#### As Introduced

## 132nd General Assembly

# Regular Session 2017-2018

S. B. No. 39

#### **Senator Schiavoni**

Cosponsors: Senators Thomas, Brown, Skindell, Yuko, O'Brien, Williams, Tavares

### A BILL

То	amend sections 3302.01, 3302.03, 3302.41,	1
	3314.03, 3314.032, 3314.08, 3314.23, 3314.27,	2
	and 3314.271 and to enact sections 3302.038,	3
	3314.088, 3314.241, 3314.242, and 3314.52 of the	4
	Revised Code regarding community school operator	5
	contracts, the operation of Internet- and	6
	computer-based community schools, and	7
	performance metrics for blended learning	8
	schools.	9

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

<b>Section 1</b> . That sections 3302.01, 3302.03, 3302.41,	10
3314.03, 3314.032, 3314.08, 3314.23, 3314.27, and 3314.271 be	11
amended and sections 3302.038, 3314.088, 3314.241, 3314.242, and	12
3314.52 of the Revised Code be enacted to read as follows:	13
Sec. 3302.01. As used in this chapter:	14
(A) "Performance index score" means the average of the	15
totals derived from calculations, for each subject area, of the	16
weighted proportion of untested students and students scoring at	17
each level of skill described in division (A)(2) of section	1.8

3301.0710 o	of ·	the	Revised	Code	on	the	state	achievement	19
assessments	5,	as f	follows:						20

- (1) For the assessments prescribed by division (A)(1) of

  section 3301.0710 of the Revised Code, the average for each of

  the subject areas of English language arts, mathematics,

  science, and social studies.
- (2) For the assessments prescribed by division (B)(1) of 25 section 3301.0710 and division (B)(2) of section 3301.0712 of 26 the Revised Code, the average for each of the subject areas of 27 English language arts and mathematics. 28

29 The department of education shall assign weights such that students who do not take an assessment receive a weight of zero 30 and students who take an assessment receive progressively larger 31 weights dependent upon the level of skill attained on the 32 assessment. The department shall assign additional weights to 33 students who have been permitted to pass over a subject in 34 accordance with a student acceleration policy adopted under 3.5 section 3324.10 of the Revised Code. If such a student attains 36 the proficient score prescribed under division (A)(2)(c) of 37 section 3301.0710 of the Revised Code or higher on an 38 assessment, the department shall assign the student the weight 39 prescribed for the next higher scoring level. If such a student 40 attains the advanced score, prescribed under division (A)(2)(a) 41 of section 3301.0710 of the Revised Code, on an assessment, the 42 department shall assign to the student an additional 43 proportional weight, as approved by the state board. For each 44 school year that such a student's score is included in the 45 performance index score and the student attains the proficient 46 score on an assessment, that additional weight shall be assigned 47 to the student on a subject-by-subject basis. 48

Students shall be included in the "performance index	49
score" in accordance with division (K)(2) of section 3302.03 of	50
the Revised Code.	51
(B) "Subgroup" means a subset of the entire student	52
population of the state, a school district, or a school building	53
and includes each of the following:	54
(1) Major racial and ethnic groups;	55
(2) Students with disabilities;	56
(3) Economically disadvantaged students;	57
(4) Limited English proficient students;	58
(5) Students identified as gifted in superior cognitive	59
ability and specific academic ability fields under Chapter 3324.	60
of the Revised Code. For students who are gifted in specific	61
academic ability fields, the department shall use data for those	62
students with specific academic ability in math and reading. If	63
any other academic field is assessed, the department shall also	64
include data for students with specific academic ability in that	65
field.	66
(6) Students in the lowest quintile for achievement	67
statewide, as determined by a method prescribed by the state	68
board of education.	69
(C) "No Child Left Behind Act of 2001" includes the	70
statutes codified at 20 U.S.C. 6301 et seq. and any amendments,	71
waivers, or both thereto, rules and regulations promulgated	72
pursuant to those statutes, guidance documents, and any other	73
policy directives regarding implementation of that act issued by	74
the United States department of education.	75
(D) "Adequate yearly progress" means a measure of annual	76

academic performance as calculated in accordance with the "No	77
Child Left Behind Act of 2001."	78
(E) "Supplemental educational services" means additional	79
academic assistance, such as tutoring, remediation, or other	80
educational enrichment activities, that is conducted outside of	81
the regular school day by a provider approved by the department	82
in accordance with the "No Child Left Behind Act of 2001."	83
(F) "Value-added progress dimension" means a measure of	84
academic gain for a student or group of students over a specific	85
period of time that is calculated by applying a statistical	86
methodology to individual student achievement data derived from	87
the achievement assessments prescribed by section 3301.0710 of	88
the Revised Code. The "value-added progress dimension" shall be	89
developed and implemented in accordance with section 3302.021 of	90
the Revised Code.	91
(G)(1) "Four-year adjusted cohort graduation rate" means	92
the number of students who graduate in four years or less with a	93
regular high school diploma divided by the number of students	94
who form the adjusted cohort for the graduating class.	95
(2) "Five-year adjusted cohort graduation rate" means the	96
number of students who graduate in five years with a regular	97
high school diploma divided by the number of students who form	98
the adjusted cohort for the four-year graduation rate.	99
(H) "State institution of higher education" has the same	100
meaning as in section 3345.011 of the Revised Code.	101
(I) "Annual measurable objectives" means a measure of	102
student progress determined in accordance with an agreement	103
between the department of education and the United States	104
department of education.	105

(J) "Community school" means a community school	106
established under Chapter 3314. of the Revised Code.	107
(K) "Internet- or computer-based community school" has the	108
same meaning as in section 3314.02 of the Revised Code.	109
(L) "STEM school" means a science, technology,	110
engineering, and mathematics school established under Chapter	111
3326. of the Revised Code.	112
$\frac{(L)-(M)}{(M)}$ "Entitled to attend school in the district" means	113
entitled to attend school in a school district under section	114
3313.64 or 3313.65 of the Revised Code.	115
Sec. 3302.03. Annually, not later than the fifteenth day	116
of September or the preceding Friday when that day falls on a	117
Saturday or Sunday, the department of education shall assign a	118
letter grade for overall academic performance and for each	119
separate performance measure for each school district, and each	120
school building in a district, in accordance with this section.	121
The state board shall adopt rules pursuant to Chapter 119. of	122
the Revised Code to establish performance criteria for each	123
letter grade and prescribe a method by which the department	124
assigns each letter grade. For a school building to which any of	125
the performance measures do not apply, due to grade levels	126
served by the building, the state board shall designate the	127
performance measures that are applicable to the building and	128
that must be calculated separately and used to calculate the	129
building's overall grade. The department shall issue annual	130
report cards reflecting the performance of each school district,	131
each building within each district, and for the state as a whole	132
using the performance measures and letter grade system described	133
in this section. The department shall include on the report card	134
for each district and each building within each district the	135

most recent two-year trend data in student achievement for each	136
subject and each grade.	137
(A)(1) For the 2012-2013 school year, the department shall	138
issue grades as described in division (E) of this section for	139
each of the following performance measures:	140
(a) Annual measurable objectives;	141
(b) Performance index score for a school district or	142
building. Grades shall be awarded as a percentage of the total	143
possible points on the performance index system as adopted by	144
the state board. In adopting benchmarks for assigning letter	145
grades under division (A)(1)(b) of this section, the state board	146
of education shall designate ninety per cent or higher for an	147
"A," at least seventy per cent but not more than eighty per cent	148
for a "C," and less than fifty per cent for an "F."	149
(c) The extent to which the school district or building	150
(c) The extent to which the school district or building meets each of the applicable performance indicators established	150 151
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meets each of the applicable performance indicators established	151
meets each of the applicable performance indicators established by the state board under section 3302.02 of the Revised Code and	151 152
meets each of the applicable performance indicators established by the state board under section 3302.02 of the Revised Code and the percentage of applicable performance indicators that have	151 152 153
meets each of the applicable performance indicators established by the state board under section 3302.02 of the Revised Code and the percentage of applicable performance indicators that have been achieved. In adopting benchmarks for assigning letter	151 152 153 154
meets each of the applicable performance indicators established by the state board under section 3302.02 of the Revised Code and the percentage of applicable performance indicators that have been achieved. In adopting benchmarks for assigning letter grades under division (A)(1)(c) of this section, the state board	151 152 153 154 155
meets each of the applicable performance indicators established by the state board under section 3302.02 of the Revised Code and the percentage of applicable performance indicators that have been achieved. In adopting benchmarks for assigning letter grades under division (A)(1)(c) of this section, the state board shall designate ninety per cent or higher for an "A."	151 152 153 154 155
meets each of the applicable performance indicators established by the state board under section 3302.02 of the Revised Code and the percentage of applicable performance indicators that have been achieved. In adopting benchmarks for assigning letter grades under division (A)(1)(c) of this section, the state board shall designate ninety per cent or higher for an "A."  (d) The four- and five-year adjusted cohort graduation	151 152 153 154 155 156
meets each of the applicable performance indicators established by the state board under section 3302.02 of the Revised Code and the percentage of applicable performance indicators that have been achieved. In adopting benchmarks for assigning letter grades under division (A)(1)(c) of this section, the state board shall designate ninety per cent or higher for an "A."  (d) The four- and five-year adjusted cohort graduation rates.	151 152 153 154 155 156 157
meets each of the applicable performance indicators established by the state board under section 3302.02 of the Revised Code and the percentage of applicable performance indicators that have been achieved. In adopting benchmarks for assigning letter grades under division (A)(1)(c) of this section, the state board shall designate ninety per cent or higher for an "A."  (d) The four- and five-year adjusted cohort graduation rates.  In adopting benchmarks for assigning letter grades under	151 152 153 154 155 156 157 158
meets each of the applicable performance indicators established by the state board under section 3302.02 of the Revised Code and the percentage of applicable performance indicators that have been achieved. In adopting benchmarks for assigning letter grades under division (A)(1)(c) of this section, the state board shall designate ninety per cent or higher for an "A."  (d) The four- and five-year adjusted cohort graduation rates.  In adopting benchmarks for assigning letter grades under division (A)(1)(d), (B)(1)(d), or (C)(1)(d) of this section, the	151 152 153 154 155 156 157 158 159 160
meets each of the applicable performance indicators established by the state board under section 3302.02 of the Revised Code and the percentage of applicable performance indicators that have been achieved. In adopting benchmarks for assigning letter grades under division (A)(1)(c) of this section, the state board shall designate ninety per cent or higher for an "A."  (d) The four- and five-year adjusted cohort graduation rates.  In adopting benchmarks for assigning letter grades under division (A)(1)(d), (B)(1)(d), or (C)(1)(d) of this section, the department shall designate a four-year adjusted cohort	151 152 153 154 155 156 157 158 159 160 161

