it or not later than sixty days after the date	1218
the sponsor received notification of noncompliance from the	1219
department, whichever is earlier. A sponsor may continue to make	1220
revisions by the deadlines prescribed in division (F)(1) of this	1221
section to any revised plan that is disapproved by the	1222
department until the sixtieth day after the date the sponsor	1223
received notification of noncompliance from the department.	1224

If a plan or a revised plan is approved, the sponsor shall 1225 implement it not later than sixty days after the date the 1226 sponsor received notification of noncompliance from the 1227 department or not later than thirty days after the plan is 1228 approved, whichever is later. If a sponsor does not respond to 1229 the department or implement an approved compliance plan by the 1230 deadlines prescribed by division (F)(1) of this section, or if a 1231 sponsor does not receive approval of a compliance plan on or 1232 before the sixtieth day after the date the sponsor received 1233 notification of noncompliance from the department, the 1234 department shall declare in written notice to the sponsor that 1235 the sponsor is in probationary status, and may limit the 1236 sponsor's ability to sponsor additional schools. 1237

(2) A sponsor that has been placed on probationary statusunder division (F)(1) of this section may apply to thedepartment for its probationary status to be lifted. The1240

application for a sponsor's probationary status to be lifted	1241
shall include evidence, occurring after the initial notification	1242
of noncompliance, of the sponsor's compliance with applicable	1243
laws and administrative rules. Not later than fourteen days	1244
after receiving an application from the sponsor, the department	1245
shall decide whether or not to remove the sponsor's probationary	1246
status.	1247
(G) In carrying out its duties under this chapter, the	1248
department shall not impose requirements on community schools or	1249
their sponsors that are not permitted by law or duly adopted	1250
rules.	1251
(H) This section applies to entities that sponsor	1252
conversion community schools and new start-up schools.	1253
(I) Nothing in divisions (C) to (F) of this section	1254
prohibits the department from taking any action permitted or	1255
required under the written agreement between the department and	1256
a sponsoring entity without a hearing on the matter, in the	1257
event that the sponsor is unwilling or unable to fulfill its	1258
obligations.	1259
Sec. 3314.016. This section applies to any entity that	1260
sponsors a community school, regardless of whether section	1261
3314.021 or 3314.027 of the Revised Code exempts the entity from	1262
the requirement to be approved for sponsorship under divisions	1263
(A)(2) and (B)(1) of section $3314.015$ of the Revised Code. The	1264
office of Ohio school sponsorship established under section	1265
3314.029 of the Revised Code shall be rated under division (B)	1266
of this section, but divisions (A) and (C) of this section do	1267
not apply to the office.	1268
(A) An entity that sponsors a community school shall be	1269

permitted to enter into contracts under section 3314.03 of the	1270
Revised Code to sponsor additional community schools only if the	1271
entity meets both all of the following criteria:	1272
(1) The entity is in compliance with all provisions of	1273
this chapter requiring sponsors of community schools to report	1274
data or information to the department of education.	1275
(2) The entity is not rated as "ineffective" under	1276
division (B)(6) of this section.	1277
(3) Except as set forth in sections 3314.021 and 3314.027	1278
of the Revised Code, the entity has received approval from and	1279
entered into an agreement with the department of education	1280
pursuant to section 3314.015 of the Revised Code.	1281
(B) (1) For purposes of this section Beginning with the	1282
2015-2016 school year, the department shall develop and	1283
implement an evaluation system that <u>annually</u> rates <u>and assigns</u>	1284
an overall rating to each entity that sponsors a community	1285
school based on the following components:	1286
(a) Academic performance of students enrolled in community	1287
schools sponsored by the same entity $ au_{\cdot}$ . The academic performance	1288
component shall be derived from the performance measures	1289
prescribed for the state report cards under section 3302.03 or	1290
3314.017 of the Revised Code, and shall be based on the	1291
performance of the schools for the school year for which the	1292
evaluation is conducted. In addition to the academic performance	1293
for a specific school year, the academic performance component	1294
shall also include year-to-year changes in the overall sponsor	1295
portfolio. For a community school for which no graded	1296
performance measures are applicable or available, the department	1297
shall use nonreport card performance measures specified in the	1298

contract between the community school and the sponsor under	1299
division (A)(4) of section 3314.03 of the Revised Code.	1300
(b) Adherence by a sponsor to the quality practices	1301
prescribed by the department under division (B)(3) of this	1302
section. The department shall not include this measure in the	1303
sponsor evaluation rating system until the department prescribes	1304
quality practices and develops an instrument to measure	1305
adherence to those practices under division (B) (3) of this-	1306
section For a sponsor that was rated "effective" or "exemplary"	1307
on its most recent rating, the department may evaluate that	1308
sponsor's adherence to quality practices once over a period of	1309
three years. If the department elects to evaluate a sponsor once	1310
over a period of three years, the most recent rating for a	1311
sponsor's adherence to quality practices shall be used when	1312
determining an annual overall rating conducted under this	1313
section.	1314
(c) Compliance with <u>all</u> applicable laws and administrative	1315
rules by an entity that sponsors a community school.	1316
(2) In calculating an academic performance component, the	1317
department shall exclude all of the following:	1318
(a) All all community schools that have been in operation	1319
for not more than two full school years;	1320
(b) All and all community schools described in division	1321
(A)(4)(b) of section 3314.35 of the Revised Code. However, the	1322
academic performance of the community schools described in	1323
division (A)(4)(b) of section 3314.35 of the Revised Code shall	1324
be reported, but shall not be used as a factor when determining	1325
a sponsoring entity's rating under this section.	1326
(3) The department, in consultation with entities that	1327

sponsor community schools, shall prescribe quality practices for	1328
community school sponsors and develop an instrument to measure	1329
adherence to those quality practices. The quality practices	1330
shall be based on standards developed by the national	1331
association of charter school authorizers or any other	1332
nationally organized community school organization.	1333
(4)(a) The department may permit peer review of a	1334
sponsor's adherence to the quality practices prescribed under	1335
division (B)(3) of this section. Peer reviewers shall be limited	1336
to individuals employed by sponsors rated "effective" or	1337
"exemplary" on the most recent ratings conducted under this	1338
section.	1339
(b) The department shall require individuals participating	1340
in peer review under division (B)(4)(a) of this section to	1341
complete training approved or established by the department.	1342
(c) The department may enter into an agreement with	1343
another entity to provide training to individuals conducting	1344
peer review of sponsors. Prior to entering into an agreement	1345
with an entity, the department shall review and approve of the	1346
entity's training program.	1347
(5) Not later than July 1, 2013, the state board of	1348
education shall adopt rules in accordance with Chapter 119. of	1349
the Revised Code prescribing standards for measuring compliance	1350
with applicable laws and rules under division (B)(1)(c) of this	1351
section.	1352
(6) The department annually shall rate all entities that	1353
sponsor community schools as either "exemplary," "effective," $\frac{1}{2}$	1354
"ineffective," or "poor," based on the components prescribed by	1355
division (B) of this section, where each component is weighted	1356

equally, except that entities sponsoring community schools for	1357
the first time may be assigned the rating of "emerging" for only	1358
the first two consecutive years. A separate rating shall be	1359
given by the department for each component of the evaluation	1360
<pre>system.</pre>	1361
The department shall publish the ratings between the first	1362
day of October and the fifteenth day of October.	1363
The department shall provide training on an annual basis	1364
regarding the evaluation system prescribed under this section.	1365
The training shall, at a minimum, describe methodology,	1366
timelines, and data required for the evaluation system. The	1367
first training session shall occur not later than thirty days	1368
after the effective date of this section.	1369
(7) (a) <del>Prior to the 2014-2015 school year, student-</del>	1370
academic performance prescribed under division (B) (1) (a) of this-	1371
section shall not include student academic performance data from	1372
community schools that primarily serve students enrolled in a	1373
dropout prevention and recovery program as described in division-	1374
(A) (4) (a) of section 3314.35 of the Revised Code.	1375
(b) Entities with an overall rating of "exemplary" for at	1376
<u>least two consecutive years may take advantage of the following</u>	1377
<pre>incentives:</pre>	1378
(i) Renewal of the written agreement with the department,	1379
not to exceed ten years, provided that the entity consents to	1380
continued evaluation of adherence to quality practices as	1381
described in division (B)(1)(b) of this section;	1382
(ii) The ability to extend the term of the contract	1383
between the sponsoring entity and the community school beyond	1384
the term described in the written agreement with the department;	1385

(iii) An exemption from the preliminary agreement and	1386
contract adoption and execution deadline requirements prescribed	1387
in division (D) of section 3314.02 of the Revised Code;	1388
(iv) An exemption from the automatic contract expiration	1389
requirement, should a new community school fail to open by the	1390
thirtieth day of September of the calendar year in which the	1391
community school contract is executed;	1392
(v) No limit on the number of community schools the entity	1393
may sponsor;	1394
(vi) No territorial restrictions on sponsorship.	1395
An entity may continue to sponsor any community schools	1396
with which it entered into agreements under division (B)(7)(a)	1397
(v) or (vi) of this section while rated "exemplary,"	1398
notwithstanding the fact that the entity later receives a lower	1399
overall rating.	1400
(b)(i) Entities that receive an overall rating of	1401
"ineffective" shall be prohibited from sponsoring any new or	1402
additional community schools during the time in which the	1403
sponsor is rated as "ineffective" and shall be subject to a	1404
quality improvement plan based on correcting the deficiencies	1405
that led to the "ineffective" rating, with timelines and	1406
benchmarks that have been established by the department.	1407
(ii) Entities that receive an overall rating of	1408
"ineffective" on their three most recent ratings shall have all	1409
sponsorship authority revoked. Within thirty days after	1410
receiving its third rating of "ineffective," the entity may	1411
appeal the revocation of its sponsorship authority to the	1412
superintendent of public instruction, who shall appoint an	1413
independent hearing officer to conduct a hearing in accordance_	1414

with Chapter 119. of the Revised Code. The hearing shall be	1415
conducted within thirty days after receipt of the notice of	1416
appeal. Within forty-five days after the hearing is completed,	1417
the state board of education shall determine whether the	1418
revocation is appropriate based on the hearing conducted by the	1419
independent hearing officer, and if determined appropriate, the	1420
revocation shall be confirmed.	1421
(c) Entities that receive an overall rating of "poor"	1422
shall have all sponsorship authority revoked. Within thirty days	1423
after receiving a rating of "poor," the entity may appeal the	1424
revocation of its sponsorship authority to the superintendent of	1425
public instruction, who shall appoint an independent hearing	1426
officer to conduct a hearing in accordance with Chapter 119. of	1427
the Revised Code. The hearing shall be conducted within thirty	1428
days after receipt of the notice of appeal. Within forty-five	1429
days after the hearing is completed, the state board of	1430
education shall determine whether the revocation is appropriate	1431
based on the hearing conducted by the independent hearing	1432
officer, and if determined appropriate, the revocation shall be	1433
confirmed.	1434
(8) For the 2014-2015 school year and each school year	1435
thereafter, student academic performance prescribed under	1436
division (B)(1)(a) of this section shall include student	1437
academic performance data from community schools that primarily	1438
serve students enrolled in a dropout prevention and recovery	1439
program.	1440
(C) If the governing authority of a community school	1441
enters into a contract with a sponsor prior to the date on which	1442
the sponsor is prohibited from sponsoring additional schools	1443
under division (A) of this section and the school has not opened	1444

for operation as of that date, that contract shall be void and	1445
the school shall not open until the governing authority secures	1446
a new sponsor by entering into a contract with the new sponsor	1447
under section 3314.03 of the Revised Code. However, the	1448
department's office of Ohio school sponsorship, established	1449
under section 3314.029 of the Revised Code, may assume the	1450
sponsorship of the school until the earlier of the expiration of	1451
two school years or until a new sponsor is secured by the	1452
school's governing authority. A community school sponsored by	1453
the department under this division shall not be included when	1454
calculating the maximum number of directly authorized community	1455
schools permitted under division (A)(3) of section 3314.029 of	1456
the Revised Code.	1457
(D) When an entity's authority to sponsor schools is	1458
revoked pursuant to division (B)(7)(b) or (c) of this section,	1459
the office of Ohio school sponsorship shall assume sponsorship	1460
of any schools with which the original sponsor has contracted	1461
for the remainder of that school year. The office may continue	1462
sponsoring those schools until the earlier of:	1463
being the bonder and the carrier or.	1100
(1) The expiration of two school years from the time that	1464
sponsorship is revoked;	1465
(2) When a new sponsor is secured by the governing	1466
authority pursuant to division (C)(1) of section 3314.02 of the	1467
Revised Code.	1468
Any community school sponsored under this division shall	1469
not be counted for purposes of directly authorized community	1470
schools under division (A)(3) of section 3314.029 of the Revised	1471
<u>Code.</u>	1472

Sec. 3314.019. A community school's sponsor shall

<u>communicate</u> with the auditor of state regarding an audit of the	1474
school or the condition of financial and enrollment records of	1475
the school, and shall maintain a presence at any and all	1476
meetings with the auditor of state regardless of whether the	1477
sponsor has entered into an agreement with another entity to	1478
perform all or part of the sponsor's oversight duties.	1479
Sec. 3314.02. (A) As used in this chapter:	1480
(1) "Sponsor" means the board of education of a school	1481
district or the governing board of an educational service center	1482
that agrees to the conversion of all or part of a school or	1483
building under division (B) of this section, or an entity listed	1484
in division (C)(1) of this section, which has been approved by	1485
the department of education to sponsor community schools or is	1486
exempted by section 3314.021 or 3314.027 of the Revised Code	1487
from obtaining approval, and with which the governing authority	1488
of a community school enters into a contract under section	1489
3314.03 of the Revised Code.	1490
(2) "Pilot project area" means the school districts	1491
included in the territory of the former community school pilot	1492
project established by former Section 50.52 of Am. Sub. H.B. No.	1493
215 of the 122nd general assembly.	1494
(3) "Challenged school district" means any of the	1495
following:	1496
(a) A school district that is part of the pilot project	1497
area;	1498
(b) A school district that meets one of the following	1499
conditions:	1500
(i) On March 22, 2013, the district was in a state of	1501
academic emergency or in a state of academic watch under section	1502

