

**As Introduced**

**133rd General Assembly**

**Regular Session**

**2019-2020**

**H. B. No. 635**

**Representatives Rogers, Patterson**

**Cosponsors: Representatives Blair, Cera, Hicks-Hudson, Miller, J., O'Brien,  
Sheehy, Robinson, Russo, Smith, K., West**

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**A BILL**

To amend sections 3314.015, 3314.016, and 3314.02 1  
and to repeal sections 3314.021 and 3314.027 of 2  
the Revised Code and to amend Section 265.335 of 3  
H.B. 166 of the 133rd General Assembly to 4  
require all community school sponsors to receive 5  
approval from and enter into an agreement with 6  
the Department of Education and to make changes 7  
regarding eligibility for the Quality Community 8  
School Support Program. 9

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

**Section 1.** That sections 3314.015, 3314.016, and 3314.02 10  
of the Revised Code be amended to read as follows: 11

**Sec. 3314.015.** (A) The department of education shall be 12  
responsible for the oversight of any and all sponsors of the 13  
community schools established under this chapter and shall 14  
provide technical assistance to schools and sponsors in their 15  
compliance with applicable laws and the terms of the contracts 16  
entered into under section 3314.03 of the Revised Code and in 17  
the development and start-up activities of those schools. In 18

carrying out its duties under this section, the department shall 19  
do all of the following: 20

(1) In providing technical assistance to proposing 21  
parties, governing authorities, and sponsors, conduct training 22  
sessions and distribute informational materials; 23

(2) Approve entities to be sponsors of community schools; 24

(3) Monitor and evaluate, as required under section 25  
3314.016 of the Revised Code, the effectiveness of any and all 26  
sponsors in their oversight of the schools with which they have 27  
contracted; 28

(4) By December thirty-first of each year, issue a report 29  
to the governor, the speaker of the house of representatives, 30  
the president of the senate, and the chairpersons of the house 31  
and senate committees principally responsible for education 32  
matters regarding the effectiveness of academic programs, 33  
operations, and legal compliance and of the financial condition 34  
of all community schools established under this chapter and on 35  
the performance of community school sponsors; 36

(5) From time to time, make legislative recommendations to 37  
the general assembly designed to enhance the operation and 38  
performance of community schools. 39

(B) (1) ~~Except as provided in sections 3314.021 and~~ 40  
~~3314.027 of the Revised Code, no~~ No entity shall enter into a 41  
preliminary agreement under division (C) (2) of section 3314.02 42  
of the Revised Code or renew an existing contract to sponsor a 43  
community school until it has received approval from the 44  
department of education to sponsor community schools under this 45  
chapter and has entered into a written agreement with the 46  
department regarding the manner in which the entity will conduct 47

such sponsorship. 48

~~On and after July 1, 2017, each Each entity that sponsors 49~~  
~~a community school in this state, except for an entity described 50~~  
~~in sections 3314.021 and 3314.027 of the Revised Code, shall 51~~  
attain approval from the department in order to continue 52  
sponsoring schools regardless of whether that entity intends to 53  
enter into a preliminary agreement or renew an existing 54  
contract. 55

All new and renewed agreements between the department and 56  
a sponsor shall contain specific language addressing the 57  
parameters under which the department can intervene and 58  
potentially revoke sponsorship authority in the event that the 59  
sponsor is unwilling or unable to fulfill its obligations. 60  
Additionally, each agreement shall set forth any territorial 61  
restrictions and limits on the number of schools that entity may 62  
sponsor, provide for an annual evaluation process, and include a 63  
stipulation permitting the department to modify the agreement 64  
under the following circumstances: 65

(a) Poor fiscal management; 66

(b) Lack of academic progress. 67

(2) The initial term of a sponsor's agreement with the 68  
department shall be for up to five years. 69

(a) An agreement entered into with the department pursuant 70  
to this section may be renewed for a term of up to ten years 71  
using the following criteria: 72

(i) The academic performance of students enrolled in each 73  
community school the entity sponsors, as determined by the 74  
department pursuant to division (B) (1) (a) of section 3314.016 of 75  
the Revised Code; 76

(ii) The sponsor's adherence to quality practices, as 77  
determined by the department pursuant to division (B) (1) (b) of 78  
section 3314.016 of the Revised Code; 79

(iii) The sponsor's compliance with all applicable laws 80  
and administrative rules. 81

(b) Each agreement between the department and a sponsor 82  
shall specify that entities with an overall rating of 83  
"exemplary" for at least two consecutive years shall not be 84  
subject to the limit on the number of community schools the 85  
entity may sponsor or any territorial restrictions on 86  
sponsorship, for so long as that entity continues to be rated 87  
"exemplary." 88

(c) The state board of education shall adopt in accordance 89  
with Chapter 119. of the Revised Code rules containing criteria, 90  
procedures, and deadlines for processing applications for 91  
approval of sponsors, for oversight of sponsors, for notifying a 92  
sponsor of noncompliance with applicable laws and administrative 93  
rules under division (F) of this section, for revocation of the 94  
approval of sponsors under division (C) of this section, and for 95  
entering into written agreements with sponsors. The rules shall 96  
require an entity to submit evidence of the entity's ability and 97  
willingness to comply with the provisions of division (D) of 98  
section 3314.03 of the Revised Code. The rules also shall 99  
require all entities approved as sponsors to demonstrate a 100  
record of financial responsibility and successful implementation 101  
of educational programs. If an entity seeking approval to 102  
sponsor community schools in this state sponsors or operates 103  
schools in another state, at least one of the schools sponsored 104  
or operated by the entity must be comparable to or better than 105  
the performance of Ohio schools in need of continuous 106

improvement under section 3302.03 of the Revised Code, as 107  
determined by the department. 108