(e) The overall score under the value-added progress	165
dimension of a school district or building, for which the	166
department shall use up to three years of value-added data as	167
available. The letter grade assigned for this growth measure	168
shall be as follows:	169
(i) A score that is at least two standard errors of	170
measure above the mean score shall be designated as an "A."	171
(ii) A score that is at least one standard error of	172
measure but less than two standard errors of measure above the	173
mean score shall be designated as a "B."	174
(iii) A score that is less than one standard error of	175
measure above the mean score but greater than or equal to one	176
standard error of measure below the mean score shall be	177
designated as a "C."	178
(iv) A score that is not greater than one standard error	179
of measure below the mean score but is greater than or equal to	180
two standard errors of measure below the mean score shall be	181
designated as a "D."	182
(v) A score that is not greater than two standard errors	183
of measure below the mean score shall be designated as an "F."	184
Whenever the value-added progress dimension is used as a	185
graded performance measure, whether as an overall measure or as	186
a measure of separate subgroups, the grades for the measure	187
shall be calculated in the same manner as prescribed in division	188
(A)(1)(e) of this section.	189
(f) The value-added progress dimension score for a school	190
district or building disaggregated for each of the following	191
subgroups: students identified as gifted, students with	192
disabilities, and students whose performance places them in the	193

lowest quintile for achievement on a statewide basis. Each	194
subgroup shall be a separate graded measure.	195
(2) Not later than April 30, 2013, the state board of	196
education shall adopt a resolution describing the performance	197
measures, benchmarks, and grading system for the 2012-2013	198
school year and, not later than June 30, 2013, shall adopt rules	199
in accordance with Chapter 119. of the Revised Code that	200
prescribe the methods by which the performance measures under	201
division (A)(1) of this section shall be assessed and assigned a	202
letter grade, including performance benchmarks for each letter	203
grade.	204
At least forty-five days prior to the state board's	205
adoption of rules to prescribe the methods by which the	206
performance measures under division (A)(1) of this section shall	207
be assessed and assigned a letter grade, the department shall	208
conduct a public presentation before the standing committees of	209
the house of representatives and the senate that consider	210
education legislation describing such methods, including	211
performance benchmarks.	212
(3) There shall not be an overall letter grade for a	213
school district or building for the 2012-2013 school year.	214
(B)(1) For the 2013-2014 and 2014-2015 through 2016-2017	215
school years, the department shall issue grades as described in	216
division (E) of this section for each of the following	217
performance measures:	218
(a) Annual measurable objectives;	219
(b) Performance index score for a school district or	220
building. Grades shall be awarded as a percentage of the total	221
possible points on the performance index system as created by	222

the department. In adopting benchmarks for assigning letter	223
grades under division (B)(1)(b) of this section, the state board	224
shall designate ninety per cent or higher for an "A," at least	225
seventy per cent but not more than eighty per cent for a "C,"	226
and less than fifty per cent for an "F."	227
(c) The extent to which the school district or building	228
meets each of the applicable performance indicators established	229
by the state board under section 3302.03 of the Revised Code and	230
the percentage of applicable performance indicators that have	231
been achieved. In adopting benchmarks for assigning letter	232
grades under division (B)(1)(c) of this section, the state board	233
shall designate ninety per cent or higher for an "A."	234
(d) The four- and five-year adjusted cohort graduation	235
rates;	236
(e) The overall score under the value-added progress	237
dimension of a school district or building, for which the	238
department shall use up to three years of value-added data as	239
available.	240
(f) The value-added progress dimension score for a school	241
district or building disaggregated for each of the following	242
subgroups: students identified as gifted in superior cognitive	243
ability and specific academic ability fields under Chapter 3324.	244
of the Revised Code, students with disabilities, and students	245
whose performance places them in the lowest quintile for	246
achievement on a statewide basis. Each subgroup shall be a	247
separate graded measure.	248
(g) Whether a school district or building is making	249
progress in improving literacy in grades kindergarten through	250
three, as determined using a method prescribed by the state	251

board. The state board shall adopt rules to prescribe benchmarks	252
and standards for assigning grades to districts and buildings	253
for purposes of division (B)(1)(g) of this section. In adopting	254
benchmarks for assigning letter grades under divisions (B)(1)(g)	255
and (C)(1)(g) of this section, the state board shall determine	256
progress made based on the reduction in the total percentage of	257
students scoring below grade level, or below proficient,	258
compared from year to year on the reading and writing diagnostic	259
assessments administered under section 3301.0715 of the Revised	260
Code and the third grade English language arts assessment under	261
section 3301.0710 of the Revised Code, as applicable. The state	262
board shall designate for a "C" grade a value that is not lower	263
than the statewide average value for this measure. No grade	264
shall be issued under divisions (B)(1)(g) and (C)(1)(g) of this	265
section for a district or building in which less than five per	266
cent of students have scored below grade level on the diagnostic	267
assessment administered to students in kindergarten under	268
division (B)(1) of section 3313.608 of the Revised Code.	269

(h) For a high mobility school district or building, an 270 additional value-added progress dimension score. For this 271 measure, the department shall use value-added data from the most 272 recent school year available and shall use assessment scores for 273 only those students to whom the district or building has 274 administered the assessments prescribed by section 3301.0710 of 275 the Revised Code for each of the two most recent consecutive 276 school years. 277

As used in this division, "high mobility school district 278 or building" means a school district or building where at least 279 twenty-five per cent of its total enrollment is made up of 280 students who have attended that school district or building for 281 less than one year.

(2) In addition to the graded measures in division (B)(1)	283
of this section, the department shall include on a school	284
district's or building's report card all of the following	285
without an assigned letter grade:	286
(a) The percentage of students enrolled in a district or	287
building participating in advanced placement classes and the	288
percentage of those students who received a score of three or	289
better on advanced placement examinations;	290
(b) The number of a district's or building's students who	291
have earned at least three college credits through dual	292
enrollment or advanced standing programs, such as the post-	293
secondary enrollment options program under Chapter 3365. of the	294
Revised Code and state-approved career-technical courses offered	295
through dual enrollment or statewide articulation, that appear	296
on a student's transcript or other official document, either of	297
which is issued by the institution of higher education from	298
which the student earned the college credit. The credits earned	299
that are reported under divisions (B)(2)(b) and (C)(2)(c) of	300
this section shall not include any that are remedial or	301
developmental and shall include those that count toward the	302
curriculum requirements established for completion of a degree.	303
(c) The percentage of students enrolled in a district or	304
building who have taken a national standardized test used for	305
college admission determinations and the percentage of those	306
students who are determined to be remediation-free in accordance	307
with standards adopted under division (F) of section 3345.061 of	308
the Revised Code;	309
(d) The percentage of the district's or the building's	310
students who receive industry-recognized credentials. The state	311

board shall adopt criteria for acceptable industry-recognized

credentials.	313
(e) The percentage of students enrolled in a district or	314
building who are participating in an international baccalaureate	315
program and the percentage of those students who receive a score	316
of four or better on the international baccalaureate	317
examinations.	318
(f) The percentage of the district's or building's	319
students who receive an honors diploma under division (B) of	320
section 3313.61 of the Revised Code.	321
(3) Not later than December 31, 2013, the state board	322
shall adopt rules in accordance with Chapter 119. of the Revised	323
Code that prescribe the methods by which the performance	324
measures under divisions (B)(1)(f) and (B)(1)(g) of this section	325
will be assessed and assigned a letter grade, including	326
performance benchmarks for each grade.	327
At least forty-five days prior to the state board's	328
adoption of rules to prescribe the methods by which the	329
performance measures under division (B)(1) of this section shall	330
be assessed and assigned a letter grade, the department shall	331
conduct a public presentation before the standing committees of	332
the house of representatives and the senate that consider	333
education legislation describing such methods, including	334
performance benchmarks.	335
(4) There shall not be an overall letter grade for a	336
school district or building for the 2013-2014, 2014-2015, 2015-	337
2016, and 2016-2017 school years.	338
(C)(1) For the $\frac{2014-2015}{2017-2018}$ school year and each	339
school year thereafter, the department shall issue grades as	340
described in division (E) of this section for each of the	341

performance measures prescribed in division (C)(1) of this	342
section. The graded measures are as follows:	343
(a) Annual measurable objectives;	344
(b) Performance index score for a school district or	345
building. Grades shall be awarded as a percentage of the total	346
possible points on the performance index system as created by	347
the department. In adopting benchmarks for assigning letter	348
grades under division (C)(1)(b) of this section, the state board	349
shall designate ninety per cent or higher for an "A," at least	350
seventy per cent but not more than eighty per cent for a "C,"	351
and less than fifty per cent for an "F."	352
(c) The extent to which the school district or building	353
meets each of the applicable performance indicators established	354
by the state board under section 3302.03 of the Revised Code and	355
the percentage of applicable performance indicators that have	356
been achieved. In adopting benchmarks for assigning letter	357
grades under division (C)(1)(c) of this section, the state board	358
shall designate ninety per cent or higher for an "A."	359
(d) The four- and five-year adjusted cohort graduation	360
rates;	361
(e) The overall score under the value-added progress	362
dimension, or another measure of student academic progress if	363
adopted by the state board, of a school district or building,	364
for which the department shall use up to three years of value-	365
added data as available.	366
In adopting benchmarks for assigning letter grades for	367
overall score on value-added progress dimension under division	368
(C)(1)(e) of this section, the state board shall prohibit the	369
assigning of a grade of "A" for that measure unless the	370

district's or building's grade assigned for value-added progress	371
dimension for all subgroups under division (C)(1)(f) of this	372
section is a "B" or higher.	373

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

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

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 396 progress in improving literacy in grades kindergarten through 397 three, as determined using a method prescribed by the state 398 board. The state board shall adopt rules to prescribe benchmarks 399 and standards for assigning grades to a district or building for 400

purposes of division (C)(1)(g) of this section. The state board	401
shall designate for a "C" grade a value that is not lower than	402
the statewide average value for this measure. No grade shall be	403
issued under division (C)(1)(g) of this section for a district	404
or building in which less than five per cent of students have	405
scored below grade level on the kindergarten diagnostic	406
assessment under division (B)(1) of section 3313.608 of the	407
Revised Code.	408
(h) For a high mobility school district or building, an	409
additional value-added progress dimension score. For this	410
measure, the department shall use value-added data from the most	411
recent school year available and shall use assessment scores for	412
only those students to whom the district or building has	413
administered the assessments prescribed by section 3301.0710 of	414
the Revised Code for each of the two most recent consecutive	415
school years.	416
As used in this division, "high mobility school district	417
or building" means a school district or building where at least	418
twenty-five per cent of its total enrollment is made up of	419
students who have attended that school district or building for	420
less than one year.	421
(2) In addition to the graded measures in division (C)(1)	422
of this section, the department shall include on a school	423
district's or building's report card all of the following	424
without an assigned letter grade:	425
(a) The percentage of students enrolled in a district or	426
building who have taken a national standardized test used for	427
college admission determinations and the percentage of those	428
students who are determined to be remediation-free in accordance	429

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with the standards adopted under division (F) of section

3345.061 of the Revised Code;	431
(b) The percentage of students enrolled in a district or	432
building participating in advanced placement classes and the	433
percentage of those students who received a score of three or	434
better on advanced placement examinations;	435
(c) The percentage of a district's or building's students	436
who have earned at least three college credits through advanced	437
standing programs, such as the college credit plus program under	438
Chapter 3365. of the Revised Code and state-approved career-	439
technical courses offered through dual enrollment or statewide	440
articulation, that appear on a student's college transcript	441
issued by the institution of higher education from which the	442
student earned the college credit. The credits earned that are	443
reported under divisions (B)(2)(b) and (C)(2)(c) of this section	444
shall not include any that are remedial or developmental and	445
shall include those that count toward the curriculum	446
requirements established for completion of a degree.	447
(d) The percentage of the district's or building's	448
students who receive an honor's diploma under division (B) of	449
section 3313.61 of the Revised Code;	450
(e) The percentage of the district's or building's	451
students who receive industry-recognized credentials;	452
(f) The percentage of students enrolled in a district or	453
building who are participating in an international baccalaureate	454
program and the percentage of those students who receive a score	455
of four or better on the international baccalaureate	456
examinations;	457
(g) The results of the college and career-ready	458
assessments administered under division (B)(1) of section	459

