



OHIO LEGISLATIVE SERVICE COMMISSION

Research Memorandum

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INTERNET- OR COMPUTER-BASED COMMUNITY SCHOOLS

This memorandum describes how Internet- or computer-based community schools are established, governed, funded, and evaluated. Essentially, it describes the few ways in which they differ from brick-and-mortar (that is, site-based or classroom-based) community schools.

Overview of community schools generally

A community school is an independent public "charter" school that operates under a contract with a sponsoring entity. A conversion community school may be located in and sponsored by any school district or educational service center in the state. On the other hand, a new "start-up" community school may be located only in a "challenged school district."¹ An "Internet- or computer-based community school" (e-school) is a community school in which the students work primarily from their residences on assignments in nonclassroom-based learning opportunities provided by way of (1) an Internet- or other computer-based instructional method that does not rely on regular classroom instruction or (2) "comprehensive instructional methods" that include Internet-based, other computer-based, and noncomputer-based learning opportunities, unless a student receives career-technical education.²

An e-school, its governing authority, sponsor, and operator are all generally bound to the same requirements for sponsorship, governance, and operation as brick-and-mortar community schools.

¹ A "challenged school district" is any of the following: (1) a "Big-Eight" school district (Akron, Canton, Cincinnati, Cleveland, Columbus, Dayton, Toledo, or Youngstown), (2) a poorly performing school district as determined by the school's performance index score, value-added progress dimension, or overall ratings on the state report card, or (3) a school district in the original community school pilot project area (Lucas County (R.C. 3314.02(A)(3))).

² R.C. 3314.02(A)(7).

Sponsorship

Every community school has a sponsor. A "sponsor" is a statutorily prescribed entity that has received approval from the Department of Education to enter into contracts with one or more community school governing authorities, ensure adherence to those contracts, and provide oversight and technical assistance to those schools.³ The sponsor of a start-up community school may be a school district in the same district or county as the school, an educational service center, the board of trustees of a state university, or a federally tax exempt entity that meets specific criteria.⁴ Also, the Department's Office of Ohio School Sponsorship is permitted to directly authorize the operation of a limited number of both new and existing community schools, rather than those schools being subject to the oversight of other public or private sponsors.⁵

Governance

A "governing authority" is a group of individuals selected by a proposing person or group to carry out and ensure the performance of school functions and the contract entered into with the sponsor."⁶ The governing authority of each start-up school must consist of a board of not less than five individuals.

Operators

An "operator" is an individual or organization that enters into contract with a community school's governing authority to manage the daily operations of the school or, in the case of a nonprofit operator, provide programmatic oversight and support to a community school. Many community school governing authorities contract with an operator to run the day-to-day operations of the school. The school's contract with the operator is separate from the school's contract with its sponsor.⁷

Establishment of an e-school

Ohio law allows for no more than five new e-schools to open per year. Unlike the case of a brick-and-mortar school, an entity that wishes to open an e-school must receive approval from the Superintendent of Public Instruction based on criteria established by the Department of Education that measure experience and quality of the

³ R.C. 3314.02(A)(1).

⁴ R.C. 3314.02(C). The law also permits the mayor of Columbus to sponsor community schools in the Columbus City School District under specified conditions. However, those conditions have been triggered within the prescribed timelines and cannot be triggered now without further legislation.

⁵ R.C. 3314.029.

⁶ R.C. 3314.02(E).

⁷ R.C. 3314.02(A)(8).



sponsor and operator of the proposed new school.⁸ Each new e-school application is evaluated as follows:

- (1) *The sponsor's experience with online schools, including:*
 - a. The number of years and number of online schools for which the sponsor provided monitoring and technical assistance;
 - b. The degree to which the online schools met the state's online school operating standards on the effective date of those standards.
- (2) *The operator's experience with online schools, including:*
 - a. The operator's experience managing daily operations of an online school or providing program oversight and support to an online school;
 - b. The degree to which the online schools met the operating standards on the effective date of those standards.
- (3) *The sponsor's schools' records of academic performance in all years under its sponsorship, including:*
 - a. Assessment of the sponsor's schools' student performance as aligned with this states evaluation system (discussed below);
 - b. Report cards and performance ratings issued for the sponsor's community schools.
- (4) *The operator's affiliated schools' records of academic performance in all years under its operation as measured by:*
 - a. Report cards and performance ratings;
 - b. Comparable performance ratings of out-of-state schools with which the operator has experience.
- (5) *A preference for operators with previous experience in this state.*