3302.03 of the Revised Code, as that section existed prior to	1503
March 22, 2013;	1504
(ii) For two of the 2012-2013, 2013-2014, 2014-2015, and	1505
2015-2016 school years, the district received a grade of "D" or	1506
"F" for the performance index score and a grade of "F" for the	1507
value-added progress dimension under section 3302.03 of the	1508
Revised Code;	1509
(iii) For the 2016-2017 school year and for any school	1510
year thereafter, the district has received an overall grade of	1511
"D" or "F" under division (C)(3) of section 3302.03 of the	1512
Revised Code, or, for at least two of the three most recent	1513
school years, the district received a grade of "F" for the	1514
value-added progress dimension under division (C)(1)(e) of that	1515
section.	1516
(c) A big eight school district;	1517
(d) A school district ranked in the lowest five per cent	1518
of school districts according to performance index score under	1519
section 3302.21 of the Revised Code.	1520
(4) "Big eight school district" means a school district	1521
that for fiscal year 1997 had both of the following:	1522
(a) A percentage of children residing in the district and	1523
participating in the predecessor of Ohio works first greater	1524
than thirty per cent, as reported pursuant to section 3317.10 of	1525
the Revised Code;	1526
(b) An average daily membership greater than twelve	1527
thousand, as reported pursuant to former division (A) of section	1528
3317.03 of the Revised Code.	1529
(5) "New start-up school" means a community school other	1530

than one created by converting all or part of an existing public	1531
school or educational service center building, as designated in	1532
the school's contract pursuant to division (A)(17) of section	1533
3314.03 of the Revised Code.	1534
(6) "Urban school district" means one of the state's	1535
twenty-one urban school districts as defined in division (O) of	1536
section 3317.02 of the Revised Code as that section existed	1537
prior to July 1, 1998.	1538
(7) "Internet- or computer-based community school" means a	1539
community school established under this chapter in which the	1540
enrolled students work primarily from their residences on	1541
assignments in nonclassroom-based learning opportunities	1542
provided via an internet- or other computer-based instructional	1543
method that does not rely on regular classroom instruction or	1544
via comprehensive instructional methods that include internet-	1545
based, other computer-based, and noncomputer-based learning	1546
opportunities unless a student receives career-technical	1547
education under section 3314.086 of the Revised Code.	1548
A community school that operates mainly as an internet- or	1549
computer-based community school and provides career-technical	1550
education under section 3314.086 of the Revised Code shall be	1551
considered an internet- or computer-based community school, even	1552
if it provides some classroom-based instruction, so long as it	1553
provides instruction via the methods described in this division.	1554
(8) "Operator" means either of the following:	1555
(a) An individual or organization that manages the daily	1556
operations of a community school pursuant to a contract between	1557
the operator and the school's governing authority;	1558

(b) A nonprofit organization that provides programmatic

oversight and support to a community school under a contract	1560
with the school's governing authority and that retains the right	1561
to terminate its affiliation with the school if the school fails	1562
to meet the organization's quality standards.	1563
(9) "Alliance municipal school district" has the same	1564
meaning as in section 3311.86 of the Revised Code.	1565
(B)(1) Any person or group of individuals may initially	1566
propose under this division the conversion of all or a portion	1567
of a public school to a community school. The proposal shall be	1568
made to the board of education of the city, local, exempted	1569
village, or joint vocational school district in which the public	1570
school is proposed to be converted.	1571
(2) Any person or group of individuals may initially	1572
propose under this division the conversion of all or a portion	1573
of a building operated by an educational service center to a	1574
community school. The proposal shall be made to the governing	1575
board of the service center.	1576
An On or after July 1, 2017, except as provided in section	1577
3314.027 of the Revised Code, any educational service center	1578
that sponsors a community school in accordance with this	1579
division—shall be approved by and enter into a written agreement	1580
with the department as described in section 3314.015 of the	1581
Revised Code.	1582
(3) Upon receipt of a proposal, and after an agreement has	1583
been entered into pursuant to section 3314.015 of the Revised	1584
<pre>Code, a board may enter into a preliminary agreement with the</pre>	1585
person or group proposing the conversion of the public school or	1586
service center building, indicating the intention of the board	1587

to support the conversion to a community school. A proposing

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person or group that has a preliminary agreement under this	1589
division may proceed to finalize plans for the school, establish	1590
a governing authority for the school, and negotiate a contract	1591
with the board. Provided the proposing person or group adheres	1592
to the preliminary agreement and all provisions of this chapter,	1593
the board shall negotiate in good faith to enter into a contract	1594
in accordance with section 3314.03 of the Revised Code and	1595
division (C) of this section.	1596

(4) The sponsor of a conversion community school proposed

to open in an alliance municipal school district shall be

subject to approval by the department of education for

sponsorship of that school using the criteria established under

division (A) of section 3311.87 of the Revised Code.

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Division (B) (4) of this section does not apply to a sponsor that, on or before the effective date of this amendment September 29, 2015, was exempted under section 3314.021 or 3314.027 of the Revised Code from the requirement to be approved for sponsorship under divisions (A) (2) and (B) (1) of section 3314.015 of the Revised Code.

- (C) (1) Any person or group of individuals may propose under this division the establishment of a new start-up school to be located in a challenged school district. The proposal may be made to any of the following entities:
- (a) The board of education of the district in which the 1612 school is proposed to be located; 1613
- (b) The board of education of any joint vocational school 1614 district with territory in the county in which is located the 1615 majority of the territory of the district in which the school is 1616 proposed to be located; 1617

(c) The board of education of any other city, local, or	1618
exempted village school district having territory in the same	1619
county where the district in which the school is proposed to be	1620
located has the major portion of its territory;	1621
(d) The governing board of any educational service center,	1622
regardless of the location of the proposed school, may sponsor a	1623
new start-up school in any challenged school district in the	1624
state if all of the following are satisfied:	1625
(i) If applicable, it satisfies the requirements of	1626
division (E) of section 3311.86 of the Revised Code;	1627
(ii) It is approved to do so by the department;	1628
(iii) It enters into an agreement with the department	1629
under section 3314.015 of the Revised Code.	1630
(e) A sponsoring authority designated by the board of	1631
trustees of any of the thirteen state universities listed in	1632
section 3345.011 of the Revised Code or the board of trustees	1633
itself as long as a mission of the proposed school to be	1634
specified in the contract under division (A)(2) of section	1635
3314.03 of the Revised Code and as approved by the department	1636
under division (B) $\frac{(2)}{(3)}$ of section 3314.015 of the Revised	1637
Code will be the practical demonstration of teaching methods,	1638
educational technology, or other teaching practices that are	1639
included in the curriculum of the university's teacher	1640
preparation program approved by the state board of education;	1641
(f) Any qualified tax-exempt entity under section 501(c)	1642
(3) of the Internal Revenue Code as long as all of the following	1643
conditions are satisfied:	1644
(i) The entity has been in operation for at least five	1645
years prior to applying to be a community school sponsor.	1646

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(ii) The entity has assets of at least five hundred	1647
thousand dollars and a demonstrated record of financial	1648
responsibility.	1649
(iii) The department has determined that the entity is an	1650
education-oriented entity under division (B)(3) of section	1651
3314.015 of the Revised Code and the entity has a demonstrated	1652
record of successful implementation of educational programs.	1653
(iv) The entity is not a community school.	1654
(g) The mayor of a city in which the majority of the	1655
territory of a school district to which section 3311.60 of the	1656
Revised Code applies is located, regardless of whether that	1657
district has created the position of independent auditor as	1658
prescribed by that section. The mayor's sponsorship authority	1659
under this division is limited to community schools that are	1660
located in that school district. Such mayor may sponsor	1661
community schools only with the approval of the city council of	1662
that city, after establishing standards with which community	1663
schools sponsored by the mayor must comply, and after entering	1664
into a sponsor agreement with the department as prescribed under	1665
section 3314.015 of the Revised Code. The mayor shall establish	1666
the standards for community schools sponsored by the mayor not	1667
later than one hundred eighty days after July 15, 2013, and	1668
shall submit them to the department upon their establishment.	1669
The department shall approve the mayor to sponsor community	1670
schools in the district, upon receipt of an application by the	1671
mayor to do so. Not later than ninety days after the	1672
department's approval of the mayor as a community school	1673

Any entity described in division (C)(1) of this section

sponsor, the department shall enter into the sponsor agreement

with the mayor.

may enter into a preliminary agreement pursuant to division (C)	1677
(2) of this section with the proposing person or group, provided	1678
that entity has been approved by and entered into a written	1679
agreement with the department pursuant to section 3314.015 of	1680
the Revised Code.	1681
(2) A preliminary agreement indicates the intention of an	1682
entity described in division (C)(1) of this section to sponsor	1683
the community school. A proposing person or group that has such	1684
a preliminary agreement may proceed to finalize plans for the	1685
school, establish a governing authority as described in division	1686
(E) of this section for the school, and negotiate a contract	1687
with the entity. Provided the proposing person or group adheres	1688
to the preliminary agreement and all provisions of this chapter,	1689
the entity shall negotiate in good faith to enter into a	1690
contract in accordance with section 3314.03 of the Revised Code.	1691
(3) A new start-up school that is established in a school	1692
district described in either division (A)(3)(b) or (d) of this	1693
section may continue in existence once the school district no	1694
longer meets the conditions described in either division,	1695
provided there is a valid contract between the school and a	1696
sponsor.	1697
Sponsor.	1007
(4) A copy of every preliminary agreement entered into	1698
under this division shall be filed with the superintendent of	1699
public instruction.	1700
(D) A majority vote of the board of a sponsoring entity	1701
and a majority vote of the members of the governing authority of	1702
a community school shall be required to adopt a contract and	1703
convert the public school or educational service center building	1704
to a community school or establish the new start-up school.	1705

Beginning September 29, 2005, adoption of the contract shall

occur not later than the fifteenth day of March, and signing of	1707
the contract shall occur not later than the fifteenth day of	1708
May, prior to the school year in which the school will open. The	1709
governing authority shall notify the department of education	1710
when the contract has been signed. Subject to sections 3314.013	1711
and 3314.016 of the Revised Code, an unlimited number of	1712
community schools may be established in any school district	1713
provided that a contract is entered into for each community	1714
school pursuant to this chapter.	1715
(E)(1) As used in this division, "immediate relatives" are	1716
limited to spouses, children, parents, grandparents, siblings,	1717
and in-laws.	1718
Each new start-up community school established under this	1719
chapter shall be under the direction of a governing authority	1720
which shall consist of a board of not less than five	1721
individuals.	1722
(2)(a) No person shall serve on the governing authority or	1723
operate the community school under contract with the governing	1724
authority so long as the person under any of the following	1725
<pre>circumstances:</pre>	1726
(i) The person owes the state any money or is in a dispute	1727
over whether the person owes the state any money concerning the	1728
operation of a community school that has closed.	1729
(ii) The person would otherwise be subject to division (B)	1730
of section 3319.31 of the Revised Code with respect to refusal,	1731
limitation, or revocation of a license to teach, if the person	1732
were a licensed educator.	1733
(iii) The person has pleaded guilty to or been convicted	1734
of theft in office under section 2921.41 of the Revised Code, or	1735

has pleaded guilty to or been convicted of a substantially	1736
similar offense in another state.	1737
(b) No person shall serve on the governing authority or	1738
engage in the financial day-to-day management of the community	1739
school under contract with the governing authority unless and	1740
until that person has submitted to a criminal records check in	1741
the manner prescribed by section 3319.39 of the Revised Code.	1742
(c) Each sponsor of a community school shall annually	1743
verify that a finding for recovery has not been issued by the	1744
auditor of state against any individual or individuals who	1745
propose to create a community school or any member of the	1746
governing authority, the operator, or any employee of each	1747
community school.	1748
$\frac{(2)}{(3)}$ No person shall serve on the governing authorities	1749
of more than five start-up community schools at the same time.	1750
(3) No present or former member, or immediate relative	1751
of a present or former member, of the governing authority of any	1752
community school established under this chapter shall be an	1753
owner, employee, or consultant of any sponsor or operator of a	1754
community school, unless at least one year has elapsed since the	1755
conclusion of the person's membership.	1756
(4) (5) The governing authority of a start-up or	1757
conversion community school may provide by resolution for the	1758
compensation of its members. However, no individual who serves	1759
on the governing authority of a start-up or conversion community	1760
school shall be compensated more than <pre>four-one</pre> hundred twenty-	1761
five dollars per meeting of that governing authority and no such	1762
individual shall be compensated more than a total amount of five	1763
thousand dollars per year for all governing authorities upon	1764

which the individual serves. Each member of the governing	1765
authority may be paid compensation for attendance at an approved	1766
training program, provided that such compensation shall not	1767
exceed sixty dollars a day for attendance at a training program	1768
three hours or less in length and one hundred twenty-five	1769
dollars a day for attendance at a training program longer than	1770
three hours in length.	1771
(6) No person who is the employee of a school district or	1772
educational service center shall serve on the governing	1773
authority of any community school sponsored by that school	1774
district or service center.	1775
(7) Each member of the governing authority of a community	1776
school shall annually file a disclosure statement setting forth	1777
the names of any immediate relatives or business associates	1778
employed by any of the following within the previous three	1779
<pre>years:</pre>	1780
(a) The sponsor or operator of that community school;	1781
(b) A school district or educational service center that	1782
has contracted with that community school;	1783
(c) A vendor that is or has engaged in business with that	1784
community school.	1785
(8) No person who is a member of a school district board	1786
of education shall serve on the governing authority of any	1787
community school.	1788
(F)(1) A new start-up school that is established prior to	1789
August 15, 2003, in an urban school district that is not also a	1790
big-eight school district may continue to operate after that	1791
date and the contract between the school's governing authority	1792
and the school's sponsor may be renewed, as provided under this	1793

chapter, after that date, but no additional new start-up schools	1794
may be established in such a district unless the district is a	1795
challenged school district as defined in this section as it	1796
exists on and after that date.	1797

- (2) A community school that was established prior to June 1798 29, 1999, and is located in a county contiguous to the pilot 1799 project area and in a school district that is not a challenged 1800 school district may continue to operate after that date, 1801 provided the school complies with all provisions of this 1802 chapter. The contract between the school's governing authority 1803 and the school's sponsor may be renewed, but no additional 1804 start-up community school may be established in that district 1805 unless the district is a challenged school district. 1806
- (3) Any educational service center that, on June 30, 2007, 1807 sponsors a community school that is not located in a county 1808 within the territory of the service center or in a county 1809 contiquous to such county may continue to sponsor that community 1810 school on and after June 30, 2007, and may renew its contract 1811 with the school. However, the educational service center shall 1812 not enter into a contract with any additional community school, 1813 unless the governing board of the service center has entered 1814 into an agreement with the department authorizing the service 1815 center to sponsor a community school in any challenged school 1816 district in the state. 1817
- Sec. 3314.021. (A) This section applies to any entity that

  is exempt from taxation under section 501(c)(3) of the Internal

  Revenue Code and that satisfies the conditions specified in

  divisions (C)(1)(f)(ii) and (iii) of section 3314.02 of the

  Revised Code but does not satisfy the condition specified in

  1822

  division (C)(1)(f)(i) of that section.