3301.0712 of the Revised Code.	460
(3) The state board shall adopt rules pursuant to Chapter	461
119. of the Revised Code that establish a method to assign an	462
overall grade for a school district or school building for the	463
2017-2018 school year and each school year thereafter. The rules	464
shall group the performance measures in divisions (C)(1) and (2)	465
of this section into the following components:	466
(a) Gap closing, which shall include the performance	467
measure in division (C)(1)(a) of this section;	468
(b) Achievement, which shall include the performance	469
measures in divisions (C)(1)(b) and (c) of this section;	470
(c) Progress, which shall include the performance measures	471
in divisions (C)(1)(e) and (f) of this section;	472
(d) Graduation, which shall include the performance	473
measure in division (C)(1)(d) of this section;	474
(e) Kindergarten through third-grade literacy, which shall	475
include the performance measure in division (C)(1)(g) of this	476
section;	477
(f) Prepared for success, which shall include the	478
performance measures in divisions (C)(2)(a), (b), (c), (d), (e),	479
and (f) of this section. The state board shall develop a method	480
to determine a grade for the component in division (C)(3)(f) of	481
this section using the performance measures in divisions (C)(2)	482
(a), (b), (c), (d), (e), and (f) of this section. When	483
available, the state board may incorporate the performance	484
measure under division (C)(2)(g) of this section into the	485
component under division (C)(3)(f) of this section. When	486
determining the overall grade for the prepared for success	487
component prescribed by division (C)(3)(f) of this section, no	488

individual student shall be counted in more than one performance	489
measure. However, if a student qualifies for more than one	490
performance measure in the component, the state board may, in	491
its method to determine a grade for the component, specify an	492
additional weight for such a student that is not greater than or	493
equal to 1.0. In determining the overall score under division	494
(C)(3)(f) of this section, the state board shall ensure that the	495
pool of students included in the performance measures aggregated	496
under that division are all of the students included in the	497
four- and five-year adjusted graduation cohort.	498

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

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) On or after than—July 1, 2015, the state board may

516
develop a measure of student academic progress for high school

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students using only data from assessments in English language

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arts and mathematics. If the state board develops this measure,	519
each school district and applicable school building shall be	520
assigned a separate letter grade for <pre>if_it_not sooner than the</pre>	521
2017-2018 school year. The district's or building's grade for	522
that measure shall not be included in determining the district's	523
or building's overall letter grade.	524
(E) The letter grades assigned to a school district or	525
building under this section shall be as follows:	526
(1) "A" for a district or school making excellent	527
progress;	528
(2) "B" for a district or school making above average	529
progress;	530
(3) "C" for a district or school making average progress;	531
(4) "D" for a district or school making below average	532
progress;	533
(5) "F" for a district or school failing to meet minimum	534
progress.	535
(F) When reporting data on student achievement and	536
progress, the department shall disaggregate that data according	537
to the following categories:	538
(1) Performance of students by grade-level;	539
(2) Performance of students by race and ethnic group;	540
(3) Performance of students by gender;	541
(4) Performance of students grouped by those who have been	542
enrolled in a district or school for three or more years;	543
(5) Performance of students grouped by those who have been	544
enrolled in a district or school for more than one year and less	545

than three years;	546
(6) Performance of students grouped by those who have been	547
enrolled in a district or school for one year or less;	548
(7) Performance of students grouped by those who are	549
economically disadvantaged;	550
(8) Performance of students grouped by those who are	551
enrolled in a conversion community school established under	552
Chapter 3314. of the Revised Code;	553
(9) Performance of students grouped by those who are	554
classified as limited English proficient;	555
(10) Performance of students grouped by those who have	556
disabilities;	557
(11) Performance of students grouped by those who are	558
classified as migrants;	559
(12) Performance of students grouped by those who are	560
identified as gifted in superior cognitive ability and the	561
specific academic ability fields of reading and math pursuant to	562
Chapter 3324. of the Revised Code. In disaggregating specific	563
academic ability fields for gifted students, the department	564
shall use data for those students with specific academic ability	565
in math and reading. If any other academic field is assessed,	566
the department shall also include data for students with	567
specific academic ability in that field as well.	568
(13) Performance of students grouped by those who perform	569
in the lowest quintile for achievement on a statewide basis, as	570
determined by a method prescribed by the state board.	571
The department may disaggregate data on student	572
performance according to other categories that the department	573

determines are appropriate. To the extent possible, the	574
department shall disaggregate data on student performance	575
according to any combinations of two or more of the categories	576
listed in divisions $(F)(1)$ to $(13)$ of this section that it deems	577
relevant.	578
In reporting data pursuant to division (F) of this	579
section, the department shall not include in the report cards	580
any data statistical in nature that is statistically unreliable	581
or that could result in the identification of individual	582
students. For this purpose, the department shall not report	583
student performance data for any group identified in division	584
(F) of this section that contains less than ten students. If the	585
department does not report student performance data for a group	586
because it contains less than ten students, the department shall	587
indicate on the report card that is why data was not reported.	588
(G) The department may include with the report cards any	589
additional education and fiscal performance data it deems	590
valuable.	591
(H) The department shall include on each report card a	592
list of additional information collected by the department that	593
is available regarding the district or building for which the	594
report card is issued. When available, such Such additional	595
information shall include student mobility data disaggregated by	596
race and socioeconomic status $ au$ for each district and school	597
including each internet- and computer-based community school not	598
sponsored by a school district. When available, such additional	599
information also shall include college enrollment data, and the	600
reports prepared under section 3302.031 of the Revised Code.	601
The department shall maintain a site on the world wide	602

web. The report card shall include the address of the site and

shall specify that such additional information is available to	604
the public at that site. The department shall also provide a	605
copy of each item on the list to the superintendent of each	606
school district. The district superintendent shall provide a	607
copy of any item on the list to anyone who requests it.	608
(I)(1)(a) Except as provided in division (I)(1)(b) of this	609
section, for any district that sponsors a conversion community	610
school under Chapter 3314. of the Revised Code, the department	611
shall combine data regarding the academic performance of	612
students enrolled in the community school with comparable data	613
from the schools of the district for the purpose of determining	614
the performance of the district as a whole on the report card	615
issued for the district under this section or section 3302.033	616
of the Revised Code.	617
(b) The department shall not combine data from any	618
conversion community school that a district sponsors if a	619
majority of the students enrolled in the conversion community	620
school are enrolled in a dropout prevention and recovery program	621
that is operated by the school, as described in division (A)(4)	622
(a) of section 3314.35 of the Revised Code. The department shall	623
include as an addendum to the district's report card the ratings	624
and performance measures that are required under section	625
3314.017 of the Revised Code for any community school to which	626
division (I)(1)(b) of this section applies. This addendum shall	627

(2) Any district that leases a building to a community 630 school located in the district or that enters into an agreement 631 with a community school located in the district whereby the 632 district and the school endorse each other's programs may elect 633

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include, at a minimum, the data specified in divisions (C)(1)

(a), (C)(2), and (C)(3) of section 3314.017 of the Revised Code.

to have data regarding the academic performance of students	634
enrolled in the community school combined with comparable data	635
from the schools of the district for the purpose of determining	636
the performance of the district as a whole on the district	637
report card. Any district that so elects shall annually file a	638
copy of the lease or agreement with the department.	639
(3) Any municipal school district, as defined in section	640
3311.71 of the Revised Code, that sponsors a community school	641
located within the district's territory, or that enters into an	642
agreement with a community school located within the district's	643
territory whereby the district and the community school endorse	644
each other's programs, may exercise either or both of the	645
following elections:	646
(a) To have data regarding the academic performance of	647
students enrolled in that community school combined with	648
comparable data from the schools of the district for the purpose	649
of determining the performance of the district as a whole on the	650
district's report card;	651
(b) To have the number of students attending that	652
community school noted separately on the district's report card.	653
The election authorized under division (I)(3)(a) of this	654
section is subject to approval by the governing authority of the	655
community school.	656
Any municipal school district that exercises an election	657
to combine or include data under division (I)(3) of this	658
section, by the first day of October of each year, shall file	659
with the department documentation indicating eligibility for	660
that election, as required by the department.	661

(J) The department shall include on each report card the

percentage of teachers in the district or building who are	663
highly qualified, as defined by the No Child Left Behind Act of	664
2001, and a comparison of that percentage with the percentages	665
of such teachers in similar districts and buildings.	666
(K)(1) In calculating English language arts, mathematics,	667
social studies, or science assessment passage rates used to	668
determine school district or building performance under this	669
section, the department shall include all students taking an	670
assessment with accommodation or to whom an alternate assessment	671
is administered pursuant to division (C)(1) or (3) of section	672
3301.0711 of the Revised Code.	673
(2) In calculating performance index scores, rates of	674
achievement on the performance indicators established by the	675
state board under section 3302.02 of the Revised Code, and	676
annual measurable objectives for determining adequate yearly	677
progress for school districts and buildings under this section,	678
the department shall do all of the following:	679
(a) Include for each district or building only those	680
students who are included in the ADM certified for the first	681
full school week of October and are continuously enrolled in the	682
district or building through the time of the spring	683
administration of any assessment prescribed by division (A)(1)	684
or (B)(1) of section 3301.0710 or division (B) of section	685
3301.0712 of the Revised Code that is administered to the	686
student's grade level;	687
(b) Include cumulative totals from both the fall and	688
spring administrations of the third grade English language arts	689
achievement assessment;	690

(c) Except as required by the No Child Left Behind Act of

2001, exclude for each district or building any limited English	692
proficient student who has been enrolled in United States	693
schools for less than one full school year.	694
(L) Beginning with the 2015-2016 school year and at least	695
once every three years thereafter, the state board of education	696
shall review and may adjust the benchmarks for assigning letter	697
grades to the performance measures and components prescribed	698
under divisions (C)(3) and (D) of this section.	699
Sec. 3302.038. For purposes of calculating grades on the	700
state report cards issued under section 3302.03 of the Revised	701
Code on and after the effective date of this section, in the	702
case of a student who is enrolled in an internet- or computer-	703
based community school not sponsored by a school district who	704
has participated in learning opportunities of the school for	705
more than ninety days during the school year for which the	706
report card is issued, but who during that school year transfers	707
to the school district in which the student is entitled to	708
attend school, the department of education shall attribute the	709
results of any assessments under section 3301.0710 or 3301.0712	710
of the Revised Code taken by that student to the community	711
school and not to the school district.	712
Sec. 3302.41. As used in this section, "blended learning"	713
has the same meaning as in section 3301.079 of the Revised Code.	714
(A) Any local, city, exempted village, or joint vocational	715
school district, community school established under Chapter	716
3314. of the Revised Code, STEM school established under Chapter	717
3326. of the Revised Code, college-preparatory boarding school	718
established under Chapter 3328. of the Revised Code, or	719
chartered nonpublic school may operate all or part of a school	720
using a blended learning model. If a school is operated using a	721

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(3) The ability of all students, at any grade level, to earn credits or advance grade levels upon demonstrating mastery of knowledge or skills through competency-based learning models. Credits or grade level advancement shall not be based on a minimum number of days or hours in a classroom.