Subject to section 3314.016 of the Revised Code, an entity 109  
that sponsors community schools may enter into preliminary 110  
agreements and sponsor up to one hundred schools, provided each 111  
school and the contract for sponsorship meets the requirements 112  
of this chapter. 113

(3) The state board of education shall determine, pursuant 114  
to criteria specified in rules adopted in accordance with 115  
Chapter 119. of the Revised Code, whether the mission proposed 116  
to be specified in the contract of a community school to be 117  
sponsored by a state university board of trustees or the board's 118  
designee under division (C)(1)(e) of section 3314.02 of the 119  
Revised Code complies with the requirements of that division. 120  
Such determination of the state board is final. 121

(4) The state board of education shall determine, pursuant 122  
to criteria specified in rules adopted in accordance with 123  
Chapter 119. of the Revised Code, if any tax-exempt entity under 124  
section 501(c)(3) of the Internal Revenue Code that is proposed 125  
to be a sponsor of a community school is an education-oriented 126  
entity for purpose of satisfying the condition prescribed in 127  
division (C)(1)(f)(iii) of section 3314.02 of the Revised Code. 128  
Such determination of the state board is final. 129

(C) If at any time the state board of education finds that 130  
a sponsor is not in compliance or is no longer willing to comply 131  
with its contract with any community school or with the 132  
department's rules for sponsorship, the state board or designee 133  
shall conduct a hearing in accordance with Chapter 119. of the 134  
Revised Code on that matter. If after the hearing, the state 135  
board or designee has confirmed the original finding, the 136

department of education may revoke the sponsor's approval to 137  
sponsor community schools. In that case, the department's office 138  
of Ohio school sponsorship, established under section 3314.029 139  
of the Revised Code, may assume the sponsorship of any schools 140  
with which the sponsor has contracted until the earlier of the 141  
expiration of two school years or until a new sponsor as 142  
described in division (C) (1) of section 3314.02 of the Revised 143  
Code is secured by the school's governing authority. The office 144  
of Ohio school sponsorship may extend the term of the contract 145  
in the case of a school for which it has assumed sponsorship 146  
under this division as necessary to accommodate the term of the 147  
department's authorization to sponsor the school specified in 148  
this division. Community schools sponsored under this division 149  
shall not apply to the limit on directly authorized community 150  
schools under division (A) (3) of section 3314.029 of the Revised 151  
Code. However, nothing in this division shall preclude a 152  
community school affected by this division from applying for 153  
sponsorship under that section. 154

(D) The decision of the department to disapprove an entity 155  
for sponsorship of a community school or to revoke approval for 156  
such sponsorship under division (C) of this section, may be 157  
appealed by the entity in accordance with section 119.12 of the 158  
Revised Code. 159

(E) The department shall adopt procedures for use by a 160  
community school governing authority and sponsor when the school 161  
permanently closes and ceases operation, which shall include at 162  
least procedures for data reporting to the department, handling 163  
of student records, distribution of assets in accordance with 164  
section 3314.074 of the Revised Code, and other matters related 165  
to ceasing operation of the school. 166

(F) (1) In lieu of revoking a sponsor's authority to sponsor community schools under division (C) of this section, if the department finds that a sponsor is not in compliance with applicable laws and administrative rules, the department shall declare in a written notice to the sponsor the specific laws or rules, or both, for which the sponsor is noncompliant. A sponsor notified under division (F) (1) of this section shall respond to the department not later than fourteen days after the notification with a proposed plan to remedy the conditions for which the sponsor was found to be noncompliant. The department shall approve or disapprove the plan not later than fourteen days after receiving it. If the plan is disapproved, the sponsor may submit a revised plan to the department not later than fourteen days after receiving notification of disapproval from the department or not later than sixty days after the date the sponsor received notification of noncompliance from the department, whichever is earlier. The department shall approve or disapprove the revised plan not later than fourteen days after receiving it or not later than sixty days after the date the sponsor received notification of noncompliance from the department, whichever is earlier. A sponsor may continue to make revisions by the deadlines prescribed in division (F) (1) of this section to any revised plan that is disapproved by the department until the sixtieth day after the date the sponsor received notification of noncompliance from the department.

If a plan or a revised plan is approved, the sponsor shall implement it not later than sixty days after the date the sponsor received notification of noncompliance from the department or not later than thirty days after the plan is approved, whichever is later. If a sponsor does not respond to the department or implement an approved compliance plan by the

deadlines prescribed by division (F) (1) of this section, or if a sponsor does not receive approval of a compliance plan on or before the sixtieth day after the date the sponsor received notification of noncompliance from the department, the department shall declare in written notice to the sponsor that the sponsor is in probationary status, and may limit the sponsor's ability to sponsor additional schools.

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

(G) In carrying out its duties under this chapter, the department shall not impose requirements on community schools or their sponsors that are not permitted by law or duly adopted rules.