(B) Notwithstanding division (C)(1)(f)(i) of section	1824
3314.02 of the Revised Code, and subject to division (D)(2) of	1825
this section, an entity described in division (A) of this	1826
section may do both of the following without obtaining the	1827
department of education's initial approval of its sponsorship	1828
under divisions (A)(2) and (B)(1) of section $3314.015$ of the	1829
Revised Code:	1830
(1) Succeed the board of trustees of a state university	1831
located in the pilot project area or that board's designee as	1832
the sponsor of a community school established under this	1833
chapter;	1834
(2) Continue to sponsor that school in conformance with	1835
the terms of the contract between the board of trustees or its	1836
designee and the governing authority of the community school and	1837
renew that contract as provided in division (E) of section	1838
3314.03 of the Revised Code.	1839
(C) The entity that succeeds the board of trustees or the	1840
board's designee as sponsor of a community school under division	1841
(B) of this section also may enter into contracts to sponsor	1842
other community schools located in any challenged school	1843
district, without obtaining the department's initial approval of	1844
its sponsorship of those schools under divisions (A)(2) and (B)	1845
(1) of section 3314.015 of the Revised Code as long as the	1846
contracts conform with and the entity complies with all other	1847
requirements of this chapter.	1848
(D) (1) Regardless of the entity's authority to sponsor	1849
community schools without the initial approval of the	1850
department, the entity is under the continuing oversight of the	1851
department in accordance with rules adopted under section	1852
3314.015 of the Revised Code.	1853

(2) If an entity described in division (A) of this section	1854
receives a rating below "effective" under division (B) of	1855
section 3314.016 of the Revised Code for two or more consecutive	1856
years, that entity shall receive approval from the department of	1857
education to sponsor community schools and enter into a written	1858
agreement with the department in accordance with division (B)(1)	1859
of section 3314.015 of the Revised Code prior to entering into	1860
any further preliminary agreements under division (C)(2) of	1861
section 3314.02 of the Revised Code or renewing any existing	1862
contract to sponsor a community school.	1863
Sec. 3314.023. A sponsor shall provide monitoring,	1864
oversight, and technical assistance to each school that it	1865
sponsors. In order to provide monitoring, oversight, and	1866
technical assistance, a representative of the sponsor of a	1867
community school shall meet with the governing authority or	1868
fiscal officer of the school and shall review the financial and	1869
enrollment records of the school at least once every month. Not	1870
later than ten days after each review, the sponsor shall provide	1871
the governing authority and fiscal officer with a written report	1872
regarding the review. Copies of those financial and enrollment	1873
records shall be furnished to the community school sponsor and	1874
operator, members of the governing authority, and the fiscal	1875
officer designated in section 3314.011 of the Revised Code on a	1876
monthly basis.	1877
MODICITY Dasis.	10//
If a community school closes or is permanently closed, the	1878
designated fiscal officer shall deliver all financial and	1879
enrollment records to the school's sponsor within thirty days of	1880
the school's closure. If the fiscal officer fails to provide the	1881
records in a timely manner, or fails to faithfully perform any	1882
of the fiscal officer's other duties, the sponsor has the right	1883
of action against the fiscal officer to compel delivery of all	1884

financial and enrollment records of the school and shall, if	1885
necessary, seek recovery of any funds owed as a result of any	1886
finding of recovery by the auditor of state against the fiscal	1887
officer.	1888
For purposes of this chapter, "monitoring, oversight, and	1889
technical assistance" shall include the following:	1890
(A) Monitoring the community school's compliance with all	1891
laws applicable to the school and with the terms of the	1892
<pre>contract;</pre>	1893
(B) Monitoring and evaluating the academic and fiscal	1894
performance and the organization and operation of the community	1895
school on at least an annual basis. The evaluation of a school's	1896
academic and fiscal performance shall be based on the	1897
performance requirements specified in the contract between the	1898
sponsor and the governing authority under section 3314.03 of the	1899
Revised Code, the state report cards issued for the school under	1900
section 3302.03 or 3314.017 of the Revised Code, and any other	1901
analysis conducted by the department of education.	1902
(C) Reporting on an annual basis the results of the	1903
evaluation conducted under division (D)(2) of section 3314.03 of	1904
the Revised Code to the department of education and to the	1905
parents of students enrolled in the community school;	1906
(D) Providing technical assistance to the community school	1907
in complying with laws applicable to the school and terms of the	1908
<pre>contract;</pre>	1909
(E) Taking steps to intervene in the school's operation to	1910
correct problems in the school's overall performance, declaring	1911
the school to be on probationary status pursuant to section	1912
3314.073 of the Revised Code, suspending the operation of the	1913

school pursuant to section 3314.072 of the Revised Code, or	1914
terminating the contract of the school pursuant to section	1915
3314.07 of the Revised Code as determined necessary by the	1916
sponsor;	1917
(F) Having in place a plan of action to be undertaken in	1918
the event the community school experiences financial	1919
difficulties or closes prior to the end of a school year.	1920
(G) Other activities designed to specifically benefit the	1921
community school the entity sponsors.	1922
Sec. 3314.024. (A) A management company that provides	1923
services to a community school that amounts to receives more	1924
than twenty per cent of the annual gross revenues of $\frac{1}{1}$	1925
community school shall provide a detailed accounting including	1926
the nature and costs of the goods and services it provides to	1927
the community school. This information shall be included in the	1928
footnotes of the financial statements of the school reported	1929
using the categories and designations set forth in divisions (B)	1930
and (C) of this section, as applicable.	1931
(B) The detailed accounting shall include the following	1932
categories of expenses for each designation as set forth in	1933
division (C) of this section:	1934
(1) Aggregate salaries and wages;	1935
(2) Aggregate employee benefits;	1936
(3) Professional and technical services;	1937
(4) Property services;	1938
(5) Utilities;	1939
(6) Contracted craft or trade services;	1940

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1963

(5) Support services;

(6) Noninstructional activities.

(D) The information provided pursuant to this section

<u>shall</u> be subject to <u>audit</u> <u>verification through examination of</u>	1964
community school records during the course of the regular	1965
financial audit of the community school.	1966
Sec. 3314.025. (A) Beginning with the 2016-2017 school_	1967
year, each sponsor of a community school shall submit, not later	1968
than the fifteenth day of August of each year, a report to the	1969
department of education, using the format and manner prescribed	1970
by the department as set forth in division (B) of this section,	1971
describing the amount and type of expenditures made to provide	1972
monitoring, oversight, and technical assistance to the community	1973
schools it sponsors. The report shall also be submitted to the	1974
governing authority of the community school.	1975
(B) Not later than ninety days after the effective date of	1976
this section, the department shall establish requirements and a	1977
reporting procedure to aid each sponsor in complying with	1978
division (A) of this section. The department shall require that	1979
each report include at least the following types of expenditures	1980
made to provide oversight, monitoring, and technical assistance	1981
to the community school it sponsors:	1982
(1) Employee salaries, wages, benefits, and other	1983
<pre>compensation;</pre>	1984
(2) All purchased or contracted services;	1985
(3) Materials and supplies;	1986
(4) Equipment, furniture, and fixtures;	1987
(5) Facilities;	1988
(6) Other expenditures.	1989
(C) The report submitted under this section shall be a	1990
factor when evaluating a sponsor's compliance with applicable	1991

(c) of section 3314.016 of the Revised Code. The report also may	1993
be used as a factor when evaluating a sponsor's adherence to	1994
quality practices as prescribed under division (B)(1)(b) of that	1995
section.	1996
Sec. 3314.027. Notwithstanding the requirement for initial	1997
approval of sponsorship by the department of education	1998
prescribed in divisions (A)(2) and (B)(1) of section 3314.015 of	1999
the Revised Code and any geographical restriction or mission	2000
requirement prescribed in division (C)(1) of section 3314.02 of	2001
the Revised Code, an entity that has entered into a contract to	2002
sponsor a community school on April 8, 2003, may continue to	2003
sponsor the school in conformance with the terms of that	2004
contract and also may enter into new contracts to sponsor	2005
community schools after April 8, 2003, as long as the contracts	2006
conform to and the entity complies with all other provisions of	2007
this chapter.	2008
Regardless of the entity's authority to sponsor community	2009
schools without the initial approval of the department, each	2010
entity described in this section is under the continuing	2011
oversight of the department in accordance with rules adopted	2012
under section 3314.015 of the Revised Code.	2013
If an entity to which this section applies receives a	2014
rating below "effective" under division (B) of section 3314.016	2015
of the Revised Code for two or more consecutive years, that	2016
entity shall receive approval from the department of education	2017
to sponsor community schools and enter into a written agreement	2018
with the department in accordance with division (B)(1) of	2019
section 3314.015 of the Revised Code prior to entering into any	2020
further preliminary agreements under division (C)(2) of section	2021

law and administrative rules as prescribed under division (B) (1)

3314.02 of the Revised Code or renewing any existing contract to	2022
sponsor a community school.	2023
Sec. 3314.029. This section establishes the Ohio school	2024
sponsorship program. The department of education shall establish	2025
an office of Ohio school sponsorship to perform the department's	2026
duties prescribed by this section.	2027
(A)(1) Notwithstanding anything to the contrary in this	2028
chapter, any person, group of individuals, or entity may apply	2029
to the department for direct authorization to establish a	2030
community school and, upon approval of the application, may	2031
establish the school. Notwithstanding anything to the contrary	2032
in this chapter, the governing authority of an existing	2033
community school, upon the expiration or termination of its	2034
contract with the school's sponsor entered into under section	2035
3314.03 of the Revised Code, may apply to the department for	2036
direct authorization to continue operating the school and, upon	2037
approval of the application, may continue to operate the school.	2038
The department may establish a format and deadlines for an	2039
application.	2040
Each application submitted to the department shall include	2041
the following:	2042
(a) Evidence that the applicant will be able to comply	2043
with division (C) of this section;	2044
(b) A statement indicating that the applicant agrees to	2045
comply with all applicable provisions of this chapter, including	2046
the requirement to be established as a nonprofit corporation or	2047
public benefit corporation in accordance with division (A)(1) of	2048
section 3314.03 of the Revised Code;	2049
(c) A statement attesting that no unresolved finding of	2050

recovery has been issued by the auditor of state against any	2051
person, group of individuals, or entity that is a party to the	2052
application and that no person who is party to the application	2053
has been a member of the governing authority of any community	2054
school that has permanently closed and against which an	2055
unresolved finding of recovery has been issued by the auditor of	2056
state. In the case of an application submitted by the governing	2057
authority of an existing community school, a person who is party	2058
to the application shall include each individual member of that	2059
governing authority.	2060

- (d) A statement that the school will be nonsectarian in 2061 its programs, admission policies, employment practices, and all 2062 other operations, and will not be operated by a sectarian school 2063 or religious institution; 2064
- (e) A statement of whether the school is to be created by 2065 converting all or part of an existing public school or 2066 educational service center building or is to be a new start-up 2067 school. If it is a converted public school or service center 2068 building, the statement shall include a specification of any 2069 duties or responsibilities of an employer that the board of 2070 education or service center governing board that operated the 2071 school or building before conversion is delegating to the 2072 governing authority of the community school with respect to all 2073 or any specified group of employees, provided the delegation is 2074 not prohibited by a collective bargaining agreement applicable 2075 to such employees. 2076
- (f) A statement that the school's teachers will be 2077 licensed in the manner prescribed by division (A)(10) of section 2078 3314.03 of the Revised Code; 2079
  - (q) A statement that the school will comply with all of

the provisions of law enumerated in divisions (A)(11)(d) and (e)	2081
of section 3314.03 of the Revised Code and of division (A)(11)	2082
(h) of that section, if applicable;	2083
(h) A statement that the school's graduation and	2084
curriculum requirements will comply with division (A)(11)(f) of	2085
section 3314.03 of the Revised Code;	2086
(i) A description of each of the following:	2087
(i) The school's mission and educational program, the	2088
characteristics of the students the school is expected to	2089
attract, the ages and grade levels of students, and the focus of	2090
the curriculum;	2091
(ii) The school's governing authority, which shall be in	2092
compliance with division (E) of section 3314.02 of the Revised	2093
Code;	2094
(iii) The school's admission and dismissal policies, which	2095
shall be in compliance with divisions (A)(5) and (6) of section	2096
3314.03 of the Revised Code;	2097
(iv) The school's business plan, including a five-year	2098
financial forecast;	2099
(v) In the case of an application to establish a community	2100
school, the applicant's resources and capacity to establish and	2101
operate the school;	2102
(vi) The school's academic goals to be achieved and the	2103
method of measurement that will be used to determine progress	2104
toward those goals, which shall include the statewide	2105
achievement assessments;	2106
(vii) The facilities to be used by the school and their	2107
locations;	2108

(viii) A description of the learning opportunities that	2109
will be offered to students including both classroom-based and	2110
nonclassroom-based learning opportunities that are in compliance	2111
with criteria for student participation established by the	2112
department under division (H)(2) of section 3314.08 of the	2113
Revised Code.	2114
(2) Subject to division (A)(3) of this section, the	2115
department shall may approve each application, unless, within	2116
thirty days after receipt of the application, the department	2117
determines that the application does not satisfy the	2118
requirements of division (A)(1) of this section and provides the	2119
applicant a written explanation of the reasons for the	2120
determination. In that case, the department shall grant the	2121
applicant thirty days to correct the insufficiencies in the	2122
application. If the department determines that the	2123
insufficiencies have been corrected, it shall approve the	2124
application. If the department determines that the	2125
insufficiencies have not been corrected, it shall deny the	2126
application and provide the applicant with a written explanation	2127
of the reasons for the denial. The denial of an application may	2128
be appealed in accordance with section 119.12 of the Revised	2129
Code or deny an application, taking into consideration the	2130
standards for quality authorizing, capacity requirements,	2131
financial constraints, or any other criteria it determines	2132
necessary and appropriate. The department shall adopt the	2133
criteria not later than sixty days after the effective date of	2134
this amendment. The department shall assign each applicant	2135
school a rating established for a new start-up community school	2136
or an existing community school, as applicable.	2137
The department of education shall annually publish on its	2138
woh sito the critoria it uses to approve or deny an application	2130

submitted pursuant to this section.	2140
(3) For each of five school years, beginning with the	2141
school year that begins in the calendar year in which this	2142
section takes effect, the department may approve up to twenty	2143
applications for community schools to be established or to	2144
continue operation under division (A) of this section; however,	2145
of the twenty applications that may be approved each school	2146
year, only up to five may be for the establishment of new	2147
schools.	2148
(4) Notwithstanding division (A)(2) of this section, the	2149
department may deny an application submitted by the governing	2150
authority of an existing community school, if a previous sponsor	2151
of that school did not renew its contract or terminated its	2152
contract with the school entered into under section 3314.03 of	2153
the Revised Code.	2154
(5) In the case of a proposed new community school to be	2155
located in an alliance municipal school district, the department	2156
shall not approve the application of that community school	2157
unless both of the following apply:	2158
(a) The department approves the application using the	2159
requirements of divisions (A)(1)(a) to (h) of this section and	2160
the criteria developed under division (A)(2) of this section.	2161
(b) The department has determined that the applicant has	2162
requested and received a recommendation from the alliance in the	2163
manner prescribed by divisions (E)(1) and (2) of section 3311.86	2164
of the Revised Code.	2165
As used in this section, "alliance municipal school	2166
district" and "alliance" have the same meanings as in section	2167
3311.86 of the Revised Code.	2168