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(4) An exemption from minimum school year or school day

requirements in sections 3313.48 and 3313.481 of the Revised	751
Code;	752
(5) Adequate provisions for: the licensing of teachers,	753
administrators, and other professional personnel and their	754
assignment according to training and qualifications; efficient	755
and effective instructional materials and equipment, including	756
library facilities; the proper organization, administration, and	757
supervision of each school, including regulations for preparing	758
all necessary records and reports and the preparation of a	759
statement of policies and objectives for each school; buildings,	760
grounds, and health and sanitary facilities and services;	761
admission of pupils, and such requirements for their promotion	762
from grade to grade as will ensure that they are capable and	763
prepared for the level of study to which they are certified;	764
requirements for graduation; and such other factors as the board	765
finds necessary.	766
(C) An internet- or computer-based community school, as	767
defined in section 3314.02 of the Revised Code, is not a blended	768
learning school authorized under this section. Nor does this	769
section affect any provisions for the operation of and payments	770
to an internet- or computer-based community school prescribed in	771
Chapter 3314. of the Revised Code.	772
(D) Not later than ninety days after the effective date of	773
this amendment, the department shall develop a metric for	774
measuring student performance in schools that operate using the	775
blended learning model.	776
Sec. 3314.03. A copy of every contract entered into under	777
this section shall be filed with the superintendent of public	778
instruction. The department of education shall make available on	779
its web site a copy of every approved, executed contract filed	780

with the superintendent under this section.	781
(A) Each contract entered into between a sponsor and the	782
governing authority of a community school shall specify the	783
following:	784
(1) That the school shall be established as either of the	785
following:	786
(a) A nonprofit corporation established under Chapter	787
1702. of the Revised Code, if established prior to April 8,	788
2003;	789
(b) A public benefit corporation established under Chapter	790
1702. of the Revised Code, if established after April 8, 2003.	791
(2) The education program of the school, including the	792
school's mission, the characteristics of the students the school	793
is expected to attract, the ages and grades of students, and the	794
focus of the curriculum;	795
(3) The academic goals to be achieved and the method of	796
measurement that will be used to determine progress toward those	797
goals, which shall include the statewide achievement	798
assessments;	799
(4) Performance standards, including but not limited to	800
all applicable report card measures set forth in section 3302.03	801
or 3314.017 of the Revised Code, by which the success of the	802
school will be evaluated by the sponsor;	803
(5) The admission standards of section 3314.06 of the	804
Revised Code and, if applicable, section 3314.061 of the Revised	805
Code;	806
(6)(a) Dismissal procedures;	807

(b) A requirement that the governing authority adopt an	808
attendance policy that includes a procedure for automatically	809
withdrawing a student from the school if the student without a	810
legitimate excuse fails to participate in one hundred five	811
consecutive hours of the learning opportunities offered provided	812
to the student, unless section 3314.088 of the Revised Code	813
applies to the student.	814
(7) The ways by which the school will achieve racial and	815
ethnic balance reflective of the community it serves;	816
(8) Requirements for financial audits by the auditor of	817
state. The contract shall require financial records of the	818
school to be maintained in the same manner as are financial	819
records of school districts, pursuant to rules of the auditor of	820
state. Audits shall be conducted in accordance with section	821
117.10 of the Revised Code.	822
(9) An addendum to the contract outlining the facilities	823
to be used that contains at least the following information:	824
(a) A detailed description of each facility used for	825
instructional purposes;	826
(b) The annual costs associated with leasing each facility	827
that are paid by or on behalf of the school;	828
(c) The annual mortgage principal and interest payments	829
that are paid by the school;	830
(d) The name of the lender or landlord, identified as	831
such, and the lender's or landlord's relationship to the	832
operator, if any.	833
(10) Qualifications of teachers, including a requirement	834
that the school's classroom teachers be licensed in accordance	835

with sections 3319.22 to 3319.31 of the Revised Code, except	836
that a community school may engage noncertificated persons to	837
teach up to twelve hours per week pursuant to section 3319.301	838
of the Revised Code.	839
(11) That the school will comply with the following	840
requirements:	841
(a) The school will provide learning opportunities to a	842
minimum of twenty-five students for a minimum of nine hundred	843
twenty hours per school year.	844
(b) The governing authority will purchase liability	845
insurance, or otherwise provide for the potential liability of	846
the school.	847
(c) The school will be nonsectarian in its programs,	848
admission policies, employment practices, and all other	849
operations, and will not be operated by a sectarian school or	850
religious institution.	851
(d) The school will comply with sections 9.90, 9.91,	852
109.65, 121.22, 149.43, 2151.357, 2151.421, 2313.19, 3301.0710,	853
3301.0711, 3301.0712, 3301.0715, 3301.948, 3313.472, 3313.50,	854
3313.536, 3313.539, 3313.608, 3313.609, 3313.6012, 3313.6013,	855
3313.6014, 3313.6015, 3313.6020, 3313.643, 3313.648, 3313.6411,	856
3313.66, 3313.661, 3313.662, 3313.666, 3313.667, 3313.67,	857
3313.671, 3313.672, 3313.673, 3313.69, 3313.71, 3313.716,	858
3313.718, 3313.719, 3313.7112, 3313.721, 3313.80, 3313.814,	859
3313.816, 3313.817, 3313.86, 3313.89, 3313.96, 3319.073,	860
3319.321, 3319.39, 3319.391, 3319.41, 3319.46, 3321.01,	861
3321.041, 3321.13, 3321.14, 3321.17, 3321.18, 3321.19, 3321.191,	862
3327.10, 4111.17, 4113.52, and 5705.391 and Chapters 117.,	863
1347., 2744., 3365., 3742., 4112., 4123., 4141., and 4167. of	864

the Revised Code as if it were a school district and will comply
with section 3301.0714 of the Revised Code in the manner
specified in section 3314.17 of the Revised Code.

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- (e) The school shall comply with Chapter 102. and section 868 2921.42 of the Revised Code. 869
- (f) The school will comply with sections 3313.61, 870 3313.611, and 3313.614 of the Revised Code, except that for 871 students who enter ninth grade for the first time before July 1, 872 2010, the requirement in sections 3313.61 and 3313.611 of the 873 Revised Code that a person must successfully complete the 874 curriculum in any high school prior to receiving a high school 875 diploma may be met by completing the curriculum adopted by the 876 governing authority of the community school rather than the 877 curriculum specified in Title XXXIII of the Revised Code or any 878 rules of the state board of education. Beginning with students 879 who enter ninth grade for the first time on or after July 1, 880 2010, the requirement in sections 3313.61 and 3313.611 of the 881 Revised Code that a person must successfully complete the 882 curriculum of a high school prior to receiving a high school 883 884 diploma shall be met by completing the requirements prescribed in division (C) of section 3313.603 of the Revised Code, unless 885 the person qualifies under division (D) or (F) of that section. 886 Each school shall comply with the plan for awarding high school 887 credit based on demonstration of subject area competency, and 888 beginning with the 2016-2017 school year, with the updated plan 889 that permits students enrolled in seventh and eighth grade to 890 meet curriculum requirements based on subject area competency 891 adopted by the state board of education under divisions (J)(1) 892 and (2) of section 3313.603 of the Revised Code. 893
  - (g) The school governing authority will submit within four 894

months after the end of each school year a report of its	895
activities and progress in meeting the goals and standards of	896
divisions (A)(3) and (4) of this section and its financial	897
status to the sponsor and the parents of all students enrolled	898
in the school.	899
(h) The school, unless it is an internet- or computer-	900
based community school, will comply with section 3313.801 of the	901
Revised Code as if it were a school district.	902
(i) If the school is the recipient of moneys from a grant	903
awarded under the federal race to the top program, Division (A),	904
Title XIV, Sections 14005 and 14006 of the "American Recovery	905
and Reinvestment Act of 2009," Pub. L. No. 111-5, 123 Stat. 115,	906
the school will pay teachers based upon performance in	907
accordance with section 3317.141 and will comply with section	908
3319.111 of the Revised Code as if it were a school district.	909
(j) If the school operates a preschool program that is	910
licensed by the department of education under sections 3301.52	911
to 3301.59 of the Revised Code, the school shall comply with	912
sections 3301.50 to 3301.59 of the Revised Code and the minimum	913
standards for preschool programs prescribed in rules adopted by	914
the state board under section 3301.53 of the Revised Code.	915
(k) The school will comply with sections 3313.6021 and	916
3313.6023 of the Revised Code as if it were a school district	917
unless it is either of the following:	918
(i) An internet- or computer-based community school;	919
(ii) A community school in which a majority of the	920
enrolled students are children with disabilities as described in	921
division (A)(4)(b) of section 3314.35 of the Revised Code.	922

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(1) The school will comply with all attendance

requirements and standards, including those for excused	924
absences, established by rule of the state board as if it were a	925
school district. Division (A)(11)(1) of this section does not	926
apply to an internet- or computer-based community school	927
sponsored by a school district.	928
(12) Arrangements for providing health and other benefits	929
to employees;	930
(13) The length of the contract, which shall begin at the	931
beginning of an academic year. No contract shall exceed five	932
years unless such contract has been renewed pursuant to division	933
(E) of this section.	934
(14) The governing authority of the school, which shall be	935
responsible for carrying out the provisions of the contract;	936
(15) A financial plan detailing an estimated school budget	937
for each year of the period of the contract and specifying the	938
total estimated per pupil expenditure amount for each such year.	939
(16) Requirements and procedures regarding the disposition	940
of employees of the school in the event the contract is	941
terminated or not renewed pursuant to section 3314.07 of the	942
Revised Code;	943
(17) Whether the school is to be created by converting all	944
or part of an existing public school or educational service	945
center building or is to be a new start-up school, and if it is	946
a converted public school or service center building,	947
specification of any duties or responsibilities of an employer	948
that the board of education or service center governing board	949
that operated the school or building before conversion is	950
delegating to the governing authority of the community school	951
with respect to all or any specified group of employees provided	952

the delegation is not prohibited by a collective bargaining	953
agreement applicable to such employees;	954
(18) Provisions establishing procedures for resolving	955
disputes or differences of opinion between the sponsor and the	956
governing authority of the community school;	957
(19) A provision requiring the governing authority to	958
adopt a policy regarding the admission of students who reside	959
outside the district in which the school is located. That policy	960
shall comply with the admissions procedures specified in	961
sections 3314.06 and 3314.061 of the Revised Code and, at the	962
sole discretion of the authority, shall do one of the following:	963
(a) Prohibit the enrollment of students who reside outside	964
the district in which the school is located;	965
(b) Permit the enrollment of students who reside in	966
districts adjacent to the district in which the school is	967
located;	968
(c) Permit the enrollment of students who reside in any	969
other district in the state.	970
(20) A provision recognizing the authority of the	971
department of education to take over the sponsorship of the	972
school in accordance with the provisions of division (C) of	973
section 3314.015 of the Revised Code;	974
(21) A provision recognizing the sponsor's authority to	975
assume the operation of a school under the conditions specified	976
in division (B) of section 3314.073 of the Revised Code;	977
(22) A provision recognizing both of the following:	978
(a) The authority of public health and safety officials to	979
inspect the facilities of the school and to order the facilities	980

closed if those officials find that the facilities are not in 981 compliance with health and safety laws and regulations; 982 (b) The authority of the department of education as the 983 community school oversight body to suspend the operation of the 984 school under section 3314.072 of the Revised Code if the 985 department has evidence of conditions or violations of law at 986 the school that pose an imminent danger to the health and safety 987 of the school's students and employees and the sponsor refuses 988 to take such action. 989 (23) A description of the learning opportunities that will 990 be offered-provided to students including both classroom-based 991 and non-classroom-based learning opportunities that is in 992 compliance with criteria for student participation established 993 by the department under division (H)(2) of section 3314.08 of 994 the Revised Code: 995 (24) The school will comply with sections 3302.04 and 996 3302.041 of the Revised Code, except that any action required to 997 be taken by a school district pursuant to those sections shall 998 be taken by the sponsor of the school. However, the sponsor 999 shall not be required to take any action described in division 1000 (F) of section 3302.04 of the Revised Code. 1001 (25) Beginning in the 2006-2007 school year, the school 1002 will open for operation not later than the thirtieth day of 1003 September each school year, unless the mission of the school as 1004 specified under division (A)(2) of this section is solely to 1005 serve dropouts. In its initial year of operation, if the school 1006 fails to open by the thirtieth day of September, or within one 1007 year after the adoption of the contract pursuant to division (D) 1008 of section 3314.02 of the Revised Code if the mission of the 1009

school is solely to serve dropouts, the contract shall be void.