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

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



(J) On and after the effective date of this amendment, any 227  
entity that was exempt from the requirement to be approved for 228  
sponsorship as described in former section 3314.021 or 3314.027 229  
of the Revised Code shall not renew a contract to sponsor a 230  
community school or enter into a new contract to sponsor a 231  
community school until it has complied with the terms of this 232  
section. Accordingly, the entity shall apply to the department 233  
of education for such approval and shall enter into an agreement 234  
with the department. Once approval is granted, an entity 235  
described in this division may continue to sponsor schools in 236  
the same manner and subject to the same reapplication, 237  
evaluation, and approval procedures set forth in this chapter as 238  
for all other community school sponsors. 239

**Sec. 3314.016.** This section applies to any entity that 240  
sponsors a community school, ~~regardless of whether section~~ 241  
~~3314.021 or 3314.027 of the Revised Code exempts the entity from~~ 242  
~~the requirement to be approved for sponsorship under divisions~~ 243  
~~(A) (2) and (B) (1) of section 3314.015 of the Revised Code.~~ The 244  
office of Ohio school sponsorship established under section 245  
3314.029 of the Revised Code shall be rated under division (B) 246  
of this section, but divisions (A) and (C) of this section do 247  
not apply to the office. 248

(A) An entity that sponsors a community school shall be 249  
permitted to enter into contracts under section 3314.03 of the 250  
Revised Code to sponsor additional community schools only if the 251  
entity meets all of the following criteria: 252

(1) The entity is in compliance with all provisions of 253  
this chapter requiring sponsors of community schools to report 254  
data or information to the department of education. 255

(2) The entity is not rated as "ineffective" under 256

division (B) (6) of this section. 257

(3) ~~Except as set forth in sections 3314.021 and 3314.027~~ 258  
~~of the Revised Code, the~~ The entity has received approval from 259  
and entered into an agreement with the department of education 260  
pursuant to section 3314.015 of the Revised Code. 261

(B) (1) The department shall develop and implement an 262  
evaluation system that annually rates and assigns an overall 263  
rating to each entity that sponsors a community school. The 264  
department, not later than the first day of February of each 265  
year, shall post on the department's web site the framework for 266  
the evaluation system, including technical documentation that 267  
the department intends to use to rate sponsors for the next 268  
school year. The department shall solicit public comment on the 269  
evaluation system for thirty consecutive days. Not later than 270  
the first day of April of each year, the department shall 271  
compile and post on the department's web site all public 272  
comments that were received during the public comment period. 273  
The evaluation system shall be posted on the department's web 274  
site by the fifteenth day of July of each school year. Any 275  
changes to the evaluation system after that date shall take 276  
effect the following year. The evaluation system shall be based 277  
on the following components: 278

(a) Academic performance of students enrolled in community 279  
schools sponsored by the same entity. The academic performance 280  
component shall be derived from the performance measures 281  
prescribed for the state report cards under section 3302.03 or 282  
3314.017 of the Revised Code, and shall be based on the 283  
performance of the schools for the school year for which the 284  
evaluation is conducted. In addition to the academic performance 285  
for a specific school year, the academic performance component 286

shall also include year-to-year changes in the overall sponsor 287  
portfolio. For a community school for which no graded 288  
performance measures are applicable or available, the department 289  
shall use nonreport card performance measures specified in the 290  
contract between the community school and the sponsor under 291  
division (A) (4) of section 3314.03 of the Revised Code. 292

(b) Adherence by a sponsor to the quality practices 293  
prescribed by the department under division (B) (3) of this 294  
section. For a sponsor that was rated "effective" or "exemplary" 295  
on its most recent rating, the department may evaluate that 296  
sponsor's adherence to quality practices once over a period of 297  
three years. If the department elects to evaluate a sponsor once 298  
over a period of three years, the most recent rating for a 299  
sponsor's adherence to quality practices shall be used when 300  
determining an annual overall rating conducted under this 301  
section. 302

(c) Compliance with all applicable laws and administrative 303  
rules by an entity that sponsors a community school. 304

(2) In calculating an academic performance component, the 305  
department shall exclude all community schools that have been in 306  
operation for not more than two full school years and all 307  
community schools described in division (A) (4) (b) of section 308  
3314.35 of the Revised Code. However, the academic performance 309  
of the community schools described in division (A) (4) (b) of 310  
section 3314.35 of the Revised Code shall be reported, but shall 311  
not be used as a factor when determining a sponsoring entity's 312  
rating under this section. 313

(3) The department, in consultation with entities that 314  
sponsor community schools, shall prescribe quality practices for 315  
community school sponsors and develop an instrument to measure 316

adherence to those quality practices. The quality practices 317  
shall be based on standards developed by the national 318  
association of charter school authorizers or any other 319  
nationally organized community school organization. 320

(4) (a) The department may permit peer review of a 321  
sponsor's adherence to the quality practices prescribed under 322  
division (B) (3) of this section. Peer reviewers shall be limited 323  
to individuals employed by sponsors rated "effective" or 324  
"exemplary" on the most recent ratings conducted under this 325  
section. 326

(b) The department shall require individuals participating 327  
in peer review under division (B) (4) (a) of this section to 328  
complete training approved or established by the department. 329

(c) The department may enter into an agreement with 330  
another entity to provide training to individuals conducting 331  
peer review of sponsors. Prior to entering into an agreement 332  
with an entity, the department shall review and approve of the 333  
entity's training program. 334

(5) Not later than July 1, 2013, the state board of 335  
education shall adopt rules in accordance with Chapter 119. of 336  
the Revised Code prescribing standards for measuring compliance 337  
with applicable laws and rules under division (B) (1) (c) of this 338  
section. 339