The Department has also established eligibility requirements, including that the proposed e-school's sponsor must have: (1) five years' experience overseeing Ohio community schools and three years' experience overseeing e-schools; (2) received an overall rating of "effective" or higher on its most recent evaluation, if rated. Similar eligibility requirements exist for the e-school's operator. Finally, the e-school's proposed enrollment area must be within the permitted sponsorship territory outlined in the sponsor's agreement with the Department.⁹

⁸ R.C. 3314.013.

⁹ Ohio Administrative Code (O.A.C.) 3301-102-09; Request for Approval of New Internet-based or Computer-based Community School Application, Ohio Department of Education, December 2017 (attached).



E-school funding

Student count

E-schools are funded in generally the same manner as brick-and-mortar community schools. For funding purposes, an e-school student is counted in the school district in which the student resides according to the student's full-time equivalency (FTE). In general, an e-school student's FTE is determined by comparing the student's documented time participating in learning opportunities to the total learning opportunities offered by the e-school. For example, a student who participates in a total of 690 hours of learning opportunities through an e-school that provides the minimum 920 hours of learning opportunities during the school year would be calculated as 0.75 FTE (690 hours/920 hours = 0.75), assuming that student is enrolled at the school during the entire school year. In FY 2018, e-schools educated a total of 26,090 FTE students.

Per-pupil funding amounts

The state foundation funding for an e-school student consists of the opportunity grant, which is based on a per-pupil "formula amount" of \$6,020 for FY 2019, and additional amounts if the student receives special education or career-technical education (CTE) services. The additional per-pupil amounts for special education and CTE depend on the applicable disability or CTE program category in which a student is grouped. Special education category amounts currently range from \$1,578 to \$25,637 per pupil. CTE category amounts range from \$1,308 to \$5,192 per pupil. The per-pupil amounts for the opportunity grant and additional aid for special education and CTE are the same amounts used for traditional school districts.

E-schools do not receive per-pupil funding from some components that site-based community schools receive, including economic disadvantaged funding, targeted assistance, limited English proficiency funding, and K-3 literacy funding.

Deduction and transfer mechanism

The per-pupil funding for an e-school student is deducted from the resident district's state foundation funding and provided as a transfer to the educating school according to the student's FTE. There is no local share applied to e-school or site-based community school funding since they do not have taxing authority. The Ohio Department of Education sends the e-school's funds directly to the school. The total amount transferred for e-schools statewide was \$189.1 million in FY 2018.

Performance bonuses

In addition to the foundation funding received through transfers of state aid from a student's school district of residence, e-schools and site-based community

schools receive funding based on four-year graduation rates and third grade reading proficiency rates in an effort to incentivize performance. The payments are calculated in the same manner as those for traditional school districts except that the state share index is not applied. The total amounts calculated for the graduation and third grade reading bonuses for e-schools statewide were approximately \$750,000 and \$115,000, respectively, in FY 2018, for a total of \$865,000. Both performance bonus payments are funded directly by the state using GRF funds.

Facilities funding

Finally, e-schools receive a per-pupil amount of \$25 in both FY 2018 and FY 2019 to assist with facilities costs. Brick-and-mortar community schools receive \$200 per pupil for this purpose. Facilities funding is paid directly by the state using lottery profits. In FY 2018, facilities funding for e-schools statewide was just under \$640,000.¹⁰

Sponsor and governing authority contract

The contract entered into between the sponsor and governing authority of a community school must contain statutorily prescribed statements, descriptions, or assurances that the school will comply with all of the education laws from which community schools are not exempt.¹¹ The contract must include a description of the school's academic goals, performance standards, admission standards, attendance and dismissal procedures, the facilities to be used, and teacher qualifications. The Department of Education has released a checklist for community school contracts that provides a more detailed analysis of each of these and all other community school contract requirements.¹² By and large, contract requirements are the same for e-schools as for brick and mortars.