(26) Whether the school's governing authority is planning	1011
to seek designation for the school as a STEM school equivalent	1012
under section 3326.032 of the Revised Code;	1013
(27) That the school's attendance and participation	1014
policies will be available for public inspection;	1015
policies will be available for public inspection,	1010
(28) That the school's attendance and participation	1016
records shall be made available to the department of education,	1017
auditor of state, and school's sponsor to the extent permitted	1018
under and in accordance with the "Family Educational Rights and	1019
Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232g, as amended,	1020
and any regulations promulgated under that act, and section	1021
3319.321 of the Revised Code;	1022
(29) If a school operates using the blended learning	1023
model, as defined in section 3301.079 of the Revised Code, all	1024
of the following information:	1025
(a) An indication of what blended learning model or models	1026
will be used;	1027
(b) A description of how student instructional needs will	1028
be determined and documented;	1029
(c) The method to be used for determining competency,	1030
granting credit, and promoting students to a higher grade level;	1031
granding electe, and promoting beadened to a night grade level,	1001
(d) The school's attendance requirements, including how	1032
the school will document participation in learning	1033
opportunities;	1034
(e) A statement describing how student progress will be	1035
monitored;	1036
(f) A statement describing how private student data will	1037
be protected;	1038

(g) A description of the professional development	1039
activities that will be offered to teachers.	1040
(30) A provision requiring that all moneys the school's	1041
operator loans to the school, including facilities loans or cash	1042
flow assistance, must be accounted for, documented, and bear	1043
interest at a fair market rate;	1044
(31) A provision requiring that, if the governing	1045
authority contracts with an attorney, accountant, or entity	1046
specializing in audits, the attorney, accountant, or entity	1047
shall be independent from the operator with which the school has	1048
contracted.	1049
(B) The community school shall also submit to the sponsor	1050
a comprehensive plan for the school. The plan shall specify the	1051
following:	1052
(1) The process by which the governing authority of the	1053
school will be selected in the future;	1054
(2) The management and administration of the school;	1055
(3) If the community school is a currently existing public	1056
school or educational service center building, alternative	1057
arrangements for current public school students who choose not	1058
to attend the converted school and for teachers who choose not	1059
to teach in the school or building after conversion;	1060
(4) The instructional program and educational philosophy	1061
of the school;	1062
(5) Internal financial controls.	1063
When submitting the plan under this division, the school	1064
shall also submit copies of all policies and procedures	1065
regarding internal financial controls adopted by the governing	1066

authority of the school. 1067 (C) A contract entered into under section 3314.02 of the 1068 Revised Code between a sponsor and the governing authority of a 1069 community school may provide for the community school governing 1070 authority to make payments to the sponsor, which is hereby 1071 authorized to receive such payments as set forth in the contract 1072 between the governing authority and the sponsor. The total 1073 amount of such payments for monitoring, oversight, and technical 1074 assistance of the school shall not exceed three per cent of the 1075 total amount of payments for operating expenses that the school 1076 receives from the state. 1077 (D) The contract shall specify the duties of the sponsor 1078 which shall be in accordance with the written agreement entered 1079 into with the department of education under division (B) of 1080 section 3314.015 of the Revised Code and shall include the 1081 following: 1082 (1) Monitor the community school's compliance with all 1083 laws applicable to the school and with the terms of the 1084 1085 contract; (2) Monitor and evaluate the academic and fiscal 1086 performance and the organization and operation of the community 1087 school on at least an annual basis; 1088 (3) Report on an annual basis the results of the 1089 evaluation conducted under division (D)(2) of this section to 1090 the department of education and to the parents of students 1091 enrolled in the community school; 1092 (4) Provide technical assistance to the community school 1093 in complying with laws applicable to the school and terms of the 1094 contract; 1095

(5) Take steps to intervene in the school's operation to	1096
correct problems in the school's overall performance, declare	1097
the school to be on probationary status pursuant to section	1098
3314.073 of the Revised Code, suspend the operation of the	1099
school pursuant to section 3314.072 of the Revised Code, or	1100
terminate the contract of the school pursuant to section 3314.07	1101
of the Revised Code as determined necessary by the sponsor;	1102
(6) Have in place a plan of action to be undertaken in the	1103

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

1104

- (E) Upon the expiration of a contract entered into under 1106 this section, the sponsor of a community school may, with the 1107 approval of the governing authority of the school, renew that 1108 contract for a period of time determined by the sponsor, but not 1109 ending earlier than the end of any school year, if the sponsor 1110 finds that the school's compliance with applicable laws and 1111 terms of the contract and the school's progress in meeting the 1112 academic goals prescribed in the contract have been 1113 satisfactory. Any contract that is renewed under this division 1114 remains subject to the provisions of sections 3314.07, 3314.072, 1115 and 3314.073 of the Revised Code. 1116
- (F) If a community school fails to open for operation 1117 within one year after the contract entered into under this 1118 section is adopted pursuant to division (D) of section 3314.02 1119 of the Revised Code or permanently closes prior to the 1120 expiration of the contract, the contract shall be void and the 1121 school shall not enter into a contract with any other sponsor. A 1122 school shall not be considered permanently closed because the 1123 operations of the school have been suspended pursuant to section 1124 3314.072 of the Revised Code. 1125

Sec. 3314.032. (A) On and after the effective date of this	1126
section, any new or renewed contract between the governing	1127
authority of a community school and an operator shall include at	1128
least the following:	1129
(1) Criteria to be used for early termination of the	1130
operator contract;	1131
(2) Required notification procedures and timeline for	1132
early termination or nonrenewal of the operator contract;	1133
(3) A stipulation of which entity owns all community	1134
school facilities and property including, but not limited to,	1135
equipment, furniture, fixtures, instructional materials and	1136
supplies, computers, printers, and other digital devices	1137
purchased by the governing authority or operator. Any	1138
stipulation regarding property ownership shall comply with the	1139
requirements of section 3314.0210 of the Revised Code.	1140
(B)(1) The operator with which the governing authority of	1141
a community school contracts for services shall not lease any	1142
parcel of real property to that community school until an	1143
independent professional in the real estate field verifies via	1144
addendum that at the time the lease was agreed to, the lease was	1145
commercially reasonable.	1146
(2) The independent professional described in division (B)	1147
(1) of this section shall be immune from civil liability for any	1148
decision rendered pursuant to this section.	1149
(C) Beginning with the 2016-2017 school year, the	1150
governing authority of a community school, with the assistance	1151
of the school's designated fiscal officer, shall adopt an annual	1152
budget by the thirty-first day of October of each year.	1153
Not later than ninety days after the effective date of	1154

this section, the department of education shall develop a format	1155
for annual budgets of community schools. The format shall	1156
prescribe inclusion of the following information in a school's	1157
budget:	1158
(1) Administrative costs for the community school as a	1159
whole;	1160
(2) Instructional services costs for each category of	1161
service provided directly to students, compiled and reported in	1162
terms of average expenditure per pupil receiving the service;	1163
(3) The cost of instructional support services, such as	1164
services provided by a speech-language pathologist, classroom	1165
aide, multimedia aide, or librarian, provided directly to	1166
students;	1167
(4) The cost of administrative support services, such as	1168
the cost of personnel that develop the curriculum and the cost	1169
of personnel supervising or coordinating the delivery of the	1170
instructional services;	1171
(5) The cost of support or extracurricular services costs	1172
for services directly provided to students;	1173
(6) The cost of services provided directly to students by	1174
a nonlicensed employee related to support or extracurricular	1175
services, such as janitorial services, cafeteria services, or	1176
services of a sports trainer;	1177
(7) The cost of administrative services related to support	1178
or extracurricular services, such as the cost of any licensed or	1179
unlicensed employees that develop, supervise, coordinate, or	1180
otherwise are involved in administrating or aiding the delivery	1181
of services.	1182

(D) The governing authority of a community school shall be	1183
the sole entity responsible for the adoption of the school's	1184
annual budget, but the governing authority shall adopt such	1185
budget with the assistance of the school's designated fiscal	1186
officer.	1187
(E) On and after the effective date of this amendment, the	1188
duration of any new or renewed contract between the governing	1189
authority of a community school and an operator shall not exceed	1190
a term of three years.	1191
(F) The contract between the governing authority of a	1192
community school and an operator may be renewed provided that,	1193
upon renewal, the parties incorporate into the contract	1194
references to, and comply with, any and all applicable	1195
provisions of this chapter that were amended or enacted prior to	1196
the effective date of the renewed contract.	1197
Sec. 3314.08. (A) As used in this section:	1198
(1)(a) "Category one career-technical education student"	1199
means a student who is receiving the career-technical education	1200
services described in division (A) of section 3317.014 of the	1201
Revised Code.	1202
(b) "Category two career-technical student" means a	1203
student who is receiving the career-technical education services	1204
described in division (B) of section 3317.014 of the Revised	1205
Code.	1206
(c) "Category three career-technical student" means a	1207
student who is receiving the career-technical education services	1208
described in division (C) of section 3317.014 of the Revised	1209
Code.	1210

student who is receiving the career-technical education services	1212
described in division (D) of section 3317.014 of the Revised	1213
Code.	1214
(e) "Category five career-technical education student"	1215
means a student who is receiving the career-technical education	1216
services described in division (E) of section 3317.014 of the	1217
Revised Code.	1218
(2)(a) "Category one limited English proficient student"	1219
means a limited English proficient student described in division	1220
(A) of section 3317.016 of the Revised Code.	1221
(b) "Category two limited English proficient student"	1222
means a limited English proficient student described in division	1223
(B) of section 3317.016 of the Revised Code.	1224
(c) "Category three limited English proficient student"	1225
means a limited English proficient student described in division	1226
(C) of section 3317.016 of the Revised Code.	1227
(3)(a) "Category one special education student" means a	1228
student who is receiving special education services for a	1229
disability specified in division (A) of section 3317.013 of the	1230
Revised Code.	1231
(b) "Category two special education student" means a	1232
student who is receiving special education services for a	1233
disability specified in division (B) of section 3317.013 of the	1234
Revised Code.	1235
(c) "Category three special education student" means a	1236
student who is receiving special education services for a	1237
disability specified in division (C) of section 3317.013 of the	1238
Revised Code.	1239