(6) The department annually shall rate all entities that 340  
sponsor community schools as either "exemplary," "effective," 341  
"ineffective," or "poor," based on the components prescribed by 342  
division (B) of this section, where each component is weighted 343  
equally. A separate rating shall be given by the department for 344  
each component of the evaluation system. 345

The department shall publish the ratings between the first 346  
day of October and the fifteenth day of November. 347

Prior to the publication of the final ratings, the 348  
department shall designate and provide notice of a period of at 349  
least ten business days during which each sponsor may review the 350  
information used by the department to determine the sponsor's 351  
rating on the components prescribed by division (B) (1) of this 352  
section. If the sponsor believes there is an error in the 353  
department's evaluation, the sponsor may request adjustments to 354  
the rating of any of those components based on documentation 355  
previously submitted as part of an evaluation. The sponsor shall 356  
provide to the department any necessary evidence or information 357  
to support the requested adjustments. The department shall 358  
review the evidence and information, determine whether an 359  
adjustment is valid, and promptly notify the sponsor of its 360  
determination and reasons. If any adjustments to the data could 361  
result in a change to the rating on the applicable component or 362  
to the overall rating, the department shall recalculate the 363  
ratings prior to publication. 364

The department shall provide training on an annual basis 365  
regarding the evaluation system prescribed under this section. 366  
The training shall, at a minimum, describe methodology, 367  
timelines, and data required for the evaluation system. The 368  
first training session shall occur not later than March 2, 2016. 369  
Beginning in 2018, the training shall be made available to each 370  
entity that sponsors a community school by the fifteenth day of 371  
July of each year and shall include guidance on any changes made 372  
to the evaluation system. 373

(7) (a) Entities with an overall rating of "exemplary" for 374  
at least two consecutive years may take advantage of the 375

following incentives:	376
(i) Renewal of the written agreement with the department,	377
not to exceed ten years, provided that the entity consents to	378
continued evaluation of adherence to quality practices as	379
described in division (B) (1) (b) of this section;	380
(ii) The ability to extend the term of the contract	381
between the sponsoring entity and the community school beyond	382
the term described in the written agreement with the department;	383
(iii) An exemption from the preliminary agreement and	384
contract adoption and execution deadline requirements prescribed	385
in division (D) of section 3314.02 of the Revised Code;	386
(iv) An exemption from the automatic contract expiration	387
requirement, should a new community school fail to open by the	388
thirtieth day of September of the calendar year in which the	389
community school contract is executed;	390
(v) No limit on the number of community schools the entity	391
may sponsor;	392
(vi) No territorial restrictions on sponsorship.	393
An entity may continue to sponsor any community schools	394
with which it entered into agreements under division (B) (7) (a)	395
(v) or (vi) of this section while rated "exemplary,"	396
notwithstanding the fact that the entity later receives a lower	397
overall rating.	398
(b) Entities with an overall rating of "exemplary" or	399
"effective" for at least three consecutive years shall be	400
evaluated by the department once every three years.	401
(c) (i) Entities that receive an overall rating of	402
"ineffective" shall be prohibited from sponsoring any new or	403

additional community schools during the time in which the 404  
sponsor is rated as "ineffective" and shall be subject to a 405  
quality improvement plan based on correcting the deficiencies 406  
that led to the "ineffective" rating, with timelines and 407  
benchmarks that have been established by the department. 408

(ii) Entities that receive an overall rating of 409  
"ineffective" on their three most recent ratings shall have all 410  
sponsorship authority revoked. Within thirty days after 411  
receiving its third rating of "ineffective," the entity may 412  
appeal the revocation of its sponsorship authority to the 413  
superintendent of public instruction, who shall appoint an 414  
independent hearing officer to conduct a hearing in accordance 415  
with Chapter 119. of the Revised Code. The hearing shall be 416  
conducted within thirty days after receipt of the notice of 417  
appeal. Within forty-five days after the hearing is completed, 418  
the state board of education shall determine whether the 419  
revocation is appropriate based on the hearing conducted by the 420  
independent hearing officer, and if determined appropriate, the 421  
revocation shall be confirmed. 422

(d) Entities that receive an overall rating of "poor" 423  
shall have all sponsorship authority revoked. Within thirty days 424  
after receiving a rating of "poor," the entity may appeal the 425  
revocation of its sponsorship authority to the superintendent of 426  
public instruction, who shall appoint an independent hearing 427  
officer to conduct a hearing in accordance with Chapter 119. of 428  
the Revised Code. The hearing shall be conducted within thirty 429  
days after receipt of the notice of appeal. Within forty-five 430  
days after the hearing is completed, the state board of 431  
education shall determine whether the revocation is appropriate 432  
based on the hearing conducted by the independent hearing 433  
officer, and if determined appropriate, the revocation shall be 434

confirmed. 435

(8) For the 2014-2015 school year and each school year 436  
thereafter, student academic performance prescribed under 437  
division (B) (1) (a) of this section shall include student 438  
academic performance data from community schools that primarily 439  
serve students enrolled in a dropout prevention and recovery 440  
program. 441