¹⁰ For more information on Ohio's school funding formula, please see LSC's School Funding Complete Resource, available online at: <https://www.lsc.ohio.gov/documents/reference/current/schoolfunding/edufeb2017.pdf>.

¹¹ Under R.C. 3314.04, community schools are exempt from any of the state's education laws unless specified in the Community School Law (R.C. Chapter 3314). For a list of those laws from which community schools are exempt and those with which they are expressly required to comply with, see Education Laws and Community Schools. LSC Members Only Brief, Vol. 132, Issue 5, March 2017. <https://www.lsc.ohio.gov/documents/reference/current/membersonlybriefs/132educationlaws.pdf>.

¹² R.C. 3314.03. Department of Education's website, Guidance Documents, Sponsor Forms, Webinars and Presentations, available at <http://education.ohio.gov/Topics/Community-Schools/Guidance-Documents-Webinars-and-Presentations> and scroll down to "Sponsor Forms," click on "Contract Checklist" and go to page 4 of the Word document.



E-school specific exemptions

However, there are a few public school provisions that apply to brick-and-mortar community schools that do *not* apply to e-schools due to the nature of their online instructional programs. These are the following:

- (1) Requirement to display the national and state mottoes;
- (2) Requirement to provide instruction in cardio-pulmonary resuscitation and automated external defibrillators;
- (3) Limitations on when a school may be located in multiple facilities;¹³
- (4) Body mass screening standards;¹⁴ and
- (5) Certain provisions regarding federal meal programs in accordance.¹⁵

E-school specific operating requirements

There are several separate provisions that apply only to e-schools, as described in the table below.

R.C. 3314.20	Limits the enrollment year-by-year for an e-school based on the size of the previous year's enrollment. Limits new e-schools to an enrollment of 1,000 students for the first year and applies the annual enrollment increases to subsequent years.
R.C. 3314.21(B)	Requires that (1) each e-school retain an affiliation with at least one full-time teacher licensed by the State Board of Education, (2) each student enrolled in an e-school must be assigned to at least one teacher of record, and (3) no teacher of record employed by an e-school may be primarily responsible for more than 125 students.

¹³ R.C. 3314.05(B).

¹⁴ R.C. 3314.15.

¹⁵ R.C. 3314.18.

<p>R.C. 3314.21(C)</p>	<p>Requires that the contract between the sponsor and the governing authority of an e-school specify that the school must do all of the following:</p> <ul style="list-style-type: none"> (1) Use a hardware filtering device or install filtering software on each computer it provides to students for instructional use that would block Internet access to materials that are considered obscene or harmful to juveniles; (2) Make the device or software available at no charge to students who use a computer at home obtained from a source other than the school; (3) Develop a plan to fulfill the General Assembly's intent that teachers employed by e-schools conduct visits with their students in person throughout the school year; and (4) Set up a central base of operation. <p>Requires that the contract must also specify that the sponsor will maintain a representative within 50 miles of the e-school's base of operation to provide monitoring and assistance.</p>
<p>R.C. 3314.22</p>	<p>Provides that each child enrolled in an e-school is entitled to a computer supplied by the school and that, if more than one child living in a single household is enrolled in the school, at the option of the parent of these children, the school may supply less than one computer per child, as long as at least one computer is supplied to the household.</p>
<p>R.C. 3314.23</p>	<p>Requires each e-school to comply with the standards developed by the International Association for K-12 Online Learning.</p>
<p>R.C. 3314.231</p>	<p>Requires the Superintendent of Public Instruction, by November 30, 2018, to recommend to the Joint Education Oversight Committee definitions of the following terms that the Department uses in its manual for determining full-time equivalency for e-school students: "documentation of online learning," "idle time," "educational," "noneducational," "participation," and "classroom."</p> <p>Requires the Committee to conduct at least one hearing on the Superintendent's recommendations, and permits the Committee to make its own recommendations by December 31, 2018.</p>
<p>R.C. 3314.232</p>	<p>Requires the Superintendent of Public Instruction to establish standards for learning management software to be used by e-schools.¹⁶</p>
<p>R.C. 3314.24</p>	<p>Prohibits an e-school from contracting with a nonpublic school for rent or use of facility space for the provision of instructional services to students enrolled in the e-school.</p>
<p>R.C. 3314.25</p>	<p>Requires each e-school to provide a location within 50 miles of a student's residence at which the student can take the state achievement tests and diagnostic assessments.</p>