(d) "Category four special education student" means a	1240
student who is receiving special education services for a	1241
disability specified in division (D) of section 3317.013 of the	1242
Revised Code.	1243
(e) "Category five special education student" means a	1244
student who is receiving special education services for a	1245
disability specified in division (E) of section 3317.013 of the	1246
Revised Code.	1247
(f) "Category six special education student" means a	1248
student who is receiving special education services for a	1249
disability specified in division (F) of section 3317.013 of the	1250
Revised Code.	1251
(4) "Formula amount" has the same meaning as in section	1252
3317.02 of the Revised Code.	1253
(5) "IEP" has the same meaning as in section 3323.01 of	1254
the Revised Code.	1255
(6) "Resident district" means the school district in which	1256
a student is entitled to attend school under section 3313.64 or	1257
3313.65 of the Revised Code.	1258
(7) "State education aid" has the same meaning as in	1259
section 5751.20 of the Revised Code.	1260
(B) The state board of education shall adopt rules	1261
requiring both of the following:	1262
(1) The board of education of each city, exempted village,	1263
and local school district to annually report the number of	1264
students entitled to attend school in the district who are	1265
enrolled in each grade kindergarten through twelve in a	1266
community school established under this chapter, and for each	1267

child, the community school in which the child is enrolled.	1268
(2) The governing authority of each community school	1269
established under this chapter to annually report all of the	1270
following:	1271
(a) The number of students enrolled in grades one through	1272
twelve and the full-time equivalent number of students enrolled	1273
in kindergarten in the school who are not receiving special	1273
education and related services pursuant to an IEP;	1275
education and related services pursuant to an infi	1275
(b) The number of enrolled students in grades one through	1276
twelve and the full-time equivalent number of enrolled students	1277
in kindergarten, who are receiving special education and related	1278
services pursuant to an IEP;	1279
(c) The number of students reported under division (B)(2)	1280
(b) of this section receiving special education and related	1281
services pursuant to an IEP for a disability described in each	1282
of divisions (A) to (F) of section 3317.013 of the Revised Code;	1283
(d) The full-time equivalent number of students reported	1284
under divisions (B)(2)(a) and (b) of this section who are	1285
enrolled in career-technical education programs or classes	1286
described in each of divisions (A) to (E) of section 3317.014 of	1287
the Revised Code that are provided by the community school;	1288
(e) The number of students reported under divisions (B)(2)	1289
(a) and (b) of this section who are not reported under division	1290
(B)(2)(d) of this section but who are enrolled in career-	1291
technical education programs or classes described in each of	1292
divisions (A) to (E) of section 3317.014 of the Revised Code at	1293
a joint vocational school district or another district in the	1294
career-technical planning district to which the school is	1295
assigned;	1296

(f) The number of students reported under divisions (B)(2)	1297
(a) and (b) of this section who are category one to three	1298
limited English proficient students described in each of	1299
divisions (A) to (C) of section 3317.016 of the Revised Code;	1300
(g) The number of students reported under divisions (B)(2)	1301
(a) and (b) who are economically disadvantaged, as defined by	1302
the department. A student shall not be categorically excluded	1303
from the number reported under division (B)(2)(g) of this	1304
section based on anything other than family income.	1305
(h) For each student, the city, exempted village, or local	1306
school district in which the student is entitled to attend	1307
school under section 3313.64 or 3313.65 of the Revised Code.	1308
(i) The number of students enrolled in a preschool program	1309
operated by the school that is licensed by the department of	1310
education under sections 3301.52 to 3301.59 of the Revised Code	1311
who are not receiving special education and related services	1312
pursuant to an IEP.	1313
A school district board and a community school governing	1314
authority shall include in their respective reports under	1315
division (B) of this section any child admitted in accordance	1316
with division (A)(2) of section 3321.01 of the Revised Code.	1317
A governing authority of a community school shall not	1318
include in its report under divisions (B)(2)(a) to (h) of this	1319
section any student for whom tuition is charged under division	1320
(F) of this section.	1321
(C)(1) Except as provided in division (C)(2) of this	1322
section, and subject to divisions (C)(3), $(4)$ , $(5)$ , $(6)$ , and $(7)$	1323
of this section, on a full-time equivalency basis, for each	1324
student enrolled in a community school established under this	1325

chapter, the department of education annually shall deduct from	1326
the state education aid of a student's resident district and, if	1327
necessary, from the payment made to the district under sections	1328
321.24 and 323.156 of the Revised Code and pay to the community	1329
school the sum of the following:	1330
(a) An opportunity grant in an amount equal to the formula	1331
amount;	1332
(b) The per pupil amount of targeted assistance funds	1333
calculated under division (A) of section 3317.0217 of the	1334
Revised Code for the student's resident district, as determined	1335
by the department, X 0.25;	1336
(c) Additional state aid for special education and related	1337
services provided under Chapter 3323. of the Revised Code as	1338
follows:	1339
(i) If the student is a category one special education	1340
student, the amount specified in division (A) of section	1341
3317.013 of the Revised Code;	1342
(ii) If the student is a category two special education	1343
student, the amount specified in division (B) of section	1344
3317.013 of the Revised Code;	1345
(iii) If the student is a category three special education	1346
student, the amount specified in division (C) of section	1347
3317.013 of the Revised Code;	1348
(iv) If the student is a category four special education	1349
student, the amount specified in division (D) of section	1350
3317.013 of the Revised Code;	1351
(v) If the student is a category five special education	1352
student, the amount specified in division (E) of section	1353

3317.013 of the Revised Code;	1354
(vi) If the student is a category six special education	1355
student, the amount specified in division (F) of section	1356
3317.013 of the Revised Code.	1357
(d) If the student is in kindergarten through third grade,	1358
an additional amount of \$305, in fiscal year 2016, and \$320, in	1359
fiscal year 2017;	1360
(e) If the student is economically disadvantaged, an	1361
additional amount equal to the following:	1362
\$272 X the resident district's economically disadvantaged	1363
index	1364
(f) Limited English proficiency funds as follows:	1365
(i) If the student is a category one limited English	1366
proficient student, the amount specified in division (A) of	1367
section 3317.016 of the Revised Code;	1368
(ii) If the student is a category two limited English	1369
proficient student, the amount specified in division (B) of	1370
section 3317.016 of the Revised Code;	1371
(iii) If the student is a category three limited English	1372
proficient student, the amount specified in division (C) of	1373
section 3317.016 of the Revised Code.	1374
(g) If the student is reported under division (B)(2)(d) of	1375
this section, career-technical education funds as follows:	1376
(i) If the student is a category one career-technical	1377
education student, the amount specified in division (A) of	1378
section 3317.014 of the Revised Code;	1379
(ii) If the student is a category two career-technical	1380

education student, the amount specified in division (B) of	1381
section 3317.014 of the Revised Code;	1382
(iii) If the student is a category three career-technical	1383
education student, the amount specified in division (C) of	1384
section 3317.014 of the Revised Code;	1385
(iv) If the student is a category four career-technical	1386
education student, the amount specified in division (D) of	1387
section 3317.014 of the Revised Code;	1388
(v) If the student is a category five career-technical	1389
education student, the amount specified in division (E) of	1390
section 3317.014 of the Revised Code.	1391
Deduction and payment of funds under division (C)(1)(g) of	1392
this section is subject to approval by the lead district of a	1393
career-technical planning district or the department of	1394
education under section 3317.161 of the Revised Code.	1395
(2) When deducting from the state education aid of a	1396
student's resident district for students enrolled in an	1397
internet- or computer-based community school and making payments	1398
to such school under this section, the department shall make the	1399
deductions and payments described in only divisions (C)(1)(a),	1400
(c), and (g) of this section.	1401
No deductions or payments shall be made for a student	1402
enrolled in such school under division (C)(1)(b), (d), (e), or	1403
(f) of this section.	1404
(3)(a) If a community school's costs for a fiscal year for	1405
a student receiving special education and related services	1406
pursuant to an IEP for a disability described in divisions (B)	1407
to (F) of section 3317.013 of the Revised Code exceed the	1408
threshold catastrophic cost for serving the student as specified	1409

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in division (B) of section 3317.0214 of the Revised Code, the	1410
school may submit to the superintendent of public instruction	1411
documentation, as prescribed by the superintendent, of all its	1412
costs for that student. Upon submission of documentation for a	1413
student of the type and in the manner prescribed, the department	1414
shall pay to the community school an amount equal to the	1415
school's costs for the student in excess of the threshold	1416
catastrophic costs.	1417
(b) The community school shall report under division (C)	1418
(3) (a) of this section, and the department shall pay for, only	1419
the costs of educational expenses and the related services	1420
provided to the student in accordance with the student's	1421
individualized education program. Any legal fees, court costs,	1422
or other costs associated with any cause of action relating to	1423
the student may not be included in the amount.	1424
(4) In any fiscal year, a community school receiving funds	1425
under division (C)(1)(g) of this section shall spend those funds	1426
only for the purposes that the department designates as approved	1427
for career-technical education expenses. Career-technical	1428
education expenses approved by the department shall include only	1429
expenses connected to the delivery of career-technical	1430
programming to career-technical students. The department shall	1431
require the school to report data annually so that the	1432
department may monitor the school's compliance with the	1433
requirements regarding the manner in which funding received	1434
under division (C)(1)(g) of this section may be spent.	1435
(5) Notwithstanding anything to the contrary in section	1436
3313.90 of the Revised Code, except as provided in division (C)	1437
(9) of this section, all funds received under division (C)(1)(g)	1438

of this section shall be spent in the following manner:

(a) At least seventy-five per cent of the funds shall be	1440
spent on curriculum development, purchase, and implementation;	1441
instructional resources and supplies; industry-based program	1442
certification; student assessment, credentialing, and placement;	1443
curriculum specific equipment purchases and leases; career-	1444
technical student organization fees and expenses; home and	1445
agency linkages; work-based learning experiences; professional	1446
development; and other costs directly associated with career-	1447
technical education programs including development of new	1448
programs.	1449
(b) Not more than twenty-five per cent of the funds shall	1450
be used for personnel expenditures.	1451
(6) A community school shall spend the funds it receives	1452
under division (C)(1)(e) of this section in accordance with	1453
section 3317.25 of the Revised Code.	1454
(7) If the sum of the payments computed under divisions	1455
(C)(1) and (8)(a) of this section for the students entitled to	1456
attend school in a particular school district under sections	1457
3313.64 and 3313.65 of the Revised Code exceeds the sum of that	1458
district's state education aid and its payment under sections	1459
321.24 and 323.156 of the Revised Code, the department shall	1460
calculate and apply a proration factor to the payments to all	1461
community schools under that division for the students entitled	1462
to attend school in that district.	1463
(8)(a) Subject to division (C)(7) of this section, the	1464
department annually shall pay to each community school,	1465
including each internet- or computer-based community school, an	1466
amount equal to the following:	1467