(C) If the governing authority of a community school 442  
enters into a contract with a sponsor prior to the date on which 443  
the sponsor is prohibited from sponsoring additional schools 444  
under division (A) of this section and the school has not opened 445  
for operation as of that date, that contract shall be void and 446  
the school shall not open until the governing authority secures 447  
a new sponsor by entering into a contract with the new sponsor 448  
under section 3314.03 of the Revised Code. However, the 449  
department's office of Ohio school sponsorship, established 450  
under section 3314.029 of the Revised Code, may assume the 451  
sponsorship of the school until the earlier of the expiration of 452  
two school years or until a new sponsor is secured by the 453  
school's governing authority. A community school sponsored by 454  
the department under this division shall not be included when 455  
calculating the maximum number of directly authorized community 456  
schools permitted under division (A) (3) of section 3314.029 of 457  
the Revised Code. 458

(D) When an entity's authority to sponsor schools is 459  
revoked pursuant to division ~~(B) (7) (b)~~ (B) (7) (c) or ~~(e) (d)~~ of 460  
this section, the office of Ohio school sponsorship shall assume 461  
sponsorship of any schools with which the original sponsor has 462  
contracted for the remainder of that school year. The office may 463  
continue sponsoring those schools until the earlier of: 464



(1) The expiration of two school years from the time that sponsorship is revoked; 465  
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(2) When a new sponsor is secured by the governing authority pursuant to division (C) (1) of section 3314.02 of the Revised Code. 467  
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Any community school sponsored under this division shall not be counted for purposes of directly authorized community schools under division (A) (3) of section 3314.029 of the Revised Code. 470  
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(E) The department shall recalculate the rating for the 2017-2018 school year for each sponsor of a community school that receives recalculated ratings pursuant to division (I) of section 3314.017 of the Revised Code. 474  
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**Sec. 3314.02.** (A) As used in this chapter: 478

(1) "Sponsor" means the board of education of a school district or the governing board of an educational service center that agrees to the conversion of all or part of a school or building under division (B) of this section, or an entity listed in division (C) (1) of this section, which has been approved by the department of education to sponsor community schools ~~or is exempted by section 3314.021 or 3314.027 of the Revised Code from obtaining approval,~~ and with which the governing authority of a community school enters into a contract under section 3314.03 of the Revised Code. 479  
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(2) "Pilot project area" means the school districts included in the territory of the former community school pilot project established by former Section 50.52 of Am. Sub. H.B. No. 215 of the 122nd general assembly. 489  
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(3) "Challenged school district" means any of the 493

following:	494
(a) A school district that is part of the pilot project area;	495 496
(b) A school district that meets one of the following conditions:	497 498
(i) On March 22, 2013, the district was in a state of academic emergency or in a state of academic watch under section 3302.03 of the Revised Code, as that section existed prior to March 22, 2013;	499 500 501 502
(ii) For two of the 2012-2013, 2013-2014, 2014-2015, and 2015-2016 school years, the district received a grade of "D" or "F" for the performance index score and a grade of "F" for the value-added progress dimension under section 3302.03 of the Revised Code;	503 504 505 506 507
(iii) For the 2016-2017 school year and for any school year thereafter, the district has received an overall grade of "D" or "F" under division (C) (3) of section 3302.03 of the Revised Code, or, for at least two of the three most recent school years, the district received a grade of "F" for the value-added progress dimension under division (C) (1) (e) of that section.	508 509 510 511 512 513 514
(c) A big eight school district;	515
(d) A school district ranked in the lowest five per cent of school districts according to performance index score under section 3302.21 of the Revised Code.	516 517 518
(4) "Big eight school district" means a school district that for fiscal year 1997 had both of the following:	519 520
(a) A percentage of children residing in the district and	521

participating in the predecessor of Ohio works first greater 522  
than thirty per cent, as reported pursuant to section 3317.10 of 523  
the Revised Code; 524

(b) An average daily membership greater than twelve 525  
thousand, as reported pursuant to former division (A) of section 526  
3317.03 of the Revised Code. 527

(5) "New start-up school" means a community school other 528  
than one created by converting all or part of an existing public 529  
school or educational service center building, as designated in 530  
the school's contract pursuant to division (A)(17) of section 531  
3314.03 of the Revised Code. 532

(6) "Urban school district" means one of the state's 533  
twenty-one urban school districts as defined in division (O) of 534  
section 3317.02 of the Revised Code as that section existed 535  
prior to July 1, 1998. 536

(7) "Internet- or computer-based community school" means a 537  
community school established under this chapter in which the 538  
enrolled students work primarily from their residences on 539  
assignments in nonclassroom-based learning opportunities 540  
provided via an internet- or other computer-based instructional 541  
method that does not rely on regular classroom instruction or 542  
via comprehensive instructional methods that include internet- 543  
based, other computer-based, and noncomputer-based learning 544  
opportunities unless a student receives career-technical 545  
education under section 3314.086 of the Revised Code. 546

A community school that operates mainly as an internet- or 547  
computer-based community school and provides career-technical 548  
education under section 3314.086 of the Revised Code shall be 549  
considered an internet- or computer-based community school, even 550

if it provides some classroom-based instruction, so long as it 551  
provides instruction via the methods described in this division. 552

(8) "Operator" or "management company" means either of the 553  
following: 554

(a) An individual or organization that manages the daily 555  
operations of a community school pursuant to a contract between 556  
the operator or management company and the school's governing 557  
authority; 558

(b) A nonprofit organization that provides programmatic 559  
oversight and support to a community school under a contract 560  
with the school's governing authority and that retains the right 561  
to terminate its affiliation with the school if the school fails 562  
to meet the organization's quality standards. 563