¹⁶ Learning management software is an application for the administration, documentation, tracking, reporting, and delivery of educational courses or training programs.

R.C. 3314.251	Permits each e-school to provide a location within 50 miles of a student's residence at which the student may receive counseling, instructional coaching, and testing assistance.
R.C. 3314.26	Requires an e-school to withdraw any student who fails to participate in required state achievement assessments for two consecutive school years of enrollment in the school.
R.C. 3314.27	Prohibits an e-school student from spending more than 10 hours within a 24-hour period participating in learning opportunities. Requires each e-school to keep an accurate daily record of each individual student's participation in learning opportunities.
R.C. 3314.271(A)	Requires each e-school to offer a student orientation course and to notify each student of that offering.
R.C. 3314.271(C)	Permits each e-school, at the time of a particular student's enrollment in that school, to ask the student's parent or guardian to estimate the length of time the student will attend the school.
R.C. 3314.271(D)	Requires each e-school, on a periodic basis throughout each school year, to communicate with each student's parent, guardian, or custodian regarding the student's performance and progress. Requires each e-school to provide opportunities for parent-teacher conferences (which may be conducted electronically) and to permit students to participate in the conferences.
R.C. 3314.28	Requires each e-school to submit to its sponsor an annual plan for the provision of special education and related services to disabled students.
R.C. 3314.29	Permits the governing authority of an e-school that services all of grades K-12, has an enrollment of at least 2,000 students, and has a sponsor rated "effective" or higher to adopt a resolution to divide the e-school into two or three separate e-schools, beginning with the 2018-2019 school year.

Curriculum requirements

E-schools are subject to the same curriculum requirements as all other community schools. The sponsor contract must specify the "focus" of the school's curriculum,¹⁷ provided that curriculum complies with the same high school curriculum requirements that apply to students enrolled in school districts.¹⁸

¹⁷ R.C. 3314.03(A)(2).

¹⁸ R.C. 3314.03(A)(11)(f).

Accordingly, in order to receive a high school diploma, a community school student must successfully complete 20 prescribed units of instruction. For most students, those units are distributed as follows:

(1) Four units of English language arts;

(2) One-half unit of health;

(3) Four units of math, including one unit of Algebra II or one unit of advanced computer science; or a career-based pathway math course for career-technical students;

(4) One-half unit of physical education;

(5) Three prescribed units of science;

(6) One unit of history and government, consisting of one-half unit of American history and one-half unit of American government;

(7) Two units of social studies, including one-half unit of world history and civilizations;

(8) Five elective units that must be selected from among certain prescribed subjects.¹⁹

Sponsorship

The laws regarding sponsorship are the same for all community schools. With little exception, all entities wishing to sponsor a community school (e-schools and brick and mortars alike) must receive approval from, and enter into a separate agreement with, the Department of Education. Existing sponsors must receive additional approval to enter into new preliminary agreements and to renew contracts. All new and renewed agreements must contain specific language addressing the parameters under which the Department may intervene and potentially revoke sponsorship authority and forth any territorial restrictions and limits on the number of schools the entity may sponsor.

The initial term of a sponsor's agreement with the Department is for five years, with renewal terms of up to ten years, based on the academic performance of students enrolled in the sponsor's schools, the sponsor's adherence to quality practices, and the sponsor's compliance with laws and administrative rules.²⁰

¹⁹ R.C. 3313.603.