(The number of students reported by the community school

under division (B)(2)(e) of this section $X$ the formula amount	1469
X .20)	1470
(b) For each payment made to a community school under	1471
division (C)(8)(a) of this section, the department shall deduct	1472
from the state education aid of each city, local, and exempted	1473
village school district and, if necessary, from the payment made	1474
to the district under sections 321.24 and 323.156 of the Revised	1475
Code an amount equal to the following:	1476
(The number of the district's students reported by the	1477
community school under division (B)(2)(e) of this section $X$ the	1478
formula amount X .20)	1479
(9) The department may waive the requirement in division	1480
(C)(5) of this section for any community school that exclusively	1481
provides one or more career-technical workforce development	1482
programs in arts and communications that are not equipment-	1483
intensive, as determined by the department.	1484
(D) A board of education sponsoring a community school may	1485
utilize local funds to make enhancement grants to the school or	1486
may agree, either as part of the contract or separately, to	1487
provide any specific services to the community school at no cost	1488
to the school.	1489
(E) A community school may not levy taxes or issue bonds	1490
secured by tax revenues.	1491
(F) No community school shall charge tuition for the	1492
enrollment of any student who is a resident of this state. A	1493
community school may charge tuition for the enrollment of any	1494
student who is not a resident of this state.	1495
(G)(1)(a) A community school may borrow money to pay any	1496
necessary and actual expenses of the school in anticipation of	1497

the receipt of any portion of the payments to be received by the	1498
school pursuant to division (C) of this section. The school may	1499
issue notes to evidence such borrowing. The proceeds of the	1500
notes shall be used only for the purposes for which the	1501
anticipated receipts may be lawfully expended by the school.	1502
(b) A school may also borrow money for a term not to	1503
exceed fifteen years for the purpose of acquiring facilities.	1504
(2) Except for any amount guaranteed under section 3318.50	1505
of the Revised Code, the state is not liable for debt incurred	1506
by the governing authority of a community school.	1507
(H) The department of education shall adjust the amounts	1508
subtracted and paid under division (C) of this section to	1509
reflect any enrollment of students in community schools for less	1510
than the equivalent of a full school year. The state board of	1511
education within ninety days after April 8, 2003, shall adopt in	1512
accordance with Chapter 119. of the Revised Code rules governing	1513
the payments to community schools under this section including	1514
initial payments in a school year and adjustments and reductions	1515
made in subsequent periodic payments to community schools and	1516
corresponding deductions from school district accounts as	1517
provided under division (C) of this section. For purposes of	1518
this section:	1519
(1) A student shall be considered enrolled in the	1520
community school for any portion of the school year the student	1521
is participating at a college under Chapter 3365. of the Revised	1522
Code.	1523
(2) A student shall be considered to be enrolled in a	1524

community school for the period of time beginning on the later

of the date on which the school both has received documentation

1525

of the student's enrollment from a parent and the student has	1527
commenced participation in learning opportunities as defined in	1528
the contract with the sponsor, or thirty days prior to the date	1529
on which the student is entered into the education management	1530
information system established under section 3301.0714 of the	1531
Revised Code. For purposes of applying this division and	1532
divisions (H)(3) and (4) of this section to a community school	1533
student, "learning opportunities" shall be defined in the	1534
contract, which shall describe both classroom-based and non-	1535
classroom-based learning opportunities and shall be in	1536
compliance with criteria and documentation requirements for	1537
student participation which shall be established by the	1538
department. Any student's instruction time in non-classroom-	1539
oased learning opportunities shall be certified by an employee	1540
of the community school. A student's enrollment shall be	1541
considered to cease on the date on which any of the following	1542
occur:	1543
(a) The community school receives documentation from a	1544
parent terminating enrollment of the student.	1545
(b) The community school is provided documentation of a	1546

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- (b) The community school is provided documentation of a student's enrollment in another public or private school.
- (c) The community school ceases to-offer provide learning 1548 opportunities to the student pursuant to the terms of the 1549 contract with the sponsor or the operation of any provision of 1550 this chapter. 1551

1547

Except as otherwise specified in this paragraph, beginning 1552 in the 2011-2012 school year, any student who completed the 1553 prior school year in an internet- or computer-based community 1554 school shall be considered to be enrolled in the same school in 1555 the subsequent school year until the student's enrollment has 1556

ceased as specified in division (H)(2) of this section. The	1557
department shall continue subtracting and paying amounts for the	1558
student under division (C) of this section without interruption	1559
at the start of the subsequent school year. However, <u>unless</u>	1560
section 3314.088 of the Revised Code applies to the student, if	1561
the student without a legitimate excuse fails to participate in	1562
the first one hundred five consecutive hours of learning	1563
opportunities offered provided to the student in that subsequent	1564
school year, the student shall be considered not to have re-	1565
enrolled in the school for that school year and the department	1566
shall recalculate the payments to the school for that school	1567
year to account for the fact that the student is not enrolled.	1568
(3) The department shall determine each community school	1569
student's percentage of full-time equivalency based on the	1570
percentage of learning opportunities offered provided by the	1571
community school to that student, reported either as number of	1572
hours or number of days, is of the total learning opportunities	1573
offered provided by the community school to a student who	1574
attends for the school's entire school year. However, no	1575
internet- or computer-based community school shall be credited	1576
for any time a student spends participating in learning	1577
opportunities beyond ten hours within any period of twenty-four	1578
consecutive hours. Whether it reports hours or days of learning	1579
opportunities, each community school shall offer provide not	1580
less than nine hundred twenty hours of learning opportunities	1581
during the school year.	1582
In the case of an internet- or computer-based community	1583
school that is not sponsored by a school district, when	1584
determining a student's percentage of full-time equivalency	1585
under division (H)(3) of this section, the "percentage of	1586

<u>learning opportunities provided by the community school to that</u>

student" shall be equal to the amount of time that the student	1588
was actively engaged in learning opportunities during that	1589
school year, unless section 3314.088 of the Revised Code applies	1590
to the student.	1591
(4) With respect to the calculation of full-time	1592
equivalency under division (H)(3) of this section, the	1593
department shall waive the number of hours or days of learning	1594
opportunities not offered provided to a student because the	1595
community school was closed during the school year due to	1596
disease epidemic, hazardous weather conditions, law enforcement	1597
emergencies, inoperability of school buses or other equipment	1598
necessary to the school's operation, damage to a school	1599
building, or other temporary circumstances due to utility	1600
failure rendering the school building unfit for school use, so	1601
long as the school was actually open for instruction with	1602
students in attendance during that school year for not less than	1603
the minimum number of hours required by this chapter. The	1604
department shall treat the school as if it were open for	1605
instruction with students in attendance during the hours or days	1606
waived under this division.	1607
(I) The department of education shall reduce the amounts	1608
paid under this section to reflect payments made to colleges	1609
under section 3365.07 of the Revised Code.	1610
(J)(1) No student shall be considered enrolled in any	1611
internet- or computer-based community school or, if applicable	1612
to the student, in any community school that is required to	1613
provide the student with a computer pursuant to division (C) of	1614
section 3314.22 of the Revised Code, unless both of the	1615
following conditions are satisfied:	1616

(a) The student possesses or has been provided with all

required hardware and software materials and all such materials	1618
are operational so that the student is capable of fully	1619
participating in the learning opportunities specified in the	1620
contract between the school and the school's sponsor as required	1621
by division (A) (23) of section 3314.03 of the Revised Code;	1622
(b) The school is in compliance with division (A) of	1623
section 3314.22 of the Revised Code, relative to such student.	1624
(2) In accordance with policies adopted jointly by the	1625
superintendent of public instruction and the auditor of state,	1626
the department shall reduce the amounts otherwise payable under	1627
division (C) of this section to any community school that	1628
includes in its program the provision of computer hardware and	1629
software materials to any student, if such hardware and software	1630
materials have not been delivered, installed, and activated for	1631
each such student in a timely manner or other educational	1632
materials or services have not been provided according to the	1633
contract between the individual community school and its	1634
sponsor.	1635
The superintendent of public instruction and the auditor	1636
of state shall jointly establish a method for auditing any	1637
community school to which this division pertains to ensure	1638
compliance with this section.	1639
The superintendent, auditor of state, and the governor	1640
shall jointly make recommendations to the general assembly for	1641
legislative changes that may be required to assure fiscal and	1642
academic accountability for such schools.	1643
(K)(1) If the department determines that a review of a	1644
community school's enrollment is necessary, such review shall be	1645

completed and written notice of the findings shall be provided

to the governing authority of the community school and its	1647
sponsor within ninety days of the end of the community school's	1648
fiscal year, unless extended for a period not to exceed thirty	1649
additional days for one of the following reasons:	1650
(a) The department and the community school mutually agree	1651
to the extension.	1652
(b) Delays in data submission caused by either a community	1653
school or its sponsor.	1654
(2) If the review results in a finding that additional	1655
funding is owed to the school, such payment shall be made within	1656
thirty days of the written notice. If the review results in a	1657
finding that the community school owes moneys to the state, the	1658
following procedure shall apply:	1659
(a) Within ten business days of the receipt of the notice	1660
of findings, the community school may appeal the department's	1661
determination to the state board of education or its designee.	1662
(b) The board or its designee shall conduct an informal	1663
hearing on the matter within thirty days of receipt of such an	1664
appeal and shall issue a decision within fifteen days of the	1665
conclusion of the hearing.	1666
(c) If the board has enlisted a designee to conduct the	1667
hearing, the designee shall certify its decision to the board.	1668
The board may accept the decision of the designee or may reject	1669
the decision of the designee and issue its own decision on the	1670
matter.	1671
(d) Any decision made by the board under this division is	1672
final.	1673
(3) If it is decided that the community school owes moneys	1674

to the state, the department shall deduct such amount from the 1675 school's future payments in accordance with quidelines issued by 1676 the superintendent of public instruction. 1677 (L) The department shall not subtract from a school 1678 district's state aid account and shall not pay to a community 1679 school under division (C) of this section any amount for any of 1680 the following: 1681 (1) Any student who has graduated from the twelfth grade 1682 of a public or nonpublic high school; 1683 (2) Any student who is not a resident of the state; 1684 (3) Any student who was enrolled in the community school 1685 during the previous school year when assessments were 1686 administered under section 3301.0711 of the Revised Code but did 1687 not take one or more of the assessments required by that section 1688 and was not excused pursuant to division (C)(1) or (3) of that 1689 section, unless the superintendent of public instruction grants 1690 the student a waiver from the requirement to take the assessment 1691 and a parent is not paying tuition for the student pursuant to 1692 section 3314.26 of the Revised Code. The superintendent may 1693 grant a waiver only for good cause in accordance with rules 1694 adopted by the state board of education. 1695 (4) Any student who has attained the age of twenty-two 1696 years, except for veterans of the armed services whose 1697 attendance was interrupted before completing the recognized 1698 twelve-year course of the public schools by reason of induction 1699 or enlistment in the armed forces and who apply for enrollment 1700 in a community school not later than four years after 1701 termination of war or their honorable discharge. If, however, 1702

any such veteran elects to enroll in special courses organized

for veterans for whom tuition is paid under federal law, or	1704
otherwise, the department shall not subtract from a school	1705
district's state aid account and shall not pay to a community	1706
school under division (C) of this section any amount for that	1707
veteran.	1708
Sec. 3314.088. In extenuating circumstances, as specified	1709
in rules adopted by the state board of education pursuant to	1710
this section, a high-performing student enrolled in an internet-	1711
or computer-based community school not sponsored by a school	1712
district shall not be subject to the withdrawal requirement, for	1713
being absent without legitimate excuse for one hundred five	1714
hours of learning opportunities, prescribed by division (A)(6)	1715
of section 3314.03 and division (H)(2) of section 3314.08 of the	1716
Revised Code. Additionally, for purposes of determining that	1717
student's percentage of full-time equivalency under division (H)	1718
(3) of section 3314.08 of the Revised Code, the "percentage of	1719
learning opportunities provided by the community school to that	1720
student" shall not be required to equal the amount of time that	1721
the student was actively engaging in learning opportunities	1722
during that school year.	1723
Not later than ninety days after the effective date of	1724
this section, the state board shall adopt rules, in accordance	1725
with Chapter 119. of the Revised Code, for purposes of	1726
implementing this section. The rules shall include a definition	1727
of "high-performing student" and specify both the extenuating	1728
circumstances under which a student may qualify under this	1729
section and any necessary parameters for determining a high-	1730
performing student's percentage of full-time equivalency.	1731
Sec. 3314.23. (A) Subject to division (B) of this section,	1732
each internet- or computer-based community school shall comply	1733