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- (B) The department and the governing authority of each 2169 community school authorized under this section shall enter into 2170 a contract under section 3314.03 of the Revised Code. 2171 Notwithstanding division (A)(13) of that section, the contract 2172 with an existing community school may begin at any time during 2173 the academic year. The length of the initial contract of any 2174 community school under this section may be for any term up to 2175 five years. The contract may be renewed in accordance with 2176 division (E) of that section. The contract may provide for the 2177 school's governing authority to pay a fee for oversight and 2178 monitoring of the school that does not exceed three per cent of 2179 the total amount of payments for operating expenses that the 2180 school receives from the state. 2181
- (C) The department may require a community school authorized under this section to post and file with the superintendent of public instruction a bond payable to the state or to file with the state superintendent a guarantee, which shall be used to pay the state any moneys owed by the community school in the event the school closes.
- (D) Except as otherwise provided in this section, a 2188 community school authorized under this section shall comply with 2189 all applicable provisions of this chapter. The department may 2190 take any action that a sponsor may take under this chapter to 2191 enforce the school's compliance with this division and the terms 2192 of the contract entered into under division (B) of this section. 2193
- (E) Not later than December 31, 2012, and annually

  thereafter, the department shall issue a report on the program,

  including information about the number of community schools

  participating in the program and their compliance with the

  provisions of this chapter. In its fifth report, the department

  2198

shall include a complete evaluation of the program and	2199
recommendations regarding the program's continuation. Each	2200
report shall be provided to the general assembly, in accordance	2201
with section 101.68 of the Revised Code, and to the governor.	2202
Sec. 3314.0210. When an operator or management company	2203
purchases furniture, computers, software, equipment, or other	2204
personal property for use in the operation of a community school	2205
under this chapter with state funds that were paid to the	2206
operator or management company by the community school as	2207
payment for services rendered, such property is property of that	2208
school and is not property of the operator or management	2209
company.	2210
When a community school permanently closes and ceases its	2211
operation as a community school, any property that was acquired	2212
by the operator or management company of the school in the	2213
manner described in this section shall be distributed in	2214
accordance with division (E) of section 3314.015 and section	2215
3314.074 of the Revised Code.	2216
Sec. 3314.03. A copy of every contract entered into under	2217
this section shall be filed with the superintendent of public	2218
instruction. The department of education shall make available on	2219
its web site a copy of every approved, executed contract filed	2220
with the superintendent under this section.	2221
(A) Each contract entered into between a sponsor and the	2222
governing authority of a community school shall specify the	2223
following:	2224
(1) That the school shall be established as either of the	2225
following:	2226
(a) A nonprofit corporation established under Chapter	2227

1702. of the Revised Code, if established prior to April 8,	2228
2003;	2229
(b) A public benefit corporation established under Chapter	2230
1702. of the Revised Code, if established after April 8, 2003.	2231
(2) The education program of the school, including the	2232
school's mission, the characteristics of the students the school	2233
is expected to attract, the ages and grades of students, and the	2234
focus of the curriculum;	2235
(3) The academic goals to be achieved and the method of	2236
measurement that will be used to determine progress toward those	2237
goals, which shall include the statewide achievement	2238
assessments;	2239
(4) Performance standards, including but not limited to	2240
all applicable report card measures set forth in section 3302.03	2241
or 3314.017 of the Revised Code, by which the success of the	2242
school will be evaluated by the sponsor;	2243
(5) The admission standards of section 3314.06 of the	2244
Revised Code and, if applicable, section 3314.061 of the Revised	2245
Code;	2246
(6)(a) Dismissal procedures;	2247
(b) A requirement that the governing authority adopt an	2248
attendance policy that includes a procedure for automatically	2249
withdrawing a student from the school if the student without a	2250
legitimate excuse fails to participate in one hundred five	2251
consecutive hours of the learning opportunities offered to the	2252
student.	2253
(7) The ways by which the school will achieve racial and	2254
ethnic balance reflective of the community it serves;	2255

(8) Requirements for financial audits by the auditor of	2256
state. The contract shall require financial records of the	2257
school to be maintained in the same manner as are financial	2258
records of school districts, pursuant to rules of the auditor of	2259
state. Audits shall be conducted in accordance with section	2260
117.10 of the Revised Code.	2261
(9) The An addendum to the contract outlining the	2262
facilities to be used and their locations; that contains at least	2263
the following information:	2264
(a) A detailed description of each facility used for	2265
<pre>instructional purposes;</pre>	2266
(b) The annual costs associated with leasing each facility	2267
that are paid by or on behalf of the school;	2268
(c) The annual mortgage principal and interest payments	2269
that are paid by the school;	2270
(d) The name of the lender or landlord, identified as	2271
such, and the lender's or landlord's relationship to the	2272
operator, if any.	2273
(10) Qualifications of teachers, including a requirement	2274
that the school's classroom teachers be licensed in accordance	2275
with sections 3319.22 to 3319.31 of the Revised Code, except	2276
that a community school may engage noncertificated persons to	2277
teach up to twelve hours per week pursuant to section 3319.301	2278
of the Revised Code.	2279
(11) That the school will comply with the following	2280
requirements:	2281
(a) The school will provide learning opportunities to a	2282
minimum of twenty-five students for a minimum of nine hundred	2283

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twenty hours per school year.	2284
(b) The governing authority will purchase liability	2285
insurance, or otherwise provide for the potential liability of	2286
the school.	2287
(c) The school will be nonsectarian in its programs,	2288
admission policies, employment practices, and all other	2289
operations, and will not be operated by a sectarian school or	2290
religious institution.	2291
(d) The school will comply with sections 9.90, 9.91,	2292
109.65, 121.22, 149.43, 2151.357, 2151.421, 2313.19, 3301.0710,	2293
3301.0711, 3301.0712, 3301.0715, 3301.948, 3313.472, 3313.50,	2294
3313.536, 3313.539, 3313.608, 3313.609, 3313.6012, 3313.6013,	2295
3313.6014, 3313.6015, 3313.6020, 3313.643, 3313.648, 3313.6411,	2296
3313.66, 3313.661, 3313.662, 3313.666, 3313.667, 3313.67,	2297
3313.671, 3313.672, 3313.673, 3313.69, 3313.71, 3313.716,	2298
3313.718, 3313.719, 3313.7112, 3313.80, 3313.814, 3313.816,	2299
3313.817, 3313.86, 3313.89, 3313.96, 3319.073, 3319.321,	2300
3319.39, 3319.391, 3319.41, 3319.46, 3321.01, 3321.041, 3321.13,	2301
3321.14, 3321.17, 3321.18, 3321.19, 3321.191, 3327.10, 4111.17,	2302
4113.52, and 5705.391 and Chapters 117., 1347., 2744., 3365.,	2303
3742., 4112., 4123., 4141., and 4167. of the Revised Code as if	2304
it were a school district and will comply with section 3301.0714	2305
of the Revised Code in the manner specified in section 3314.17	2306
of the Revised Code.	2307
(e) The school shall comply with Chapter 102. and section	2308
2921.42 of the Revised Code.	2309
(f) The school will comply with sections 3313.61,	2310

3313.611, and 3313.614 of the Revised Code, except that for

students who enter ninth grade for the first time before July 1,

2010, the requirement in sections 3313.61 and 3313.611 of the	2313
Revised Code that a person must successfully complete the	2314
curriculum in any high school prior to receiving a high school	2315
diploma may be met by completing the curriculum adopted by the	2316
governing authority of the community school rather than the	2317
curriculum specified in Title XXXIII of the Revised Code or any	2318
rules of the state board of education. Beginning with students	2319
who enter ninth grade for the first time on or after July 1,	2320
2010, the requirement in sections 3313.61 and 3313.611 of the	2321
Revised Code that a person must successfully complete the	2322
curriculum of a high school prior to receiving a high school	2323
diploma shall be met by completing the requirements prescribed	2324
in division (C) of section 3313.603 of the Revised Code, unless	2325
the person qualifies under division (D) or (F) of that section.	2326
Each school shall comply with the plan for awarding high school	2327
credit based on demonstration of subject area competency,	2328
adopted by the state board of education under division (J) of	2329
section 3313.603 of the Revised Code.	2330

- (g) The school governing authority will submit within four 2331 months after the end of each school year a report of its 2332 activities and progress in meeting the goals and standards of 2333 divisions (A)(3) and (4) of this section and its financial 2334 status to the sponsor and the parents of all students enrolled 2335 in the school.
- (h) The school, unless it is an internet- or computer- 2337 based community school, will comply with section 3313.801 of the 2338 Revised Code as if it were a school district. 2339
- (i) If the school is the recipient of moneys from a grant 2340 awarded under the federal race to the top program, Division (A), 2341 Title XIV, Sections 14005 and 14006 of the "American Recovery 2342

and Reinvestment Act of 2009," Pub. L. No. 111-5, 123 Stat. 115,	2343
the school will pay teachers based upon performance in	2344
accordance with section 3317.141 and will comply with section	2345
3319.111 of the Revised Code as if it were a school district.	2346
(12) Arrangements for providing health and other benefits	2347
to employees;	2348
(13) The length of the contract, which shall begin at the	2349
beginning of an academic year. No contract shall exceed five	2350
years unless such contract has been renewed pursuant to division	2351
(E) of this section.	2352
(14) The governing authority of the school, which shall be	2353
responsible for carrying out the provisions of the contract;	2354
(15) A financial plan detailing an estimated school budget	2355
for each year of the period of the contract and specifying the	2356
total estimated per pupil expenditure amount for each such year.	2357
(16) Requirements and procedures regarding the disposition	2358
of employees of the school in the event the contract is	2359
terminated or not renewed pursuant to section 3314.07 of the	2360
Revised Code;	2361
(17) Whether the school is to be created by converting all	2362
or part of an existing public school or educational service	2363
center building or is to be a new start-up school, and if it is	2364
a converted public school or service center building,	2365
specification of any duties or responsibilities of an employer	2366
that the board of education or service center governing board	2367
that operated the school or building before conversion is	2368
delegating to the governing authority of the community school	2369
with respect to all or any specified group of employees provided	2370
the delegation is not prohibited by a collective bargaining	2371

agreement applicable to such employees;	2372
(18) Provisions establishing procedures for resolving	2373
disputes or differences of opinion between the sponsor and the	2374
governing authority of the community school;	2375
(19) A provision requiring the governing authority to	2376
adopt a policy regarding the admission of students who reside	2377
outside the district in which the school is located. That policy	2378
shall comply with the admissions procedures specified in	2379
sections 3314.06 and 3314.061 of the Revised Code and, at the	2380
sole discretion of the authority, shall do one of the following:	2381
(a) Prohibit the enrollment of students who reside outside	2382
the district in which the school is located;	2383
(b) Permit the enrollment of students who reside in	2384
districts adjacent to the district in which the school is	2385
located;	2386
(c) Permit the enrollment of students who reside in any	2387
other district in the state.	2388
(20) A provision recognizing the authority of the	2389
department of education to take over the sponsorship of the	2390
school in accordance with the provisions of division (C) of	2391
section 3314.015 of the Revised Code;	2392
(21) A provision recognizing the sponsor's authority to	2393
assume the operation of a school under the conditions specified	2394
in division (B) of section 3314.073 of the Revised Code;	2395
(22) A provision recognizing both of the following:	2396
(a) The authority of public health and safety officials to	2397
inspect the facilities of the school and to order the facilities	2398
closed if those officials find that the facilities are not in	2399

compliance with health and safety laws and regulations;	2400
(b) The authority of the department of education as the	2401
community school oversight body to suspend the operation of the	2402
school under section 3314.072 of the Revised Code if the	2403
department has evidence of conditions or violations of law at	2404
the school that pose an imminent danger to the health and safety	2405
of the school's students and employees and the sponsor refuses	2406
to take such action.	2407
(23) A description of the learning opportunities that will	2408
be offered to students including both classroom-based and non-	2409
classroom-based learning opportunities that is in compliance	2410
with criteria for student participation established by the	2411
department under division (H)(2) of section 3314.08 of the	2412
Revised Code;	2413
(24) The school will comply with sections 3302.04 and	2414
3302.041 of the Revised Code, except that any action required to	2415
be taken by a school district pursuant to those sections shall	2416
be taken by the sponsor of the school. However, the sponsor	2417
shall not be required to take any action described in division	2418
(F) of section 3302.04 of the Revised Code.	2419
(25) Beginning in the 2006-2007 school year, the school	2420
will open for operation not later than the thirtieth day of	2421
September each school year, unless the mission of the school as	2422
specified under division (A)(2) of this section is solely to	2423
serve dropouts. In its initial year of operation, if the school	2424
fails to open by the thirtieth day of September, or within one	2425
year after the adoption of the contract pursuant to division (D)	2426
of section 3314.02 of the Revised Code if the mission of the	2427
school is solely to serve dropouts, the contract shall be void.	2428

(26) Whether the school's governing authority is planning	2429
to seek designation for the school as a STEM school equivalent	2430
under section 3326.032 of the Revised Code;	2431
(27) That the school's attendance and participation	2432
policies will be available for public inspection;	2433
(28) That the school's attendance and participation	2434
records shall be made available to the department of education,	2435
auditor of state, and school's sponsor to the extent permitted	2436
under and in accordance with the "Family Educational Rights and	2437
Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232g, as amended,	2438
and any regulations promulgated under that act, and section	2439
3319.321 of the Revised Code;	2440
(29) If a school operates using the blended learning	2441
model, as defined in section 3301.079 of the Revised Code, all	2442
of the following information:	2443
(a) An indication of what blended learning model or models	2444
will be used;	2445
(b) A description of how student instructional needs will	2446
be determined and documented;	2447
(c) The method to be used for determining competency,	2448
granting credit, and promoting students to a higher grade level;	2449
(d) The school's attendance requirements, including how	2450
the school will document participation in learning	2451
opportunities;	2452
(e) A statement describing how student progress will be	2453
<pre>monitored;</pre>	2454
(f) A statement describing how private student data will	2455
be protected;	2456

(g) A description of the professional development	2457
activities that will be offered to teachers.	2458
(30) A provision requiring that all moneys the school's	2459
operator loans to the school, including facilities loans or cash	2460
flow assistance, must be accounted for, documented, and bear	2461
interest at a fair market rate;	2462
(31) A provision requiring that, if the governing	2463
authority contracts with an attorney, accountant, or entity	2464
specializing in audits, the attorney, accountant, or entity	2465
shall be independent from the operator with which the school has	2466
contracted.	2467
(B) The community school shall also submit to the sponsor	2468
a comprehensive plan for the school. The plan shall specify the	2469
following:	2470
(1) The process by which the governing authority of the	2471
school will be selected in the future;	2472
(2) The management and administration of the school;	2473
(3) If the community school is a currently existing public	2474
school or educational service center building, alternative	2475
arrangements for current public school students who choose not	2476
to attend the converted school and for teachers who choose not	2477
to teach in the school or building after conversion;	2478
(4) The instructional program and educational philosophy	2479
of the school;	2480
(5) Internal financial controls.	2481
When submitting the plan under this division, the school	2482
shall also submit copies of all policies and procedures	2483
regarding internal financial controls adopted by the governing	2484

authority of the school.