²⁰ R.C. 3314.015.

A sponsor must provide to the Department annual opening assurances no later than 10 business days prior to the opening of each of its sponsored schools. Among other things, the assurances must indicate that a copy of the sponsorship contract has been filed and that the school has met all of the sponsor's requirements.²¹

Sponsor evaluation system

The Department annually assigns an overall rating to the sponsors of community schools based on a combination of the following three equally rated components: (1) the academic performance of students enrolled in community schools under the sponsor's oversight, (2) the sponsor's adherence to quality practices, and (3) the sponsor's compliance with laws and administrative rules. Each component receives an individual rating, and the overall rating is derived from those individual ratings. The ratings are "exemplary," "effective," "ineffective," and "poor."²²

Academic performance

The academic performance component is primarily derived from the state report card performance measures (discussed above) and is based on the performance of the sponsor's schools for the year for which the evaluation is conducted.²³ Community schools that have been in operations for not more than two full school years are excluded from the calculation.²⁴

Adherence to quality practices

For "effective" and "exemplary" sponsors, the Department may (1) evaluate the quality practices of "effective" and "exemplary" sponsors once every three years and (2) permit peer review of those practices. The Department, in accordance with state law, has created a "rubric" prescribing quality practices for community school sponsors aligned with standards developed by the National Association of Charter School Authorizers and developed an instrument to measure adherence to those practices. The rubric contains 32 standards designed to evaluate sponsors on various sponsoring practices across 5 broad categories: (1) commitment and capacity, (2) application process and decision-making, (3) performance contracting, (4) oversight and evaluation, and (5) termination and renewal decision-making.²⁵

²¹ R.C. 3314.19.

²² R.C. 3314.016.

²³ R.C. 3314.016(B)(1)(a).

²⁴ R.C. 3314.016(B)(2).

²⁵ Ohio Department of Education website, available at <http://education.ohio.gov/Topics/Community-Schools/Sponsor-Ratings-and-Tools/2017-2018-Sponsor-Evaluation-Tools> and click on "Quality Practices Rubric."



Compliance with laws and rules

The State Board of Education, in accordance with continuing law, has established standards for measuring sponsor compliance with applicable laws and rules. Beginning with the 2018-2019 school year, each sponsor must certify to the Department by June 30 whether it has complied with those laws and rules. Upon review of those certifications, the Department is required to randomly select items from the sponsor's certification for validation, typically through online submission of supporting documentation.²⁶ The Department maintains lists of all laws and rules subject to review on its website.²⁷

Incentives for "exemplary" sponsors

Sponsors rated "exemplary" for two or more consecutive years obtain the ability to extend the term of their sponsor contract beyond what is described in the agreement with the Department and receive an exemption from certain requirements and deadlines related to those contracts. These sponsors also are not subject to limits on the number of community schools they may sponsor or territorial restrictions on their sponsorship.²⁸

Penalties for low-performing sponsors

A sponsor with an overall rating of "ineffective" is prohibited from sponsoring any new or additional community schools and is subject to a quality improvement plan based on correcting the deficiencies that led to the "ineffective" rating.²⁹ Sponsorship authority is automatically revoked (subject to administrative appeal) for (1) a sponsor with an overall rating of "poor" or (2) a sponsor with three consecutive overall ratings of "ineffective."³⁰

The State Board may also revoke the authority of a sponsor who is not in compliance or is no longer willing to comply with its contract with any community school, or with the Department's rules for sponsorship after a hearing is conducted that confirms the findings.³¹

²⁶ O.A.C. 3301-102-08.

²⁷ Ohio Department of Education website, available at <http://education.ohio.gov/Topics/Community-Schools/Sponsor-Ratings-and-Tools/2017-2018-Sponsor-Evaluation-Tools> and click on "Compliance Worksheet-Sponsors" or "Compliance Worksheet-Oversight of Schools."

²⁸ R.C. 3314.016(B)(7)(a)(ii) to (vi).