(9) "Alliance municipal school district" has the same 564  
meaning as in section 3311.86 of the Revised Code. 565

(B) (1) Any person or group of individuals may initially 566  
propose under this division the conversion of all or a portion 567  
of a public school to a community school. The proposal shall be 568  
made to the board of education of the city, local, exempted 569  
village, or joint vocational school district in which the public 570  
school is proposed to be converted. 571

(2) Any person or group of individuals may initially 572  
propose under this division the conversion of all or a portion 573  
of a building operated by an educational service center to a 574  
community school. The proposal shall be made to the governing 575  
board of the service center. 576

~~On or after July 1, 2017, except as provided in section~~ 577  
~~3314.027 of the Revised Code, any~~ Any educational service center 578  
that sponsors a community school shall be approved by and enter 579

into a written agreement with the department as described in 580  
section 3314.015 of the Revised Code. 581

(3) Upon receipt of a proposal, and after an agreement has 582  
been entered into pursuant to section 3314.015 of the Revised 583  
Code, a board may enter into a preliminary agreement with the 584  
person or group proposing the conversion of the public school or 585  
service center building, indicating the intention of the board 586  
to support the conversion to a community school. A proposing 587  
person or group that has a preliminary agreement under this 588  
division may proceed to finalize plans for the school, establish 589  
a governing authority for the school, and negotiate a contract 590  
with the board. Provided the proposing person or group adheres 591  
to the preliminary agreement and all provisions of this chapter, 592  
the board shall negotiate in good faith to enter into a contract 593  
in accordance with section 3314.03 of the Revised Code and 594  
division (C) of this section. 595

(4) The sponsor of a conversion community school proposed 596  
to open in an alliance municipal school district shall be 597  
subject to approval by the department of education for 598  
sponsorship of that school using the criteria established under 599  
division (A) of section 3311.87 of the Revised Code. 600

~~Division (B) (4) of this section does not apply to a 601  
sponsor that, on or before September 29, 2015, was exempted 602  
under section 3314.021 or 3314.027 of the Revised Code from the 603  
requirement to be approved for sponsorship under divisions (A) 604  
(2) and (B) (1) of section 3314.015 of the Revised Code. 605~~

(5) A school established in accordance with division (B) 606  
of this section that later enters into a sponsorship contract 607  
with an entity that is not a school district or educational 608  
service center shall, at the time of entering into the new 609

contract, be deemed a community school established in accordance 610  
with division (C) of this section. 611

(C) (1) Any person or group of individuals may propose 612  
under this division the establishment of a new start-up school 613  
to be located in a challenged school district. The proposal may 614  
be made to any of the following entities: 615

(a) The board of education of the district in which the 616  
school is proposed to be located; 617

(b) The board of education of any joint vocational school 618  
district with territory in the county in which is located the 619  
majority of the territory of the district in which the school is 620  
proposed to be located; 621

(c) The board of education of any other city, local, or 622  
exempted village school district having territory in the same 623  
county where the district in which the school is proposed to be 624  
located has the major portion of its territory; 625

(d) The governing board of any educational service center, 626  
regardless of the location of the proposed school, may sponsor a 627  
new start-up school in any challenged school district in the 628  
state if all of the following are satisfied: 629

(i) If applicable, it satisfies the requirements of 630  
division (E) of section 3311.86 of the Revised Code; 631

(ii) It is approved to do so by the department; 632

(iii) It enters into an agreement with the department 633  
under section 3314.015 of the Revised Code. 634

(e) A sponsoring authority designated by the board of 635  
trustees of any of the thirteen state universities listed in 636  
section 3345.011 of the Revised Code or the board of trustees 637

itself as long as a mission of the proposed school to be 638  
specified in the contract under division (A) (2) of section 639  
3314.03 of the Revised Code and as approved by the department 640  
under division (B) (3) of section 3314.015 of the Revised Code 641  
will be the practical demonstration of teaching methods, 642  
educational technology, or other teaching practices that are 643  
included in the curriculum of the university's teacher 644  
preparation program approved by the state board of education; 645

(f) Any qualified tax-exempt entity under section 501(c) 646  
(3) of the Internal Revenue Code as long as all of the following 647  
conditions are satisfied: 648

(i) The entity has been in operation for at least five 649  
years prior to applying to be a community school sponsor. 650

(ii) The entity has assets of at least five hundred 651  
thousand dollars and a demonstrated record of financial 652  
responsibility. 653

(iii) The department has determined that the entity is an 654  
education-oriented entity under division (B) (4) of section 655  
3314.015 of the Revised Code and the entity has a demonstrated 656  
record of successful implementation of educational programs. 657

(iv) The entity is not a community school. 658

(g) The mayor of a city in which the majority of the 659  
territory of a school district to which section 3311.60 of the 660  
Revised Code applies is located, regardless of whether that 661  
district has created the position of independent auditor as 662  
prescribed by that section. The mayor's sponsorship authority 663  
under this division is limited to community schools that are 664  
located in that school district. Such mayor may sponsor 665  
community schools only with the approval of the city council of 666

that city, after establishing standards with which community 667  
schools sponsored by the mayor must comply, and after entering 668  
into a sponsor agreement with the department as prescribed under 669  
section 3314.015 of the Revised Code. The mayor shall establish 670  
the standards for community schools sponsored by the mayor not 671  
later than one hundred eighty days after July 15, 2013, and 672  
shall submit them to the department upon their establishment. 673  
The department shall approve the mayor to sponsor community 674  
schools in the district, upon receipt of an application by the 675  
mayor to do so. Not later than ninety days after the 676  
department's approval of the mayor as a community school 677  
sponsor, the department shall enter into the sponsor agreement 678  
with the mayor. 679