with the standards developed by the international association	1734
for K-12 online learning.	1735
(B) Each internet- or computer-based community school that	1736
initially opens for operation on or after January 1, 2013, shall	1737
comply with the standards required by division (A) of this	1738
section at the time it opens. Each internet- or computer-based	1739
community school that initially opened for operation prior to	1740
January 1, 2013, shall comply with the standards required by	1741
division (A) of this section not later than July 1, 2013.	1742
(C) The sponsor of each internet- or computer-based	1743
community school shall be responsible for monitoring, ensuring,	1744
and reporting compliance with the online learning standards	1745
described in divisions (A) and (B) of this section and shall	1746
report a school's failure to comply with these standards to the	1747
department of education in the manner prescribed by the	1748
department.	1749
Sec. 3314.241. All public meetings of the governing	1750
authority of an internet- or computer-based community school not	1751
sponsored by a school district shall be made available online to	1752
the public in a format that is viewable as a live event through	1753
the internet. Notice of each meeting shall be given at least two	1754
weeks prior to the meeting by publication in at least one	1755
newspaper of general circulation within each city or county from	1756
which the school currently enrolls a student.	1757
Nothing in this section shall be construed to exempt an	1758
internet- or computer-based community school from complying with	1759
the provisions of the open meetings laws, as prescribed by	1760
division (A)(11)(d) of section 3314.03 of the Revised Code.	1761
Sec. 3314.242. Any internet- or computer-based community	1762

school not sponsored by a school district shall include in any	1763
advertising, recruiting, or promotional materials the most	1764
recent rating or letter grade for overall academic performance,	1765
performance index score, overall value-added progress dimension	1766
score, and the four- and five- year adjusted cohort graduation	1767
rate scores assigned to the school by the department of	1768
education under divisions (B)(1)(b), (d), and (e); (C)(1)(b),	1769
(d), and (e); and (C)(3) of section 3302.03 of the Revised Code.	1770
Sec. 3314.27. (A) No student enrolled in an internet- or	1771
computer-based community school may participate in more than ten	1772
hours of learning opportunities in any period of twenty-four	1773
consecutive hours. Any time such a student participates in	1774
learning opportunities beyond the limit prescribed in this	1775
section shall not count toward the annual minimum number of	1776
hours required to be provided to that student as prescribed in	1777
division (A)(11)(a) of section 3314.03 of the Revised Code. If	1778
any internet- or computer-based community school requires its	1779
students to participate in learning opportunities on the basis	1780
of days rather than hours, one day shall consist of a minimum of	1781
five hours of such participation.	1782
(B) Each internet- or computer-based community school	1783
shall keep an accurate record of each individual student's	1784
participation in learning opportunities each day. The record	1785
shall be kept in such a manner that the information contained	1786
within it easily can be submitted to the department of	1787
education, upon request by the department or the auditor of	1788
state.	1789
(C) Each internet- or computer-based community school that	1790
is not sponsored by a school district shall keep an accurate	1791
record of the number of hours in which each student is actively	1792

participating in learning opportunities during each period of	1793
twenty-four consecutive hours. The record shall be certified on	1794
a monthly basis by an individual who is employed by the school	1795
and holds a valid license issued by the state board of education	1796
pursuant to sections 3319.22 to 3319.31 of the Revised Code. The	1797
record shall then be submitted each month as a report to the	1798
department of education, in the form and manner prescribed by	1799
the department. Upon receipt, the department shall make each	1800
report available on its web site, to the extent permitted under	1801
section 3319.321 of the Revised Code and the "Family Educational	1802
Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q,	1803
as amended.	1804
(D) If a student enrolled in an internet- or computer-	1805
based community school not sponsored by a school district fails	1806
to participate in learning opportunities for ten consecutive	1807
days following the date the student begins instruction for the	1808
school year but prior to completing the student's academic	1809
program for that school year, the school shall notify the	1810
department, the student's parent, guardian, or custodian, and	1811
the student's resident school district of the student's failure	1812
to participate in those learning opportunities.	1813
(E) As used in this section, a student's "resident school	1814
district" is the school district in which the student is	1815
entitled to attend school under section 3313.64 or 3313.65 of	1816
the Revised Code and from which district the payments to the	1817
community school for the student are deducted under section	1818
3314.08 of the Revised Code.	1819
Sec. 3314.271. (A) Each internet- or computer-based	1820
community school shall offer a student orientation course and	1821
shall notify each student who enrolls in that school of that	1822

student's opportunity to participate in the student orientation	1823
course.	1824
(B) The department of education shall provide guidance to	1825
internet- or computer-based community schools for developing and	1826
delivering the orientation course.	1827
(C) Each internet- or computer-based community school may,	1828
at the time of a particular student's enrollment in that school,	1829
ask the student's parent or guardian to estimate the length of	1830
time the student will attend the school. Any information	1831
collected pursuant to this division shall be included in an	1832
aggregated format in the school's annual report required by	1833
division (A)(11)(g) of section 3314.03 of the Revised Code.	1834
(D) (1) Each internet- or computer-based community school,	1835
on a periodic basis throughout each school year, shall	1836
communicate with each student's parent, guardian, or custodian	1837
regarding the performance and progress of that student. Each	1838
internet- or computer-based community school also shall provide	1839
opportunities for parent-teacher conferences, shall document the	1840
school's requests for such conferences, and may permit students	1841
to participate in the conferences. <del>Parent-teacher</del>	1842
(2) In addition to the conferences described in division	1843
(D) (1) of this section, in the case of an internet- or computer-	1844
based community school not sponsored by a school district, if	1845
the academic performance of a student declines while the student	1846
is enrolled in the school, the student's parents, the student's	1847
teachers, and the principal or lead teacher of the community	1848
school shall confer to evaluate the student's continued	1849
enrollment in the school.	1850
Parent-toacher conferences conducted nursuant to division	1 0 5 1

(D)(1) or (2) of this section may be conducted through	1852
electronic means.	1853
Sec. 3314.52. If the auditor of state issues a finding for	1854
recovery pursuant to an audit of a community school conducted in	1855
accordance with section 117.10 of the Revised Code, the	1856
department of education shall ensure that any public moneys	1857
returned to the state as a result of that finding for recovery	1858
are distributed as follows:	1859
(A) If the finding for recovery resulted from an audit of	1860
the enrollment records of the school, the funds shall be	1861
credited to the state education aid of the school district or	1862
districts from which the funding was deducted under section	1863
3314.08 of the Revised Code in an amount equal to the amount	1864
that was deducted.	1865
(B) If the finding for recovery resulted from an audit	1866
that is not described in division (A) of this section, the funds	1867
shall be redistributed to the school districts in which the	1868
students who were enrolled in the school at the time the finding	1869
for recovery is issued were entitled to attend school under	1870
section 3313.64 or 3313.65 of the Revised Code. The amount	1871
distributed to each school district under division (B) of this	1872
section shall be proportional to the district's share of the	1873
total enrollment in the school at the time the finding for	1874
recovery is issued.	1875
Section 2. That existing sections 3302.01, 3302.03,	1876
3302.41, 3314.03, 3314.032, 3314.08, 3314.23, 3314.27, and	1877
3314.271 of the Revised Code are hereby repealed.	1878
Section 3. (A) The E-School Funding Commission is hereby	1879
created to study the actual costs required to operate an	1880

internet- or computer-based community school as defined in	1881
section 3314.02 of the Revised Code. Not later than December 31,	1882
2017, the Commission shall determine a rational methodology for	1883
calculating the costs of operating an Internet- or computer-	1884
based community school. The Commission shall submit a report of	1885
its recommendations to the General Assembly in accordance with	1886
section 101.68 of the Revised Code. The Commission also shall	1887
submit a copy of the report to the Governor for use when	1888
considering school funding recommendations. Upon submission of	1889
the report, the Commission shall cease to exist.	1890
(B) The Commission shall consist of the following members:	1891
(1) The Governor, or the Governor's designee;	1892
(2) The Superintendent of Public Instruction, or the	1893
Superintendent's designee, who shall serve as the chairperson of	1894
the Commission;	1895
(3) The Chancellor of Higher Education, or the	1896
Chancellor's designee;	1897
(4) Two teachers currently employed by an Internet- or	1898
computer-based community school in this state, one appointed by	1899
the President of the Senate and one appointed by the Minority	1900
Leader of the Senate;	1901
(5) The chief administrator of an Internet- or computer-	1902
based community school that is sponsored by the board of	1903
education of a school district and has received a grade of at	1904
least "C" for performance index score and overall value-added	1905
progress dimension, under divisions (B)(1)(b) and (e) of section	1906
3302.03 of the Revised Code, on the most recent report card	1907
issued under section 3302.03 of the Revised Code, appointed by	1908
the Speaker of the House of Representatives:	1909

(6) The chief administrator of an Internet- or computer-	1910
based community school that is not sponsored by the board of	1911
education of a school district and has received a grade of at	1912
least "C" for performance index score and overall value-added	1913
progress dimension, under divisions (B)(1)(b) and (e) of section	1914
3302.03 of the Revised Code, on the most recent report card	1915
issued under section 3302.03 of the Revised Code, appointed by	1916
the Minority Leader of the House of Representatives;	1917
(7) The parent of a student enrolled in an Internet- or	1918
computer-based community school, appointed by the President of	1919
the Senate;	1920
(8) A representative of the business community, appointed	1921
by the Minority Leader of the Senate;	1922
(9) A representative of the general public, appointed by	1923
the Speaker of the House of Representatives;	1924
(10) A representative of community school operators,	1925
appointed by the Minority Leader of the House of	1926
Representatives;	1927
(11) A representative of community school sponsors,	1928
appointed by the Speaker of the House of Representatives;	1929
(12) The fiscal officer of an Internet- or computer-based	1930
community school, appointed by the President of the Senate;	1931
(13) The chairpersons and ranking members of the standing	1932
committees of the House of Representatives and the Senate	1933
principally responsible for education policy;	1934
(14) A representative of an organization that serves as a	1935
bargaining representative for teachers in this state, appointed	1936
by the Minority Leader of the Senate;	1937

(15) A representative from an organization of school	1938
administrators or fiscal officials, appointed by the Minority	1939
Leader of the House of Representatives.	1940
Members of the Commission shall serve without	1941
compensation. The Department of Education shall provide	1942
administrative support for the Commission.	1943
Section 4. Section 3302.03 of the Revised Code is	1944
presented in this act as a composite of the section as amended	1945
by both Am. Sub. H.B. 2 and Am. Sub. H.B. 64 of the 131st	1946
General Assembly. The General Assembly, applying the principle	1947
stated in division (B) of section 1.52 of the Revised Code that	1948
amendments are to be harmonized if reasonably capable of	1949
simultaneous operation, finds that the composite is the	1950
resulting version of the section in effect prior to the	1951
effective date of the section as presented in this act	1952