²⁹ R.C. 3314.016(B)(7)(b).

³⁰ R.C. 3314.016(B)(7)(b)(ii) and (B)(7)(c).

³¹ R.C. 3314.015(C) and O.A.C. 3301-102-07.



Monitoring, oversight, and technical assistance

It is a community school sponsor's duty to provide monitoring, oversight, and technical assistance to each school it sponsors. For that purpose, "monitoring, oversight, and technical assistance" includes the following:

(1) Monitoring the community school's compliance with all laws that apply to the school and with the terms of the sponsorship contract;

(2) Monitoring and evaluating at least annually the school's academic and fiscal performance using the requirements stated in the sponsorship contract, state report card results, and any other analysis conducted by the Department;

(3) Monitoring and evaluating at least annually the school's organization and operation;

(4) Reporting annually the results of the sponsor evaluation to the Department and to the parents of the school's students;

(5) Providing technical assistance to the community school in complying with laws and terms of the contract;

(6) Taking steps to intervene in the school's operation to correct problems in the school's overall performance, declaring the school to be on probationary status, suspending the school's operation, or terminating the school's contract as determined necessary by the sponsor;

(7) Having in place a plan of action to be undertaken if the community school experiences financial difficulties or closes prior to the end of a school year; and

(8) Other activities specifically designed to benefit the community school.³²

Community school report cards

Report cards are issued for e-schools in the same manner as they are issued for all other community schools. The type of report card issued for a community school depends on whether that school offers a dropout prevention and recovery program.

Community schools that do not offer dropout prevention and recovery programs

For community schools that do not primarily serve students enrolled in dropout prevention and recovery programs, report cards are issued using the same report card

³² R.C. 3314.023(A) to (G).

system that is used for school districts. The report card includes graded and ungraded individual measures. All of these graded and ungraded measures, except for the high-mobility value-added progress dimension (graded), are used to determine a district's or school building's overall grade. The grade for overall performance of the school must be assigned by the Department based on specified components and performance measures and a performance criteria and method for assigning grades prescribed by the State Board of Education. For a school building for which any of the performance measures do not apply to the grade levels served by the school building, the State Board must designate the performance measures that are applicable to the building and that must be calculated separately and used to calculate the building's overall grade.³³

Letter grades for the metrics and the overall grade are issued under this system, with the following meanings:

A – making excellent progress;

B – making above average progress;

C – making average progress;

D – making below average progress;

F – failing to meet minimum progress.³⁴

The method for assigning overall grades must group individual performance measures into the following six larger components:

(1) Gap Closing, which includes only the annual measurable objective performance measure. This measure determines if a district or building is making "adequate yearly progress" in closing achievement gaps between students of different subgroups;

(2) Achievement, which includes the measures for the performance index score (under the performance index system established by the Department) and performance indicators met (these indicators are established by the State Board);

(3) Progress, which includes the overall value-added progress dimension measure (a measure of academic gain for a student or group of students over a specific period of time that is calculated using data from student achievement assessments) and the performance measure for the three separate value-added subgroups (gifted

³³ R.C. 3302.03 and 3314.012.

³⁴ R.C. 3302.03(E).



students, students with disabilities, and students whose achievement places them in the lowest quintile on a statewide basis);

(4) Graduation, which includes the four- and five-year adjusted cohort graduation rates;

(5) Kindergarten through Third-Grade Literacy, which includes the progress a district or building is making in improving literacy in kindergarten through third grade; and

(6) Prepared for Success, which includes the performance measures that assess high school student career or college readiness.³⁵

Building-level report cards are issued for community schools regardless of how long they have been in operation; however, a school's ratings for its first two years of operation may not be considered in the imposition of sanctions.³⁶

Community schools that offer dropout prevention and recovery programs

Community schools that primarily serve students in dropout prevention and recovery programs are rated under a separate report card system. Rather than letter grades, the rating designations under that system are "exceeds standards," "meets standards," and "does not meet standards."³⁷ The ratings are based on the following performance indicators:

(1) Four-, five-, six-, seven-, and eight-year adjusted cohort graduation rates for the school year for which the overall designation is granted (30% weight);

(2) Growth in student achievement in reading or mathematics, or both, as measured by separate nationally norm-referenced assessments, adopted or approved by the State Board of Education, that have developed appropriate standards for students enrolled in dropout prevention and recovery programs (30% weight);

(3) Annual measurable objectives (20% weight); and

(4) Percentage of twelfth-grade students and other students within three months of their 22nd birthday who attain a passing score on applicable state achievement assessments for graduation (20% weight).³⁸

³⁵ R.C. 3302.03(C)(3).

³⁶ R.C. 3314.012(B).

³⁷ R.C. 3314.017(D)(1).

³⁸ R.C. 3314.017(C) and (D)(2).

Closure of community schools

Automatic closure

The statutory closure provisions also apply equally to both e-schools and brick-and-mortar community schools.

Any community school that is not a dropout prevention and recovery school to which the following applies for two of three consecutive years must permanently close at the end of the school year in which the school first becomes subject to closure: (1) the school has been declared to be in a state of academic emergency under former law, (2) the school has received a grade of "F" in improving literacy in grades kindergarten through 3, a grade of "F" in both the performance index and the value-added progress dimension for schools offering any of grades 4 through 8, or a grade of "F" for performance index and has not met the annual measurable objectives for schools offering grade levels 10 through 12, or (3) for a kindergarten through 3 school it has received an overall grade of "F," for a 4 through 12 school it has received a grade of "F" both on the overall grade and for the value-added progress dimension.³⁹

A community school in which a majority of the students are enrolled in a dropout prevention and recovery plan is subject to automatic closure, if the school receives a designation of "does not meet standards" on the school's state report card for at least two of the three most recent school years.⁴⁰

Limited safe harbor due to e-school closure

S.B. 216 as amended by H.B. 87, both of the 132nd General Assembly, effective on November 2, 2018, provides a limited exemption from closure for the 2017-2018, 2018-2019, and 2019-2020 school years for certain nondropout recovery community schools. That exemption applies to any community school, including an e-school, that in the 2017-2018 school year experienced an enrollment increase of more than 20% as a result of enrolling students displaced by the closure of another e-school. However, if that school meets the conditions for closure for three consecutive years, that school still must close. In addition, if the scores of displaced enrollees are omitted from the school's report card calculations, and the community school still meets the conditions for closure for two out of three years, the community school must close.⁴¹

³⁹ R.C. 3314.35.

⁴⁰ R.C. 3314.351.

⁴¹ Section 11 of S.B. 216 of the 132nd General Assembly, as amended by sections 3 and 4 of H.B. 87 of the 132nd General Assembly.

Termination or nonrenewal of community school contract

As mentioned above, the sponsor of a community school is responsible for taking steps to intervene in the school's operation to correct problems, declare the school to be on probationary status, suspend the operation of the school, or terminate the contract of the school as determined necessary by the sponsor.⁴² Furthermore, a sponsor may choose not to renew a contract upon expiration or may choose to terminate a contract prior to its expiration for failure to meet student performance requirements, failure to meet generally accepted standards of fiscal management, violation of any provision of the contract or applicable law, as a result of the sponsor's suspending the school's operation for noncompliance, or for other good cause.

A community school whose contract is terminated or not renewed for failure to meet student performance requirements or meet generally accepted standards of fiscal management must close permanently at the end of the current school year and is prohibited from ever entering into a contract with a different sponsor.⁴³ A community school that decides not to renew the contract with its sponsor must notify the sponsor of that fact at least 180 days prior to the expiration of the contract. After providing notice, and only upon the expiration of the previous contract, the community school may enter into a contract with a new sponsor.⁴⁴ This means that even if a school intends not to renew, the school will be prohibited from ever reopening if the sponsor takes action to terminate the contract prior to the contract's expiration.

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⁴² R.C. 3314.023(E).

⁴³ R.C. 3314.07(B).

⁴⁴ R.C. 3314.07(D).