

As Introduced

**134th General Assembly
Regular Session
2021-2022**

S. B. No. 240

Senator Peterson

A BILL

To enact sections 3314.0212, 3314.0213, 3314.0214,
and 3314.0215 of the Revised Code authorizing
the merger of one or more community schools and
a nonprofit operator into a community school
network.

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

Section 1. That sections 3314.0212, 3314.0213, 3314.0214,
and 3314.0215 of the Revised Code be enacted to read as follows:

Sec. 3314.0212. For purposes of sections 3314.0212 to
3314.0215 of the Revised Code:

(A) "Community school network" or "network" means a
community school resulting from a merger between a network
operator and two or more previously independent community
schools to operate those schools as a group.

(B) "Internal retrieval number" or "IRN" means the
internal retrieval number as determined by the department of
education.

(C) "Primary IRN" means the IRN assigned to the community
school network.

(D) "Secondary IRN" means the IRN assigned to each individual community school that comprises the community school network or the IRN assigned to any community school added to the network by expansion. 19
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(E) "Home district" means the district in which the plurality of the community schools with their own secondary IRNs of the community school network are located. In the event that two or more districts contain the same number of community schools with their own secondary IRNs, the home district is the district where the community school with the oldest secondary IRN is located. 23
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(F) "Operator" means a nonprofit organization described in division (A) (8) (a) or (b) of section 3314.02 of the Revised Code that, for the three most recent school years, has provided services under that section to at least four community schools that were operational prior to the effective date of the merger creating a community school network, for at least the three most recent school years. 30
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Sec. 3314.0213. (A) Notwithstanding any other provision of the Revised Code to the contrary, a community school network may be established by merging a community school operator and four or more community schools it has operated for the three most recent school years, provided all of the following conditions are satisfied: 37
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(1) All of the community schools before and after the merger are located in the county in which the home district is located or in a county adjacent thereto. 43
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(2) The majority of community schools in the proposed community school network either: 46
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(a) Received an overall performance rating of at least "three stars" on the most recent state report card issued under division (D) (3) of section 3302.03 of the Revised Code; 48
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(b) Were ranked in the highest sixty per cent of the home district's schools in either performance index score under division (D) (1) (c) of section 3302.03 of the Revised Code or overall value-added progress dimension under division (D) (1) (d) of that section. 51
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(3) Each member of the original governing authority of any community school in the network and each proposed member of the governing authority of the network: 56
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(a) Does not receive compensation for meetings or for the annually required governance training; 59
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(b) Does not owe the state any money and is not in a dispute over whether the individual owes the state any money at the time of formation. 61
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(4) The designated fiscal officer of any community school in the network does not owe the state any money and is not in a dispute over whether the person owes the state any money at the time of formation. 64
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(5) The proposed sponsor or sponsors of the network either received a rating of "effective" or higher pursuant to division (B) (6) of section 3314.016 of the Revised Code on at least one of the two most recent evaluations conducted according to that section prior to the formation of the network, or it is the office of Ohio school sponsorship. 68
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Provided the criteria described in division (A) of this section are satisfied, a community school network may be created under section 3314.0211 of the Revised Code, with the network 74
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operator and community schools merging into the community school 77
of their choice. 78

(B)(1) A community school network that satisfies the 79
criteria described in this section may be created without 80
approval from the department of education. A sponsor that meets 81
the criterion prescribed in division (A)(5) of this section may 82
sponsor a community school network in compliance with this 83
section. The sponsor and the department may modify the sponsor's 84
agreement under section 3314.015 of the Revised Code. 85

(2) The creation of a community school network does not 86
require approval by the sponsor of any individual community 87
school within the network. 88

(C) The resulting community school network and each entity 89
participating within that network shall comply with all 90
respective provisions of this chapter unless in conflict with 91
sections 3314.0212 to 3314.0215 of the Revised Code. In the 92
event of any conflict between any of those sections and the 93
remainder of this chapter or rules adopted pursuant to this 94
chapter, the provision of those sections control and prevail. 95

Sec. 3314.0214. (A) Except as described in division (B)(3) 96
of this section, a community school network established pursuant 97
to section 3314.0213 of the Revised Code shall be considered one 98
community school. 99