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## (C) A contract entered into under section 3314.02 of the 2486 Revised Code between a sponsor and the governing authority of a 2487 community school may provide for the community school governing 2488 authority to make payments to the sponsor, which is hereby 2489 authorized to receive such payments as set forth in the contract 2490 between the governing authority and the sponsor. The total 2491 amount of such payments for oversight and monitoring, oversight, 2492 and technical assistance of the school shall not exceed three 2493 2494 per cent of the total amount of payments for operating expenses that the school receives from the state. 2495 (D) The contract shall specify the duties of the sponsor 2496 which shall be in accordance with the written agreement entered 2497 into with the department of education under division (B) of 2498 section 3314.015 of the Revised Code and shall include the 2499 following: 2500 (1) Monitor the community school's compliance with all 2501 laws applicable to the school and with the terms of the 2502 2503 contract; (2) Monitor and evaluate the academic and fiscal 2504 performance and the organization and operation of the community 2505 school on at least an annual basis; 2506 (3) Report on an annual basis the results of the 2507 evaluation conducted under division (D)(2) of this section to 2508 the department of education and to the parents of students 2509 enrolled in the community school; 2510 (4) Provide technical assistance to the community school 2511 in complying with laws applicable to the school and terms of the 2512 contract; 2513

- (5) Take steps to intervene in the school's operation to

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  correct problems in the school's overall performance, declare

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  the school to be on probationary status pursuant to section

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  3314.073 of the Revised Code, suspend the operation of the

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  school pursuant to section 3314.072 of the Revised Code, or

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  terminate the contract of the school pursuant to section 3314.07

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  of the Revised Code as determined necessary by the sponsor;

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- (6) Have in place a plan of action to be undertaken in the 2521 event the community school experiences financial difficulties or 2522 closes prior to the end of a school year. 2523
- (E) Upon the expiration of a contract entered into under 2524 this section, the sponsor of a community school may, with the 2525 approval of the governing authority of the school, renew that 2526 contract for a period of time determined by the sponsor, but not 2527 ending earlier than the end of any school year, if the sponsor 2528 finds that the school's compliance with applicable laws and 2529 terms of the contract and the school's progress in meeting the 2530 academic goals prescribed in the contract have been 2531 satisfactory. Any contract that is renewed under this division 2532 remains subject to the provisions of sections 3314.07, 3314.072, 2533 and 3314.073 of the Revised Code. 2534
- (F) If a community school fails to open for operation 2535 within one year after the contract entered into under this 2536 section is adopted pursuant to division (D) of section 3314.02 2537 of the Revised Code or permanently closes prior to the 2538 expiration of the contract, the contract shall be void and the 2539 school shall not enter into a contract with any other sponsor. A 2540 school shall not be considered permanently closed because the 2541 operations of the school have been suspended pursuant to section 2542 3314.072 of the Revised Code. 2543

Sec. 3314.031. (A) Beginning March 31, 2016, the	2544
department shall do the following:	2545
(1) Maintain and annually publish an accurate record of	2546
the names and identifying information of all entities that have	2547
entered into a contract with the governing authority of a	2548
<pre>community school to manage or operate that school;</pre>	2549
(2) Receive from the governing authority of each community	2550
school a copy of the contract between a governing authority and	2551
its operator. A copy of each contract shall be made available on	2552
the department's web site.	2553
(B) Not later than November 15, 2016, and not later than	2554
the fifteenth day of November for each year thereafter, the	2555
department shall develop and publish an annual performance	2556
report for all operators of community schools in the state based	2557
on their performance for the previous school year. The report	2558
shall be made available on the department's web site.	2559
(C) The department shall include the performance report	2560
obtained pursuant to division (B) of this section in the	2561
department's annual report required by division (A)(4) of	2562
section 3314.015 of the Revised Code.	2563
(D) For purposes of this section, "operator" has the same	2564
meaning as in division (A)(8) of section 3314.02 of the Revised	2565
Code.	2566
Sec. 3314.032. (A) On and after the effective date of this	2567
section, any new or renewed contract between the governing	2568
authority of a community school and an operator shall include at	2569
<pre>least the following:</pre>	2570
(1) Criteria to be used for early termination of the	2571
operator contract:	2572

(2) Required notification procedures and timeline for	2573
early termination or nonrenewal of the operator contract;	2574
(3) A stipulation of which entity owns all community	2575
school facilities and property including, but not limited to,	2576
equipment, furniture, fixtures, instructional materials and	2577
supplies, computers, printers, and other digital devices	2578
purchased by the governing authority or operator. Any	2579
stipulation regarding property ownership shall comply with the	2580
requirements of section 3314.0210 of the Revised Code.	2581
(B)(1) The operator with which the governing authority of	2582
a community school contracts for services shall not lease any	2583
parcel of real property to that community school until an	2584
independent professional in the real estate field verifies via	2585
addendum that at the time the lease was agreed to, the lease was	2586
commercially reasonable.	2587
(2) The independent professional described in division (B)	2588
(1) of this section shall be immune from civil liability for any	2589
decision rendered pursuant to this section.	2590
(C) Beginning with the 2016-2017 school year, the	2591
governing authority of a community school, with the assistance	2592
of the school's designated fiscal officer, shall adopt an annual	2593
budget by the thirty-first day of October of each year.	2594
Not later than ninety days after the effective date of	2595
this section, the department of education shall develop a format	2596
for annual budgets of community schools. The format shall	2597
prescribe inclusion of the following information in a school's	2598
budget:	2599
(1) Administrative costs for the community school as a	2600
whole:	2601

(2) Instructional services costs for each category of	2602
service provided directly to students, compiled and reported in	2603
terms of average expenditure per pupil receiving the service;	2604
(3) The cost of instructional support services, such as	2605
services provided by a speech-language pathologist, classroom	2606
aide, multimedia aide, or librarian, provided directly to	2607
students;	2608
(4) The cost of administrative support services, such as	2609
the cost of personnel that develop the curriculum and the cost	2610
of personnel supervising or coordinating the delivery of the	2611
<pre>instructional services;</pre>	2612
(5) The cost of support or extracurricular services costs	2613
for services directly provided to students;	2614
(6) The cost of services provided directly to students by	2615
a nonlicensed employee related to support or extracurricular	2616
services, such as janitorial services, cafeteria services, or	2617
services of a sports trainer;	2618
(7) The cost of administrative services related to support	2619
or extracurricular services, such as the cost of any licensed or	2620
unlicensed employees that develop, supervise, coordinate, or	2621
otherwise are involved in administrating or aiding the delivery	2622
of services.	2623
(D) The governing authority of a community school shall be	2624
the sole entity responsible for the adoption of the school's	2625
annual budget, but the governing authority shall adopt such	2626
budget with the assistance of the school's designated fiscal	2627
officer.	2628
Sec. 3314.034. (A) Subject to division (B) of this	2629
section, any community school to which either of the following	2630

conditions apply shall be prohibited from entering into a	2631
<pre>contract with a new sponsor:</pre>	2632
(1) The community school has received a grade of "D" or	2633
"F" for the performance index score, under division (C)(1)(b) of	2634
section 3302.03 of the Revised Code, and an overall grade of "D"	2635
or "F" for the value-added progress dimension or another measure	2636
of student academic progress if adopted by the state board of	2637
education, under division (C)(1)(e) of that section, on the most	2638
recent report card issued for the school pursuant to that	2639
section.	2640
(2) The community school is one in which a majority of the	2641
students are enrolled in a dropout prevention and recovery	2642
program, and it has received a rating of "does not meet	2643
standards" for the annual student growth measure and combined	2644
graduation rates on the most recent report card issued for the	2645
school under section 3314.017 of the Revised Code.	2646
(B) A community school to which division (A) of this	2647
section applies may enter into a contract with a new sponsor if	2648
all of the following conditions are satisfied:	2649
(1) The proposed sponsor received a rating of "effective"	2650
or higher pursuant to division (B)(6) of section 3314.016 of the	2651
Revised Code on its most recent evaluation conducted according	2652
to that section, or the proposed sponsor is the office of Ohio	2653
school sponsorship established in section 3314.029 of the	2654
Revised Code.	2655
(2) The community school submits a request to enter into a	2656
<pre>new contract with a sponsor.</pre>	2657
(3) The community school has not submitted a prior request	2658
that was granted.	2659

(4) The department grants the school's request pursuant to	2660
division (C) of this section.	2661
(C) A school shall submit a request to change sponsors	2662
under this section not later than on the fifteenth day of	2663
February of the year in which the school wishes to do so. The	2664
department shall grant or deny the request not later than thirty	2665
days after the department receives it. If the department denies	2666
the request, the community school may submit an appeal to the	2667
state board of education, which shall hold a hearing in	2668
accordance with Chapter 119. of the Revised Code. The community	2669
school shall file its notice of appeal to the state board not	2670
later than ten days after receiving the decision from the	2671
department. The state board shall conduct the hearing not later	2672
than thirty days after receiving the school's notice of appeal	2673
and act upon the determination of the hearing officer not later	2674
than the twenty-fifth day of June of the year in which the	2675
school wishes to change sponsors.	2676
(D) Factors to be considered during a hearing held	2677
pursuant to division (C) of this section include, but are not	2678
<pre>limited to, the following:</pre>	2679
(1) The school's impact on the students and the community	2680
or communities it serves;	2681
(2) The quality and quantity of academic and	2682
administrative support the school receives from its current	2683
sponsor to help the school to improve;	2684
(3) The sponsor's annual evaluations of the community	2685
school under division (D)(2) of section 3314.03 of the Revised_	2686
<pre>Code for the previous three years;</pre>	2687
(4) The academic performance of the school, taking into	2688

account the demographic information of the students enrolled in	2689
the school;	2690
(5) The academic performance of alternative schools that	2691
serve comparable populations of students as those served by the	2692
community school;	2693
(6) The fiscal stability of the school;	2694
(7) The results of any audits of the school by the auditor	2695
of state;	2696
(8) The length of time the school has been under the	2697
oversight of its current sponsor;	2698
(9) The number of times the school has changed sponsors	2699
prior to the current request;	2700
(10) Parent and student satisfaction rates as demonstrated	2701
by surveys, if available.	2702
Sec. 3314.035. Each community school shall post on the	2703
school's web site the name of each member of the school's	2704
governing authority. Each community school also shall provide,	2705
upon request, the name and address of each member of the	2706
governing authority to the sponsor of the school and the	2707
department of education.	2708
Sec. 3314.036. The governing authority of a community	2709
school shall employ an attorney, who shall be independent from	2710
the school's sponsor or the operator with which the school has	2711
contracted, for any services related to the negotiation of the	2712
community school's contract with the sponsor or the school's	2713
contract with the operator.	2714
Sec. 3314.037. The members of the governing authority of a	2715
community school the designated fiscal officer of the school	2716

the chief administrative officer and other administrative	2717
employees of the school, and all individuals performing	2718
supervisory or administrative services for the school under a	2719
contract with the operator of the school shall complete training	2720
on an annual basis on the public records and open meetings laws,	2721
so that they may comply with those laws as prescribed by	2722
division (A) (11) (d) of section 3314.03 of the Revised Code.	2723
Sec. 3314.038. Each community school shall annually submit	2724
to the department of education and auditor of state a report of	2725
each instance under which a student who is enrolled in that	2726
community school resides in a children's residential center as	2727
defined under section 5103.05 of the Revised Code.	2728
Sec. 3314.039. The department of education shall compile	2729
and publish the following information, for each year since the	2730
2010-2011 school year, in a simple, easily accessible location	2731
on its web site:	2732
(A) A single document identifying each community school	2733
that has closed during each year and the reason for the closure	2734
<pre>of each school;</pre>	2735
(B) A single document for each entity that submitted an	2736
application to sponsor schools that contains the following,	2737
where applicable:	2738
(1) The entity's application and most recent evaluation;	2739
(2) A designation of whether the entity's application was	2740
approved or denied;	2741
(3) All documentation used in determining whether to	2742
approve or deny the entity's application;	2743
(4) A short statement describing the rationale used in	2744

approving or denying the entity's application.	2745
(C) A single document containing the following	2746
<pre>information:</pre>	2747
(1) A list of all sponsor ratings for each school year for	2748
which ratings are available;	2749
(2) A list of each sponsor that is prohibited, as of the	2750
thirty-first day of December of each school year, from	2751
sponsoring new schools;	2752
(3) A list of each sponsor that sponsors or has sponsored	2753
a school that is or was subject to closure, and the reason for	2754
that closure.	2755
(D) The department shall update the document required	2756
pursuant to division (A) of this section on an annual basis.	2757
Sec. 3314.07. (A) The expiration of the contract for a	2758
community school between a sponsor and a school shall be the	2759
date provided in the contract. A successor contract may be	2760
entered into pursuant to division (E) of section 3314.03 of the	2761
Revised Code unless the contract is terminated or not renewed	2762
pursuant to this section.	2763
(B)(1) A sponsor may choose not to renew a contract at its	2764
expiration or may choose to terminate a contract prior to its	2765
expiration for any of the following reasons:	2766
(a) Failure to meet student performance requirements	2767
stated in the contract;	2768
(b) Failure to meet generally accepted standards of fiscal	2769
management;	2770
(c) Violation of any provision of the contract or	2771

applicable state or federal law;	2772
(d) Other good cause.	2773
(2) A sponsor may choose to terminate a contract prior to	2774
its expiration if the sponsor has suspended the operation of the	2775
contract under section 3314.072 of the Revised Code.	2776
(3) Not later than the <u>first</u> <u>fifteenth</u> day of <del>February</del>	2777
<u>January</u> in the year in which the sponsor intends to terminate or	2778
take actions not to renew the community school's contract, the	2779
sponsor shall notify the school of the proposed action in	2780
writing. The notice shall include the reasons for the proposed	2781
action in detail, the effective date of the termination or	2782
nonrenewal, and a statement that the school may, within fourteen	2783
days of receiving the notice, request an informal hearing before	2784
the sponsor. Such request must be in writing. The informal	2785
hearing shall be held within fourteen days of the receipt of a	2786
request for the hearing. Not later than fourteen days after the	2787
informal hearing, the sponsor shall issue a written decision	2788
either affirming or rescinding the decision to terminate or not	2789
renew the contract.	2790
(4) A decision by the sponsor to terminate a contract may	2791
be appealed to the state board of education. The notice of	2792
appeal shall be filed with the state board not later than-	2793
fourteen days following receipt of the sponsor's written-	2794
decision to terminate the contract. Within sixty days of receipt	2795
of the notice of appeal, the state board shall conduct a hearing	2796
and issue a written decision on the appeal. The written decision-	2797
of the state board shall include the reasons for affirming or-	2798
rescinding the decision of the sponsor. The decision by the-	2799
state board pertaining to an appeal under this division is-	2800

final. If the sponsor is the state board, its decision to-

terminate a contract under division (B)(3) of this section shall	2802
be final.	2803
(5) The termination of a contract under this section shall	2804
be effective upon the occurrence of the later of the following	2805
events:	2806
(a) The date the sponsor notifies the school of its	2807
decision to terminate the contract as prescribed in division (B)	2808
(3) of this section;	2809
(b) If an informal hearing is requested under division (B)	2810
(3) of this section and as a result of that hearing the sponsor	2811
affirms its decision to terminate the contract, the effective	2812
date of the termination specified in the notice issued under	2813
division (B)(3) of this section, or if that decision is appealed	2814
to the state board under division (B) (4) of this section and the	2815
state board affirms that decision, the date established in the	2816
resolution of the state board affirming the sponsor's decision.	2817
(6) (5) Any community school whose contract is terminated	2818
or not renewed under division (B) (1) (a) or (b) of this section	2819
shall close permanently at the end of the current school year or	2820
on a date specified in the notification of termination $\underline{\text{or}}$	2821
<pre>nonrenewal under division (B)(3) of this section. Any community</pre>	2822
school whose contract is terminated or not renewed for failure	2823
to meet student performance requirements stated in the contract,	2824
or for failure to meet generally accepted standards of fiscal	2825
<u>management</u> under this division shall not enter into a contract	2826
with any other sponsor.	2827
(C) A child attending a community school whose contract	2828
has been terminated, nonrenewed, or suspended or that closes for	2829
any reason shall be admitted to the schools of the district in	2830