Any entity described in division (C)(1) of this section 680  
may enter into a preliminary agreement pursuant to division (C) 681  
(2) of this section with the proposing person or group, provided 682  
that entity has been approved by and entered into a written 683  
agreement with the department pursuant to section 3314.015 of 684  
the Revised Code. 685

(2) A preliminary agreement indicates the intention of an 686  
entity described in division (C)(1) of this section to sponsor 687  
the community school. A proposing person or group that has such 688  
a preliminary agreement may proceed to finalize plans for the 689  
school, establish a governing authority as described in division 690  
(E) of this section for the school, and negotiate a contract 691  
with the entity. Provided the proposing person or group adheres 692  
to the preliminary agreement and all provisions of this chapter, 693  
the entity shall negotiate in good faith to enter into a 694  
contract in accordance with section 3314.03 of the Revised Code. 695

(3) A new start-up school that is established in a school 696



district described in either division (A) (3) (b) or (d) of this 697  
section may continue in existence once the school district no 698  
longer meets the conditions described in either division, 699  
provided there is a valid contract between the school and a 700  
sponsor. 701

(4) A copy of every preliminary agreement entered into 702  
under this division shall be filed with the superintendent of 703  
public instruction. 704

(D) A majority vote of the board of a sponsoring entity 705  
and a majority vote of the members of the governing authority of 706  
a community school shall be required to adopt a contract and 707  
convert the public school or educational service center building 708  
to a community school or establish the new start-up school. 709  
Beginning September 29, 2005, adoption of the contract shall 710  
occur not later than the fifteenth day of March, and signing of 711  
the contract shall occur not later than the fifteenth day of 712  
May, prior to the school year in which the school will open. The 713  
governing authority shall notify the department of education 714  
when the contract has been signed. Subject to sections 3314.013 715  
and 3314.016 of the Revised Code, an unlimited number of 716  
community schools may be established in any school district 717  
provided that a contract is entered into for each community 718  
school pursuant to this chapter. 719

(E) (1) As used in this division, "immediate relatives" are 720  
limited to spouses, children, parents, grandparents, and 721  
siblings, as well as in-laws residing in the same household as 722  
the person serving on the governing authority. 723

Each new start-up community school established under this 724  
chapter shall be under the direction of a governing authority 725  
which shall consist of a board of not less than five 726

individuals. 727

(2) (a) No person shall serve on the governing authority or 728  
operate the community school under contract with the governing 729  
authority under any of the following circumstances: 730

(i) The person owes the state any money or is in a dispute 731  
over whether the person owes the state any money concerning the 732  
operation of a community school that has closed. 733

(ii) The person would otherwise be subject to division (B) 734  
of section 3319.31 of the Revised Code with respect to refusal, 735  
limitation, or revocation of a license to teach, if the person 736  
were a licensed educator. 737

(iii) The person has pleaded guilty to or been convicted 738  
of theft in office under section 2921.41 of the Revised Code, or 739  
has pleaded guilty to or been convicted of a substantially 740  
similar offense in another state. 741

(b) No person shall serve on the governing authority or 742  
engage in the financial day-to-day management of the community 743  
school under contract with the governing authority unless and 744  
until that person has submitted to a criminal records check in 745  
the manner prescribed by section 3319.39 of the Revised Code. 746

(c) Each sponsor of a community school shall annually 747  
verify that a finding for recovery has not been issued by the 748  
auditor of state against any individual or individuals who 749  
propose to create a community school or any member of the 750  
governing authority, the operator, or any employee of each 751  
community school with responsibility for fiscal operations or 752  
authorization to expend money on behalf of the school. 753

(3) No person shall serve on the governing authorities of 754  
more than five start-up community schools at the same time. 755

(4) (a) For a community school established under this 756  
chapter that is not sponsored by a school district or an 757  
educational service center, no present or former member, or 758  
immediate relative of a present or former member, of the 759  
governing authority shall be an owner, employee, or consultant 760  
of the community school's sponsor or operator, unless at least 761  
one year has elapsed since the conclusion of the person's 762  
membership on the governing authority. 763

(b) For a community school established under this chapter 764  
that is sponsored by a school district or an educational service 765  
center, no present or former member, or immediate relative of a 766  
present or former member, of the governing authority shall: 767

(i) Be an officer of the district board or service center 768  
governing board that serves as the community school's sponsor, 769  
unless at least one year has elapsed since the conclusion of the 770  
person's membership on the governing authority; 771

(ii) Serve as an employee of, or a consultant for, the 772  
department, division, or section of the sponsoring district or 773  
service center that is directly responsible for sponsoring 774  
community schools, or have supervisory authority over such a 775  
department, division, or section, unless at least one year has 776  
elapsed since the conclusion of the person's membership on the 777  
governing authority. 778

(5) The governing authority of a start-up or conversion 779  
community school may provide by resolution for the compensation 780  
of its members. However, no individual who serves on the 781  
governing authority of a start-up or conversion community school 782  
shall be compensated more than one hundred twenty-five dollars 783  
per meeting of that governing authority and no such individual 784  
shall be compensated more than a total amount of five thousand 785

dollars per year for all governing authorities upon which the individual serves. Each member of the governing authority may be paid compensation for attendance at an approved training program, provided that such compensation shall not exceed sixty dollars a day for attendance at a training program three hours or less in length and one hundred twenty-five dollars a day for attendance at a training program longer than three hours in length.