(B) The department of education shall assign one primary 100
IRN to the network, one secondary IRN for each community school 101
within the network at the time of the network's creation, and 102
one secondary IRN to each community school added to the network 103
through expansion as described in division (B) of section 104
3314.0215 of the Revised Code. The department may use a 105

<u>previously assigned IRN as a community school's secondary IRN.</u>	106
<u>(1) The department shall issue a separate state report card, under section 3302.03 of the Revised Code, for each community school within a community school network using each school's secondary IRN. The department also shall compute a rating for each network as a whole and report that rating in the form of a school district state report card for the network using the primary IRN.</u>	107 108 109 110 111 112 113
<u>(2) The department, the sponsor, the auditor of state, or any other governmental authority or grantor shall use only the network's primary IRN for the following:</u>	114 115 116
<u>(a) Conducting performance assessments for governance, finance, operations, audits, and auditor awards;</u>	117 118
<u>(b) Compliance reporting or reviews, whether financial, governance, or operational;</u>	119 120
<u>(c) Funding or grants not described in division (B) (3) (b) of this section.</u>	121 122
<u>(3) The department, the sponsor, the auditor of state, or any other governmental authority or grantor shall use a community school's secondary IRN only for the following:</u>	123 124 125
<u>(a) Educational progress for the purposes of determining whether the school meets the criteria for automatic closure prescribed in section 3314.35 or 3314.351 of the Revised Code;</u>	126 127 128
<u>(b) Quality school funding as provided from time to time in the general operating budget act, start-up or replication grants, or other customarily non-network community school-based grants or monetary awards;</u>	129 130 131 132
<u>(c) School of promise recognition or other customarily</u>	133

non-network community school-based recognition. 134

(C) The sponsor of a community school network may 135
voluntarily assign its community school contract, under section 136
3314.03 of the Revised Code, to another sponsor of the community 137
school network at the request of the network community school 138
governing authority, and the assignee sponsor may accept such 139
assignment, notwithstanding divisions (E) (1) and (2) of section 140
3314.0211 of the Revised Code. The assignee sponsor shall enter 141
into a modification of its current contract, under section 142
3314.03 of the Revised Code, with the community school network 143
adding the assigned secondary IRN community school or schools 144
within thirty days of assignment. 145

(D) All assets of each previously separate community 146
school and assets of the previous operator shall become the 147
property of the network as a whole. 148

(E) A community school network ceases to exist when the 149
last community school with a secondary IRN is permanently 150
closed. Any remaining assets shall be distributed in accordance 151
with section 3314.074 of the Revised Code. 152

Sec. 3314.0215. (A) The organizational structure of each 153
community school network established pursuant to section 154
3314.0213 of the Revised Code shall include each of the 155
following: 156

(1) Only one governing authority, the members of which 157
meet the criteria prescribed in division (A) (3) of section 158
3314.0213 of the Revised Code and met that criteria at the time 159
of the merger creating the community school network; 160

(2) One common administration and staff with at least one 161
site-based administrator at each facility; 162

<u>(3) One licensed fiscal officer;</u>	163
<u>(4) One or more sponsors, provided that each sponsor has a contract, under section 3314.03 of the Revised Code, with only the network, and that contract identifies the schools for which it is responsible by their secondary IRNs;</u>	164 165 166 167
<u>(5) Network-based bank accounts with subaccounts as determined necessary or appropriate by the community school network.</u>	168 169 170
<u>(B) (1) A community school network that is in compliance with the requirements prescribed in sections 3314.0212 to 3314.0215 of the Revised Code may expand within the geographical area described in division (A) of section 3314.0213 of the Revised Code by doing either of the following:</u>	171 172 173 174 175
<u>(a) Adding one or more existing or first-year start-up or conversion community schools to the community school network, provided the school or schools being added satisfy any applicable criteria for inclusion in a community school network set forth in section 3314.0213 of the Revised Code;</u>	176 177 178 179 180
<u>(b) Establishing a new start-up school under the auspices of the public benefit corporation status assigned to the community school network as prescribed by Chapter 1702. and division (A) (1) (b) of section 3314.03 of the Revised Code.</u>	181 182 183 184
<u>(2) If an expansion occurs pursuant to division (B) (1) (b) of this section, the department of education shall assign a secondary IRN for any school created pursuant to that division.</u>	185 186 187