which the child is entitled to attend under section 3313.64 or	2831
3313.65 of the Revised Code. Any deadlines established for the	2832
purpose of admitting students under section 3313.97 or 3313.98	2833
of the Revised Code shall be waived for students to whom this	2834
division pertains.	2835
(D) If a community school does not intend to renew a	2836
contract with its sponsor, the community school shall notify its	2837
sponsor in writing of that fact at least one hundred eighty days	2838
prior to the expiration of the contract. Such a community school	2839
may enter into a contract with a new sponsor in accordance with	2840
section 3314.03 of the Revised Code upon the expiration of the	2841
previous contract.	2842
(E) A sponsor of a community school and the officers,	2843
directors, or employees of such a sponsor are immune from civil	2844
liability for any action authorized under this chapter or the	2845
contract entered into with the school under section 3314.03 of	2846
the Revised Code that is taken to fulfill the sponsor's	2847
responsibility to oversee and monitor the school. The sponsor	2848
and its officers, directors, or employees are not liable in	2849
damages in a tort or other civil action for harm allegedly	2850
arising from <pre>either any of the following:</pre>	2851
(1) A failure of the community school or any of its	2852
officers, directors, or employees to perform any statutory or	2853
common law duty or responsibility or any other legal obligation;	2854
(2) An action or omission of the community school or any	2855
of its officers, directors, or employees that results in harm.	2856
(3) A failure of the community school or any of its	2857
officers, directors, or employees to meet the obligations of any	2858

contract or other obligation entered into on behalf of the

community school and another party.	2860
(F) As used in this section:	2861
(1) "Harm" means injury, death, or loss to person or	2862
property.	2863
(2) "Tort action" means a civil action for damages for	2864
injury, death, or loss to person or property other than a civil	2865
action for damages for a breach of contract or another agreement	2866
between persons.	2867
Sec. 3314.074. Divisions (A) and (B) of this section apply	2868
only to the extent permitted under Chapter 1702. of the Revised	2869
Code.	2870
(A) If any community school established under this chapter	2871
permanently closes and ceases its operation as a community	2872
school, the assets of that school shall be distributed first to	2873
the retirement funds of employees of the school, employees of	2874
the school, and private creditors who are owed compensation, and	2875
then any remaining funds shall be paid to the department of	2876
education for redistribution to the school districts in which	2877
the students who were enrolled in the school at the time it	2878
ceased operation were entitled to attend school under section	2879
3313.64 or 3313.65 of the Revised Code. The amount distributed	2880
to each school district shall be proportional to the district's	2881
share of the total enrollment in the community school.	2882
(B) If a community school closes and ceases to operate as	2883
a community school and the school has received computer hardware	2884
or software from the former Ohio SchoolNet commission or the	2885
former eTech Ohio commission, such hardware or software shall be	2886
turned over to the department of education, which shall	2887
redistribute the hardware and software, to the extent such	2888

redistribution is possible, to school districts in conformance	2889
with the provisions of the programs as they were operated and	2890
administered by the former eTech Ohio commission.	2891
(C) If the assets of the school are insufficient to pay	2892
all persons or entities to whom compensation is owed, the	2893
prioritization of the distribution of the assets to individual	2894
persons or entities within each class of payees may be	2895
determined by decree of a court in accordance with this section	2896
and Chapter 1702. of the Revised Code.	2897
(D) A community school that engages in a merger or	2898
consolidation pursuant to division (B) of section 1702.41 of the	2899
Revised Code and becomes a single public benefit corporation	2900
shall not be required to distribute assets pursuant to divisions	2901
(A), (B), and (C) of this section, provided that the governing	2902
authority of the community school created by the merger or	2903
consolidation enters into a contract for sponsorship under	2904
section 3314.03 of the Revised Code with an entity rated	2905
"effective" or higher by the department of education pursuant to	2906
section 3314.016 of the Revised Code.	2907
Sec. 3314.10. (A) (1) The governing authority of any	2908
community school established under this chapter may employ	2909
teachers and nonteaching employees necessary to carry out its	2910
mission and fulfill its contract.	2911
(2) Except as provided under division (A)(3) of this	2912
section, employees hired under this section may organize and	2913
collectively bargain pursuant to Chapter 4117. of the Revised	2914
Code. Notwithstanding division (D)(1) of section 4117.06 of the	2915
Revised Code, a unit containing teaching and nonteaching	2916
employees employed under this section shall be considered an	2917
appropriate unit. As applicable Except as provided in divisions	2918
11 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	

(B) (2) (b) and (c) of section 3307.01 of the Revised Code and in	2919
section 3309.013 of the Revised Code, employment under this	2920
section is subject to either Chapter 3307. or 3309. of the	2921
Revised Code.	2922

(3) If a school is created by converting all or part of an 2923 existing public school rather than by establishment of a new 2924 start-up school, at the time of conversion, the employees of the 2925 community school shall remain part of any collective bargaining 2926 2927 unit in which they were included immediately prior to the conversion and shall remain subject to any collective bargaining 2928 2929 agreement for that unit in effect on the first day of July of the year in which the community school initially begins 2930 operation and shall be subject to any subsequent collective 2931 bargaining agreement for that unit, unless a petition is 2932 certified as sufficient under division (A)(6) of this section 2933 with regard to those employees. Any new employees of the 2934 community school shall also be included in the unit to which 2935 they would have been assigned had not the conversion taken place 2936 and shall be subject to the collective bargaining agreement for 2937 that unit unless a petition is certified as sufficient under 2938 division (A)(6) of this section with regard to those employees. 2939

Notwithstanding division (B) of section 4117.01 of the 2940 Revised Code, the board of education of a school district and 2941 not the governing authority of a community school shall be 2942 regarded, for purposes of Chapter 4117. of the Revised Code, as 2943 the "public employer" of the employees of a conversion community 2944 school subject to a collective bargaining agreement pursuant to 2945 division (A)(3) of this section unless a petition is certified 2946 under division (A)(6) of this section with regard to those 2947 employees. Only on and after the effective date of a petition 2948 certified as sufficient under division (A)(6) of this section 2949

shall division (A)(2) of this section apply to those employees	2950
of that community school and only on and after the effective	2951
date of that petition shall Chapter 4117. of the Revised Code	2952
apply to the governing authority of that community school with	2953
regard to those employees.	2954
(4) Notwithstanding sections 4117.03 to 4117.18 of the	2955
Revised Code and Section 4 of Amended Substitute Senate Bill No.	2956
133 of the 115th general assembly, the employees of a conversion	2957
community school who are subject to a collective bargaining	2958
agreement pursuant to division (A)(3) of this section shall	2959
cease to be subject to that agreement and all subsequent	2960
agreements pursuant to that division and shall cease to be part	2961
of the collective bargaining unit that is subject to that and	2962
all subsequent agreements, if a majority of the employees of	2963
that community school who are subject to that collective	2964
bargaining agreement sign and submit to the state employment	2965
relations board a petition requesting all of the following:	2966
(a) That all the employees of the community school who are	2967
subject to that agreement be removed from the bargaining unit	2968
that is subject to that agreement and be designated by the state	2969
employment relations board as a new and separate bargaining unit	2970
for purposes of Chapter 4117. of the Revised Code;	2971
(b) That the employee organization certified as the	2972
exclusive representative of the employees of the bargaining unit	2973
from which the employees are to be removed be certified as the	2974
exclusive representative of the new and separate bargaining unit	2975
for purposes of Chapter 4117. of the Revised Code;	2976
(c) That the governing authority of the community school	2977
be regarded as the "public employer" of these employees for	2978

purposes of Chapter 4117. of the Revised Code.

(5) Notwithstanding sections 4117.03 to 4117.18 of the	2980
Revised Code and Section 4 of Amended Substitute Senate Bill No.	2981
133 of the 115th general assembly, the employees of a conversion	2982
community school who are subject to a collective bargaining	2983
agreement pursuant to division (A)(3) of this section shall	2984
cease to be subject to that agreement and all subsequent	2985
agreements pursuant to that division, shall cease to be part of	2986
the collective bargaining unit that is subject to that and all	2987
subsequent agreements, and shall cease to be represented by any	2988
exclusive representative of that collective bargaining unit, if	2989
a majority of the employees of the community school who are	2990
subject to that collective bargaining agreement sign and submit	2991
to the state employment relations board a petition requesting	2992
all of the following:	2993

- (a) That all the employees of the community school who are subject to that agreement be removed from the bargaining unit that is subject to that agreement;
- (b) That any employee organization certified as the exclusive representative of the employees of that bargaining unit be decertified as the exclusive representative of the employees of the community school who are subject to that agreement;
- (c) That the governing authority of the community school be regarded as the "public employer" of these employees for purposes of Chapter 4117. of the Revised Code.
- (6) Upon receipt of a petition under division (A)(4) or 3005
  (5) of this section, the state employment relations board shall 3006
  check the sufficiency of the signatures on the petition. If the 3007
  signatures are found sufficient, the board shall certify the 3008
  sufficiency of the petition and so notify the parties involved, 3009

including the board of education, the governing authority of the 3010 community school, and any exclusive representative of the 3011 bargaining unit. The changes requested in a certified petition 3012 shall take effect on the first day of the month immediately 3013 following the date on which the sufficiency of the petition is 3014 certified under division (A)(6) of this section. 3015

(B) (1) The board of education of each city, local, and 3016 exempted village school district sponsoring a community school 3017 and the governing board of each educational service center in 3018 which a community school is located shall adopt a policy that 3019 3020 provides a leave of absence of at least three years to each teacher or nonteaching employee of the district or service 3021 center who is employed by a conversion or new start-up community 3022 school sponsored by the district or located in the district or 3023 center for the period during which the teacher or employee is 3024 continuously employed by the community school. The policy shall 3025 also provide that any teacher or nonteaching employee may return 3026 to employment by the district or service center if the teacher 3027 or employee leaves or is discharged from employment with the 3028 community school for any reason, unless, in the case of a 3029 teacher, the board of the district or service center determines 3030 that the teacher was discharged for a reason for which the board 3031 would have sought to discharge the teacher under section 3311.82 3032 or 3319.16 of the Revised Code, in which case the board may 3033 proceed to discharge the teacher utilizing the procedures of 3034 that section. Upon termination of such a leave of absence, any 3035 seniority that is applicable to the person shall be calculated 3036 to include all of the following: all employment by the district 3037 or service center prior to the leave of absence; all employment 3038 by the community school during the leave of absence; and all 3039 employment by the district or service center after the leave of 3040

absence. The policy shall also provide that if any teacher	3041
holding valid certification returns to employment by the	3042
district or service center upon termination of such a leave of	3043
absence, the teacher shall be restored to the previous position	3044
and salary or to a position and salary similar thereto. If, as a	3045
result of teachers returning to employment upon termination of	3046
such leaves of absence, a school district or educational service	3047
center reduces the number of teachers it employs, it shall make	3048
such reductions in accordance with section 3319.171 of the	3049
Revised Code.	3050

Unless a collective bargaining agreement providing 3051 otherwise is in effect for an employee of a conversion community 3052 school pursuant to division (A)(3) of this section, an employee 3053 on a leave of absence pursuant to this division shall remain 3054 eligible for any benefits that are in addition to benefits under 3055 Chapter 3307. or 3309. of the Revised Code provided by the 3056 district or service center to its employees provided the 3057 employee pays the entire cost associated with such benefits, 3058 except that personal leave and vacation leave cannot be accrued 3059 for use as an employee of a school district or service center 3060 while in the employ of a community school unless the district or 3061 service center board adopts a policy expressly permitting this 3062 accrual. 3063

(2) While on a leave of absence pursuant to division (B) 3064 (1) of this section, a conversion community school shall permit 3065 a teacher to use sick leave accrued while in the employ of the 3066 school district from which the leave of absence was taken and 3067 prior to commencing such leave. If a teacher who is on such a 3068 leave of absence uses sick leave so accrued, the cost of any 3069 salary paid by the community school to the teacher for that time 3070 shall be reported to the department of education. The cost of 3071

3100

employing a substitute teacher for that time shall be paid by	3072
the community school. The department of education shall add	3073
amounts to the payments made to a community school under this	3074
chapter as necessary to cover the cost of salary reported by a	3075
community school as paid to a teacher using sick leave so	3076
accrued pursuant to this section. The department shall subtract	3077
the amounts of any payments made to community schools under this	3078
division from payments made to such sponsoring school district	3079
under Chapter 3317. of the Revised Code.	3080
A school district providing a leave of absence and	3081
employee benefits to a person pursuant to this division is not	3082
liable for any action of that person while the person is on such	3083
leave and employed by a community school.	3084
Sec. 3314.19. The sponsor of each community school	3085
sec. 3314.19. The sponsor of each community school	3003
annually shall provide the following assurances in writing to	3086
annually shall provide the following assurances in writing to	3086
annually shall provide the following assurances in writing to the department of education not later than ten business days	3086 3087
annually shall provide the following assurances in writing to the department of education not later than ten business days prior to the opening of the school:	3086 3087 3088
annually shall provide the following assurances in writing to the department of education not later than ten business days prior to the opening of the school:  (A) That a current copy of the contract between the	3086 3087 3088 3089
annually shall provide the following assurances in writing to the department of education not later than ten business days prior to the opening of the school:  (A) That a current copy of the contract between the sponsor and the governing authority of the school entered into	3086 3087 3088 3089 3090
annually shall provide the following assurances in writing to the department of education not later than ten business days prior to the opening of the school:  (A) That a current copy of the contract between the sponsor and the governing authority of the school entered into under section 3314.03 of the Revised Code has been filed with	3086 3087 3088 3089 3090 3091
annually shall provide the following assurances in writing to the department of education not later than ten business days prior to the opening of the school:  (A) That a current copy of the contract between the sponsor and the governing authority of the school entered into under section 3314.03 of the Revised Code has been filed with the department and that any subsequent modifications to that	3086 3087 3088 3089 3090 3091 3092
annually shall provide the following assurances in writing to the department of education not later than ten business days prior to the opening of the school:  (A) That a current copy of the contract between the sponsor and the governing authority of the school entered into under section 3314.03 of the Revised Code has been filed with the department and that any subsequent modifications to that contract will be filed with the department;	3086 3087 3088 3089 3090 3091 3092 3093
annually shall provide the following assurances in writing to the department of education not later than ten business days prior to the opening of the school:  (A) That a current copy of the contract between the sponsor and the governing authority of the school entered into under section 3314.03 of the Revised Code has been filed with the department and that any subsequent modifications to that contract will be filed with the department;  (B) That the school has submitted to the sponsor a plan	3086 3087 3088 3089 3090 3091 3092 3093
annually shall provide the following assurances in writing to the department of education not later than ten business days prior to the opening of the school:  (A) That a current copy of the contract between the sponsor and the governing authority of the school entered into under section 3314.03 of the Revised Code has been filed with the department and that any subsequent modifications to that contract will be filed with the department;  (B) That the school has submitted to the sponsor a plan for providing special education and related services to students	3086 3087 3088 3089 3090 3091 3092 3093 3094 3095
annually shall provide the following assurances in writing to the department of education not later than ten business days prior to the opening of the school:  (A) That a current copy of the contract between the sponsor and the governing authority of the school entered into under section 3314.03 of the Revised Code has been filed with the department and that any subsequent modifications to that contract will be filed with the department;  (B) That the school has submitted to the sponsor a plan for providing special education and related services to students with disabilities and has demonstrated the capacity to provide	3086 3087 3088 3089 3090 3091 3092 3093 3094 3095 3096

(C) That the school has a plan and procedures for

administering the achievement and diagnostic assessments

prescribed by sections 3301.0710, 3301.0712, and 3301.0715 of	3101
the Revised Code;	3102
(D) That school personnel have the necessary training,	3103
knowledge, and resources to properly use and submit information	3104
to all databases maintained by the department for the collection	3105
of education data, including the education management	3106
information system established under section 3301.0714 of the	3107
Revised Code in accordance with methods and timelines	3108
established under section 3314.17 of the Revised Code;	3109
(E) That all required information about the school has	3110
been submitted to the Ohio education directory system or any	3111
successor system;	3112
(F) That the school will enroll at least the minimum	3113
number of students required by division (A)(11)(a) of section	3114
3314.03 of the Revised Code in the school year for which the	3115
assurances are provided;	3116
(G) That all classroom teachers are licensed in accordance	3117
with sections 3319.22 to 3319.31 of the Revised Code, except for	3118
noncertificated persons engaged to teach up to twelve hours per	3119
week pursuant to section 3319.301 of the Revised Code;	3120
(H) That the school's fiscal officer is in compliance with	3121
section 3314.011 of the Revised Code;	3122
(I) That the school has complied with sections 3319.39 and	3123
3319.391 of the Revised Code with respect to all employees and	3124
that the school has conducted a criminal records check of each	3125
of its governing authority members;	3126
(J) That the school holds all of the following:	3127
(1) Proof of property ownership or a lease for the	3128

facilities used by the school;	3129
(2) A certificate of occupancy;	3130
(3) Liability insurance for the school, as required by	3131
division (A)(11)(b) of section 3314.03 of the Revised Code, that	3132
the sponsor considers sufficient to indemnify the school's	3133
facilities, staff, and governing authority against risk;	3134
(4) A satisfactory health and safety inspection;	3135
(5) A satisfactory fire inspection;	3136
(6) A valid food permit, if applicable.	3137
(K) That the sponsor has conducted a pre-opening site	3138
visit to the school for the school year for which the assurances	3139
are provided;	3140
(L) That the school has designated a date it will open for	3141
the school year for which the assurances are provided that is in	3142
compliance with division (A)(25) of section 3314.03 of the	3143
Revised Code;	3144
(M) That the school has met all of the sponsor's	3145
requirements for opening and any other requirements of the	3146
sponsor.	3147
(N) That, for any school that operates using the blended	3148
learning model, as defined in section 3301.079 of the Revised	3149
Code, the sponsor has reviewed the following information,	3150
<pre>submitted by the school:</pre>	3151
(1) An indication of what blended learning model or models	3152
will be used;	3153
(2) A description of how student instructional needs will	3154
be determined and documented;	3155

(3) The method to be used for determining competency,	3156
granting credit, and promoting students to a higher grade level;	3157
(4) The school's attendance requirements, including how	3158
the school will document participation in learning	3159
opportunities;	3160
(5) A statement describing how student progress will be	3161
monitored;	3162
(6) A statement describing how private student data will	3163
be protected;	3164
(7) A description of the professional development	3165
activities that will be offered to teachers.	3166
Sec. 3314.23. (A) Subject to division (B) of this section,	3167
each internet- or computer-based community school shall <del>do the-</del>	3168
applicable one of the following:	3169
(1) If the general assembly has enacted standards for the	3170
operation of internet- or computer based community schools by	3171
January 1, 2013, comply with the standards so enacted;	3172
(2) If the general assembly has not enacted such standards	3173
by that date, comply with the standards developed by the	3174
international association for K-12 online learning.	3175
(B) Each internet- or computer-based community school that	3176
initially opens for operation on or after January 1, 2013, shall	3177
comply with the standards required by division (A) of this	3178
section at the time it opens. Each internet- or computer-based	3179
community school that initially opened for operation prior to	3180
January 1, 2013, shall comply with the standards required by	3181
division (A) of this section not later than July 1, 2013.	3182
(C) The sponsor of each internet- or computer-based	3183

community school shall be responsible for monitoring, ensuring,	3184
and reporting compliance with the online learning standards	3185
described in divisions (A) and (B) of this section.	3186
Sec. 3314.251. Notwithstanding any provision of law to the	3187
contrary, each internet- or computer-based community school may	3188
provide its students with a location within a fifty-mile radius	3189
of the student's residence at which the student may receive	3190
counseling, instructional coaching, and testing assistance.	3191
Sec. 3314.27. No student enrolled in an internet- or	3192
computer-based community school may participate in more than ten	3193
hours of learning opportunities in any period of twenty-four	3194
consecutive hours. Any time such a student participates in	3195
learning opportunities beyond the limit prescribed in this	3196
section shall not count toward the annual minimum number of	3197
hours required to be provided to that student as prescribed in	3198
division (A)(11)(a) of section 3314.03 of the Revised Code. If	3199
any internet- or computer-based community school requires its	3200
students to participate in learning opportunities on the basis	3201
of days rather than hours, one day shall consist of a minimum of	3202
five hours of such participation.	3203
Each internet- or computer-based community school shall	3204
keep an accurate record of each individual student's	3205
participation in learning opportunities each day. The record	3206
shall be kept in such a manner that the information contained	3207
within it easily can be submitted to the department of	3208
education, upon request by the department or the auditor of	3209
state.	3210
Sec. 3314.271. (A) Each internet- or computer-based	3211
community school shall offer a student orientation course and	3212
shall notify each student who enrolls in that school of that	3213

student's opportunity to participate in the student orientation	3214
course.	3215
(B) The department of education shall provide guidance to	3216
internet- or computer-based community schools for developing and	3217
delivering the orientation course.	3218
(C) Each internet- or computer-based community school may,	3219
at the time of a particular student's enrollment in that school,	3220
ask the student's parent or guardian to estimate the length of	3221
time the student will attend the school. Any information	3222
collected pursuant to this division shall be included in an	3223
aggregated format in the school's annual report required by	3224
division (A)(11)(g) of section 3314.03 of the Revised Code.	3225
(D) Each internet- or computer-based community school, on	3226
a periodic basis throughout each school year, shall communicate	3227
with each student's parent, guardian, or custodian regarding the	3228
performance and progress of that student. Each internet- or	3229
computer-based community school also shall provide opportunities	3230
for parent-teacher conferences, shall document the school's	3231
requests for such conferences, and may permit students to	3232
participate in the conferences. Parent-teacher conferences may	3233
be conducted through electronic means.	3234
Sec. 3314.35. (A)(1) Except as provided in division (A)(4)	3235
of this section, this section applies to any community school	3236
that meets one of the following criteria after July 1, 2009, but	3237
before July 1, 2011:	3238
(a) The school does not offer a grade level higher than	3239
three and has been declared to be in a state of academic	3240
emergency under section 3302.03 of the Revised Code for three of	3241
the four most recent school years.	3242

(b) The school satisfies all of the following conditions:	3243
(i) The school offers any of grade levels four to eight	3244
but does not offer a grade level higher than nine.	3245
(ii) The school has been declared to be in a state of	3246
academic emergency under section 3302.03 of the Revised Code for	3247
two of the three most recent school years.	3248
(iii) In at least two of the three most recent school	3249
years, the school showed less than one standard year of academic	3250
growth in either reading or mathematics, as determined by the	3251
department of education in accordance with rules adopted under	3252
division (A) of section 3302.021 of the Revised Code.	3253
(c) The school offers any of grade levels ten to twelve	3254
and has been declared to be in a state of academic emergency	3255
under section 3302.03 of the Revised Code for three of the four	3256
most recent school years.	3257
(2) Except as provided in division (A)(4) of this section,	3258
this section applies to any community school that meets one of	3259
the following criteria after July 1, 2011, but before July 1,	3260
2013:	3261
(a) The school does not offer a grade level higher than	3262
three and has been declared to be in a state of academic	3263
emergency under section 3302.03 of the Revised Code for two of	3264
the three most recent school years.	3265
(b) The school satisfies all of the following conditions:	3266
(i) The school offers any of grade levels four to eight	3267
but does not offer a grade level higher than nine.	3268
(ii) The school has been declared to be in a state of	3269
academic emergency under section 3302.03 of the Revised Code for	3270

two of the three most recent school years.	3271
(iii) In at least two of the three most recent school	3272
years, the school showed less than one standard year of academic	3273
growth in either reading or mathematics, as determined by the	3274
department in accordance with rules adopted under division (A)	3275
of section 3302.021 of the Revised Code.	3276
(c) The school offers any of grade levels ten to twelve	3277
and has been declared to be in a state of academic emergency	3278
under section 3302.03 of the Revised Code for two of the three	3279
most recent school years.	3280
(3) Except as provided in division (A)(4) of this section,	3281
this section applies to any community school that meets one of	3282
the following criteria on or after July 1, 2013:	3283
(a) The school does not offer a grade level higher than	3284
three and, for two of the three most recent school years,	3285
satisfies any of the following criteria:	3286
(i) The school has been declared to be in a state of	3287
academic emergency under section 3302.03 of the Revised Code, as	3288
it existed prior to March 22, 2013;	3289
(ii) The school has received a grade of "F" in improving	3290
literacy in grades kindergarten through three under division (B)	3291
(1)(g) or (C)(1)(g) of section 3302.03 of the Revised Code;	3292
(iii) The school has received an overall grade of "F"	3293
under division (C) of section 3302.03 of the Revised Code.	3294
(b) The school offers any of grade levels four to eight	3295
but does not offer a grade level higher than nine and, for two	3296
of the three most recent school years, satisfies any of the	3297
following criteria:	3298

(i) The school has been declared to be in a state of	3299
academic emergency under section 3302.03 of the Revised Code, as	3300
it existed prior to March 22, 2013, and the school showed less	3301
than one standard year of academic growth in either reading or	3302
mathematics, as determined by the department in accordance with	3303
rules adopted under division (A) of section 3302.021 of the	3304
Revised Code;	3305
(ii) The school has received a grade of "F" for the	3306
performance index score under division (A)(1)(b), (B)(1)(b), or	3307
(C)(1)(b) and a grade of "F" for the value-added progress	3308
dimension under division (A)(1)(e), (B)(1)(e), or (C)(1)(e) of	3309
section 3302.03 of the Revised Code;	3310
(iii) The school has received an overall grade of "F"	3311
under division (C) and a grade of "F" for the value-added	3312
progress dimension under division (C)(1)(e) of section 3302.03	3313
of the Revised Code.	3314
(c) The school offers any of grade levels ten to twelve	3315
and, for two of the three most recent school years, satisfies	3316
any of the following criteria:	3317
(i) The school has been declared to be in a state of	3318
academic emergency under section 3302.03 of the Revised Code, as	3319
it existed prior to March 22, 2013;	3320
(ii) The school has received a grade of "F" for the	2221
(,	3321
performance index score under division (A)(1)(b), (B)(1)(b), or	3322
-	
performance index score under division (A)(1)(b), (B)(1)(b), or	3322
performance index score under division (A)(1)(b), (B)(1)(b), or (C)(1)(b) and has not met annual measurable objectives under	3322 3323
performance index score under division (A)(1)(b), (B)(1)(b), or (C)(1)(b) and has not met annual measurable objectives under division (A)(1)(a), (B)(1)(a), or (C)(1)(a) of section 3302.03	3322 3323 3324

progress dimension under division (C)(1)(e) of section 3302.03	3328
of the Revised Code.	3329
	0023
For purposes of division (A)(3) of this section only, the	3330
department of education shall calculate the value-added progress	3331
dimension for a community school using assessment scores for	3332
only those students to whom the school has administered the	3333
achievement assessments prescribed by section 3301.0710 of the	3334
Revised Code for at least the two most recent school years but	3335
using value-added data from only the most recent school year.	3336
(4) This section does not apply to either of the	3337
following:	3338
(a) Any community school in which a majority of the	3339
students are enrolled in a dropout prevention and recovery	3340
program that is operated by the school. Rather, such schools	3341
shall be subject to closure only as provided in section 3314.351	3342
of the Revised Code. However, prior to July 1, 2014, a community	3343
school in which a majority of the students are enrolled in a	3344
dropout prevention and recovery program shall be exempt from	3345
this section only if it has been granted a waiver under section	3346
3314.36 of the Revised Code.	3347
(b) Any community school in which a majority of the	3348
enrolled students are children with disabilities receiving	3349
special education and related services in accordance with	3350
Chapter 3323. of the Revised Code.	3351
(B) Any community school to which this section applies	3352
shall permanently close at the conclusion of the school year in	3353
which the school first becomes subject to this section. The	3354
sponsor and governing authority of the school shall comply with	3355
all procedures for closing a community school adopted by the	3356

department under division (E) of section 3314.015 of the Revised	3357
Code. The governing authority of the school shall not enter into	3358
a contract with any other sponsor under section 3314.03 of the	3359
Revised Code after the school closes.	3360
(C) In accordance with division (B) of section 3314.012 of	3361
the Revised Code, the department shall not consider the	3362
performance ratings assigned to a community school for its first	3363
two years of operation when determining whether the school meets	3364
the criteria prescribed by division (A)(1) or (2) of this	3365
section.	3366
(D) Nothing in this section or in any other provision of	3367
the Revised Code prohibits the sponsor of a community school	3368
from exercising its option not to renew a contract for any	3369
reason or from terminating a contract prior to its expiration	3370
for any of the reasons set forth in section 3314.07 of the	3371
Revised Code.	3372
	3372 3373
Revised Code.	
Revised Code.  Sec. 3314.351. (A) This section applies to any community	3373
Revised Code.  Sec. 3314.351. (A) This section applies to any community school in which a majority of the students are enrolled in a	3373 3374
Revised Code.  Sec. 3314.351. (A) This section applies to any community school in which a majority of the students are enrolled in a dropout prevention and recovery program. Beginning on or after	3373 3374 3375
Revised Code.  Sec. 3314.351. (A) This section applies to any community school in which a majority of the students are enrolled in a dropout prevention and recovery program. Beginning on or after July 1, 2014, any such community school that has received a	3373 3374 3375 3376
Revised Code.  Sec. 3314.351. (A) This section applies to any community school in which a majority of the students are enrolled in a dropout prevention and recovery program. Beginning on or after July 1, 2014, any such community school that has received a designation of "does not meet standards," as described in	3373 3374 3375 3376 3377
Revised Code.  Sec. 3314.351. (A) This section applies to any community school in which a majority of the students are enrolled in a dropout prevention and recovery program. Beginning on or after July 1, 2014, any such community school that has received a designation of "does not meet standards," as described in division (D)(1) of section 3314.017 of the Revised Code on the	3373 3374 3375 3376 3377 3378
Sec. 3314.351. (A) This section applies to any community school in which a majority of the students are enrolled in a dropout prevention and recovery program. Beginning on or after July 1, 2014, any such community school that has received a designation of "does not meet standards," as described in division (D)(1) of section 3314.017 of the Revised Code on the report card issued under that section, for at least two of the	3373 3374 3375 3376 3377 3378 3379
Sec. 3314.351. (A) This section applies to any community school in which a majority of the students are enrolled in a dropout prevention and recovery program. Beginning on or after July 1, 2014, any such community school that has received a designation of "does not meet standards," as described in division (D)(1) of section 3314.017 of the Revised Code on the report card issued under that section, for at least two of the three most recent school years shall be subject to closure in	3373 3374 3375 3376 3377 3378 3379 3380
Sec. 3314.351. (A) This section applies to any community school in which a majority of the students are enrolled in a dropout prevention and recovery program. Beginning on or after July 1, 2014, any such community school that has received a designation of "does not meet standards," as described in division (D)(1) of section 3314.017 of the Revised Code on the report card issued under that section, for at least two of the three most recent school years shall be subject to closure in accordance with this section.	3373 3374 3375 3376 3377 3378 3379 3380 3381
Sec. 3314.351. (A) This section applies to any community school in which a majority of the students are enrolled in a dropout prevention and recovery program. Beginning on or after July 1, 2014, any such community school that has received a designation of "does not meet standards," as described in division (D)(1) of section 3314.017 of the Revised Code on the report card issued under that section, for at least two of the three most recent school years shall be subject to closure in accordance with this section.  (B) Not later than the first day of September in each	3373 3374 3375 3376 3377 3378 3379 3380 3381
Sec. 3314.351. (A) This section applies to any community school in which a majority of the students are enrolled in a dropout prevention and recovery program. Beginning on or after July 1, 2014, any such community school that has received a designation of "does not meet standards," as described in division (D) (1) of section 3314.017 of the Revised Code on the report card issued under that section, for at least two of the three most recent school years shall be subject to closure in accordance with this section.  (B) Not later than the first day of September in each school year, the department of education shall notify each	3373 3374 3375 3376 3377 3378 3379 3380 3381 3382 3383

A school so notified shall close as required.	3387
(C) A school that opens on or after July 1, 2014, shall	3388
not be subject to closure under this section for its first two	3389
years of operation. A school that is in operation prior to July	3390
1, 2014, shall not be subject to closure under this section	3391
until after August 31, 2016.	3392
(D) The sponsor and governing authority of the school	3393
shall comply with all procedures for closing a community school	3394
adopted by the department under division (E) of section 3314.015	3395
of the Revised Code. The governing authority of the school shall	3396
not enter into a contract with any other sponsor under section	3397
3314.03 of the Revised Code after the school closes.	3398
(E) Nothing in this section or in any other provision of	3399
the Revised Code prohibits the sponsor of a community school	3400
from exercising its option not to renew a contract for any	3401
reason or from terminating a contract prior to its expiration	3402
for any of the reasons set forth in section 3314.07 of the	3403
Revised Code.	3404
Sec. 3314.46. As used in this section, "sponsor" includes	3405
any officer, director, employee of the sponsor of a community	3406
school, and any person with decision-making authority regarding	3407
the operations of a sponsor of a community school.	3408
(A) Except as provided in division (B) of this section, no	3409
sponsor of a community school shall sell any goods or services	3410
to any community school it sponsors.	3411
(B) (1) If the sponsor of a community school entered into a	3412
contract prior to the effective date of this section that	3413
involves the sale of goods or services to a community school it	3414
sponsors, the sponsor shall not be required to comply with	3415

division (A) of this section with respect to that school until	3416
the expiration of the contract.	3417
(2) If the sponsor of a community school is also the	3418
school district in which that community school is located, the	3419
sponsor may sell goods or services to that community school at	3420
no profit to the sponsor.	3421
(3) If the sponsor of a community school is a state	3422
university, as defined in section 3345.011 of the Revised Code,	3423
the sponsor may sell services to that community school at no	3424
profit to the sponsor.	3425
Sec. 3314.50. No community school shall <u>initiate</u>	3426
operation, on or after the effective date of this-section-	3427
amendment, open for operation in any school year unless the	3428
governing authority of the school has posted a surety bond in	3429
the amount of fifty thousand dollars with the auditor of state.	3430
In lieu of a surety bond, a community school governing authority	3431
may deposit with the auditor of state cash in the amount of	3432
fifty thousand dollars as a guarantee of payment. The bond or-	3433
cash guarantee shall be used, in the event the school closes, to	3434
pay the auditor of state any moneys owed or that become owed by	3435
the school for the costs of audits conducted by the auditor of	3436
state or a public accountant under Chapter 117. of the Revised	3437
Code.	3438
Immediately upon The department of education shall notify	3439
the auditor of state of the proposed initiation of operations of	3440
any community school and shall provide the auditor of state with	3441
the certification of the sponsor of the community school of the	3442
compliance by the community school with all legal preconditions	3443
to the initiation of its operations, including compliance with	3444
this section.	3445

In lieu of the bond, the governing authority of the	3446
school, the school's sponsor, or an operator that has a contract	3447
with the school may deposit with the auditor of state cash in	3448
the amount of fifty thousand dollars as quarantee of payment	3449
under the provisions of this section. In lieu of a bond or a	3450
cash deposit, the school's sponsor or an operator that has a	3451
contract with the school may provide a written guarantee of	3452
payment, which shall obligate the school's sponsor or the	3453
operator that provides the written quarantee to pay the cost of	3454
audits of the school under this section up to the amount of	3455
fifty thousand dollars. Any such written quarantee shall be	3456
binding upon any successor entity that enters into a contract to	3457
sponsor or to operate the school, and any such entity, as a	3458
condition of its undertaking shall acknowledge and accept such	3459
obligation.	3460
In the event that a sponsor or operator has provided a	3461
written guarantee under this section, and, subsequent to the	3462
provision of the guarantee, the governing authority of the	3463
school posts a bond under this section, or the governing	3464
authority of the school, a sponsor, or an operator provides a	3465
cash deposit of fifty thousand dollars as required, the written	3466
guarantee shall cease to be of further effect.	3467
As soon as it is practicable to do so after the filing of	3468
a surety bond or the deposit of cash, the auditor of state shall	3469
deliver the bond or cash to the treasurer of state, who shall	3470
hold it in trust for the purposes prescribed in this section.	3471
The treasurer of state shall be responsible for the safekeeping	3472
of all surety bonds filed or cash deposited under this section.	3473
The auditor of state shall notify the department of education	3474
when the school's governing authority has filed the bond-or	3475
deposited the cash guarantee, or submitted a written guarantee	3476
11. 11. 11. 11. 11. 11. 11. 11. 11. 11.	/ 0

of payment.	3477
When the auditor of state finds that a community school	3478
has closed and cannot pay for the costs of audits, conducts an	3479
audit of a community school that has closed and is subject to	3480
the requirements of this section, the auditor of state shall	3481
declare the surety bond or cash deposit forfeited. The auditor-	3482
of state—shall certify the amount of forfeiture to the treasurer	3483
of state, who shall <u>assess the bond for the costs of the audit</u>	3484
or shall pay money from the named surety insurer or from the	3485
school's cash deposit <del>as needed for the costs of the audit to</del>	3486
reimburse the auditor of state or public accountant for costs	3487
incurred in conducting audits of the school.	3488
To the extent that the amount of the bond or the cash	3489
deposit is not needed to cover audit costs, the bond shall be of	3490
no further effect, and any cash balance shall be refunded by the	3491
treasurer of state to the entity which provided the bond. When	3492
the auditor of state conducts an audit of a community school	3493
that has closed and is subject to the requirements of this	3494
section, and, as to which, a written guarantee has been given	3495
under this section, the entity that provided the guarantee shall	3496
be solely and fully liable for any such audit costs, and shall	3497
promptly pay the costs of the audit up to fifty thousand	3498
dollars.	3499
No community school that is subject to the provisions of	3500
this section shall maintain or continue its operations absent	3501
the ongoing provision of a bond, a cash deposit, or a written	3502
guarantee as required by this section.	3503
Sec. 3317.034. For purposes of section 3317.03 of the	3504
Revised Code:	3505

(A) A student shall be considered to be enrolled in the	3506
district for any portion of the school year the student is	3507
participating at a college under Chapter 3365. of the Revised	3508
Code.	3509
(B) A student shall be considered to be enrolled in the	3510
district for the period of time beginning on the date on which	3511
the school has both received the documentation of the student's	3512
enrollment from a parent and the student has commenced	3513
participation in learning opportunities offered by the district.	3514
For purposes of applying divisions (B) and (C) of this section,	3515
"learning opportunities" means both classroom-based and	3516
nonclassroom-based learning opportunities overseen by licensed	3517
educational employees of the district that is in compliance with	3518
criteria and documentation requirements for student	3519
participation, which shall be established by the department. Any	3520
student's instruction time in nonclassroom-based learning	3521
opportunities shall be certified by an employee of the district.	3522
(C) A student's enrollment shall be considered to cease on	3523
the date on which any of the following occur:	3524
(1) The district receives documentation from a parent	3525
terminating enrollment of the student.	3526
(2) The district is provided documentation of a student's	3527
enrollment in another public or nonpublic school.	3528
(3) The student ceases to participate in learning	3529
opportunities provided by the school.	3530
(D) No public school may enroll or withdraw a student from	3531
the education management information system established under	3532
section 3310.0714 of the Revised Code later than thirty days	3533
after the student's actual enrollment or withdrawal from the	3534

school.	3535
(E) A student in any of grades nine through twelve shall	3536
<pre>may be considered a full-time equivalent student if the student</pre>	3537
is enrolled in at least five units of instruction, as defined in	3538
section 3313.603 of the Revised Code, per school year.	3539
Section 2. That existing sections 3302.03, 3307.01,	3540
3309.011, 3313.12, 3314.011, 3314.015, 3314.016, 3314.02,	3541
3314.021, 3314.023, 3314.024, 3314.027, 3314.029, 3314.03,	3542
3314.07, 3314.074, 3314.10, 3314.19, 3314.23, 3314.27, 3314.35,	3543
3314.351, 3314.50, and 3317.034 and section 3314.026 of the	3544
Revised Code are hereby repealed.	3545
Section 3. That Section 263.660 of Am. Sub. H.B. 64 of the	3546
131st General Assembly is hereby repealed.	3547
Section 4. Not later than June 30, 2016, the State Board	3548
of Education shall make recommendations to the General Assembly,	3549
in accordance with section 101.68 of the Revised Code, and the	3550
Governor regarding the following:	3551
(A) Performance standards for community schools in which a	3552
majority of the enrolled students are children with disabilities	3553
receiving special education and related services in accordance	3554
with Chapter 3323. of the Revised Code;	3555
(B) The feasibility of removal of the exemption from	3556
permanent closure, prescribed by division (A)(4)(b) of section	3557
3314.35 of the Revised Code, for schools described in division	3558
(A) of this section.	3559
Section 5. (A) There is hereby created a committee to make	3560
recommendations to the General Assembly regarding the definition	3561
of "quality" for community schools that primarily enroll	3562
students between sixteen and twenty-two years of age who dropped	3563

out of high school or are at risk of dropping out of high school	3564
due to poor attendance, disciplinary problems, or suspensions.	3565
The committee shall also study the efficacy of a completion or	3566
competency-based funding structure for these schools. The	3567
committee shall consist of the following members:	3568
(1) A business leader appointed by the Governor or the	3569
Governor's designee;	3570
(2) The president of a community college or the	3571
president's designee, appointed by the Governor or the	3572
Governor's designee;	3573
(3) The superintendent of a community school that received	3574
a rating of "meets standards" or "exceeds standards" on its most	3575
recent report card issued under section 3314.017 of the Revised	3576
Code and primarily enrolls students between sixteen and twenty-	3577
two years of age who dropped out of high school or are at risk	3578
of dropping out of high school due to poor attendance,	3579
disciplinary problems, or suspensions, appointed by the Governor	3580
or the Governor's designee;	3581
(4) The superintendent of a career-technical school,	3582
appointed by the Speaker of the House of Representatives;	3583
(5) An individual representing the House of	3584
Representatives, appointed by the Speaker of the House of	3585
	3586
Representatives;	3300
(6) An individual representing the Senate, appointed by	3587
the President of the Senate;	3588
(7) The president of a four-year university, or the	3589
president's designee, appointed by the President of the Senate;	3590
(8) A representative of the Ohio Board of Regents,	3591

appointed by the Chancellor of the Board of Regents;	3592
(9) A representative of the Department of Education,	3593
appointed by the Superintendent of Public Instruction;	3594
(10) The superintendent of a big eight school district, as	3595
defined in section 3314.02 of the Revised Code, as selected by	3596
the Ohio 8 Coalition.	3597
(B) The committee shall serve under the guidance of the	3598
Department of Education.	3599
(C) Not later than six months after the effective date of	3600
this section, the committee shall prepare a report of its	3601
recommendations and submit the report to the chairpersons of the	3602
standing committees of the House of Representatives and the	3603
Senate that are principally responsible for education policy.	3604
Section 6. Notwithstanding any provision of law, rule, or	3605
guideline to the contrary, for the 2014-2015 school year only:	3606
(A) The Department of Education's report, pursuant to	3607
division (A)(4) of section 3314.015 of the Revised Code,	3608
regarding the effectiveness of academic programs, operations,	3609
and legal compliance and the financial condition of all	3610
community schools and on the performance of community school	3611
sponsors shall be submitted not later than March 31, 2016.	3612
(B) Each community school sponsor's report, pursuant to	3613
divisions (D)(2) and (3) of section 3314.03 of the Revised Code,	3614
submitting the results of the evaluation of the academic and	3615
fiscal performance and the organization and operation of each	3616
community school it sponsors to the Department and to the	3617
parents of students enrolled in that community school shall be	3618
submitted not later than March 1, 2016.	3619

and five-year cohort graduation rate.

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(C) Each community school governing authority's rep	port, 3620
pursuant to division (A)(11)(g) of section $3314.03$ of the	ne 3621
Revised Code, describing its activities and progress in	meeting 3622
the academic goals and performance standards and its fir	nancial 3623
status to the sponsor and the parents of all students er	nrolled 3624
in the school shall be submitted not later than January	31, 3625
2016.	3626
Section 7. (A) Notwithstanding anything in the Revi	ised 3627
Code to the contrary, for ratings based on the 2015-2016	school 3628
year only, the Department of Education may choose not to	o assign 3629
an overall rating under section 3314.016 of the Revised	Code to 3630
an entity that sponsors community schools, if the entity	y meets 3631
all of the following conditions:	3632
(1) The entity is a school district.	3633
(2) At least one of the community schools sponsored	d by the 3634
entity is a conversion community school that primarily s	serves 3635
students enrolled in a dropout prevention and recovery p	orogram 3636
as described in division (A)(4)(a) of section $3314.35$ of	f the 3637
Revised Code.	3638
(3) At least one of the community schools sponsored	d by the 3639
entity, for the 2013-2014 school year, received on its r	report 3640
card issued under section 3314.017 of the Revised Code a	a rating 3641
of either "meets standards" or "exceeds standards" for t	the four- 3642

(B) If the Department chooses not to assign an overall

rating to a sponsor under division (A) of this section, the

Department shall instead evaluate the sponsor using only the

components specified under divisions (B)(1)(a) and (c) of

section 3314.016 of the Revised Code, but it shall not assign an

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overall rating based on those components.	3649
Section 8. Notwithstanding any provision of law to the	3650
contrary, the Department of Education may renew or extend an	3651
agreement between a sponsor and the Department pursuant to	3652
division (B) of section 3314.015 of the Revised Code that	3653
expires in June of 2016, one time only, for a period of up to	3654
two years, in the event that the Department has not yet issued a	3655
rating for the sponsor under section 3314.016 of the Revised	3656
Code, as that section exists on and after January 1, 2015.	3657