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

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

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

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

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

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

(F) (1) A new start-up school that is established prior to August 15, 2003, in an urban school district that is not also a big-eight school district may continue to operate after that date and the contract between the school's governing authority

and the school's sponsor may be renewed, as provided under this 815  
chapter, after that date, but no additional new start-up schools 816  
may be established in such a district unless the district is a 817  
challenged school district as defined in this section as it 818  
exists on and after that date. 819

(2) A community school that was established prior to June 820  
29, 1999, and is located in a county contiguous to the pilot 821  
project area and in a school district that is not a challenged 822  
school district may continue to operate after that date, 823  
provided the school complies with all provisions of this 824  
chapter. The contract between the school's governing authority 825  
and the school's sponsor may be renewed, but no additional 826  
start-up community school may be established in that district 827  
unless the district is a challenged school district. 828

(3) Any educational service center that, on June 30, 2007, 829  
sponsors a community school that is not located in a county 830  
within the territory of the service center or in a county 831  
contiguous to such county may continue to sponsor that community 832  
school on and after June 30, 2007, and may renew its contract 833  
with the school. However, the educational service center shall 834  
not enter into a contract with any additional community school, 835  
unless the governing board of the service center has entered 836  
into an agreement with the department authorizing the service 837  
center to sponsor a community school in any challenged school 838  
district in the state. 839

**Section 2.** That existing sections 3314.015, 3314.016, and 840  
3314.02 of the Revised Code are hereby repealed. 841

**Section 3.** That sections 3314.021 and 3314.027 of the 842  
Revised Code are hereby repealed. 843

**Section 4.** That Section 265.335 of H.B. 166 of the 133rd 844  
General Assembly be amended to read as follows: 845

**Sec. 265.335.** QUALITY COMMUNITY SCHOOLS SUPPORT 846

(A) The foregoing appropriation item 200631, Quality 847  
Community Schools Support, shall be used for the Quality 848  
Community School Support Program. Under the program, the 849  
Department of Education shall pay each community school 850  
established under Chapter 3314. of the Revised Code and 851  
designated as a Community School of Quality under this section 852  
an amount equal to \$1,750 in each fiscal year for each pupil 853  
identified as economically disadvantaged and \$1,000 in each 854  
fiscal year for each pupil that is not identified as 855  
economically disadvantaged. The payment for the current fiscal 856  
year shall be calculated using the final adjusted full-time 857  
equivalent number of students enrolled in a community school for 858  
the prior fiscal year, except that if a school is in its first 859  
year of operation the payment for the current fiscal year shall 860  
be calculated using the adjusted full-time equivalent number of 861  
students enrolled in the school for the current fiscal year as 862  
of the date the payment is made, as reported by the school under 863  
section 3314.08 of the Revised Code. The Department shall make 864  
the payment to each Community School of Quality not later than 865  
January 31 of each fiscal year. 866

(B) To be designated as a Community School of Quality, a 867  
community school shall satisfy ~~at least one~~ either of the 868  
following conditions: 869

(1) The community school meets all of the following 870  
criteria: 871

(a) The school's sponsor was rated "exemplary" or 872

"effective" on the sponsor's most recent evaluation conducted	873
under section 3314.016 of the Revised Code.	874
(b) The school received a higher performance index score	875
than the school district in which the school is located on the	876
two most recent report cards issued for the school under section	877
3302.03 of the Revised Code.	878
(c) The school received an overall grade of "A" or "B" for	879
the value-added progress dimension on the most recent report	880
card issued for the school under section 3302.03 of the Revised	881
Code or is a school described under division (A)(4) of section	882
3314.35 of the Revised Code and did not receive a grade for the	883
value-added progress dimension on the most recent report card.	884
(d) At least fifty per cent of the students enrolled in	885
the school are economically disadvantaged, as determined by the	886
Department.	887
(2) The community school meets all of the following	888
criteria:	889
(a) The school's sponsor was rated "exemplary" or	890
"effective" on the sponsor's most recent evaluation conducted	891
under section 3314.016 of the Revised Code.	892
(b) The school is in its first year of operation or the	893
school opened as a kindergarten school and has added one grade	894
per year and has been in operation for less than four school	895
years.	896
(c) The school is replicating an operational and	897
instructional model used by a community school described in	898
division (B)(1) of this section.	899
<del>    (3) The community school meets all of the following</del>	900

<del>criteria:—</del>	901
<del>(a) The school's sponsor was rated "exemplary" or</del>	902
<del>"effective" on the sponsor's most recent evaluation conducted</del>	903
<del>under section 3314.016 of the Revised Code.—</del>	904
<del>(b) The school contracts with an operator that operates</del>	905
<del>schools in other states and meets at least one of the following</del>	906
<del>criteria:—</del>	907
<del>(i) Has operated a school that received a grant funded</del>	908
<del>through the federal Charter School Program established under 20</del>	909
<del>U.S.C. 7221 or received funding from the Charter School Growth</del>	910
<del>Fund;—</del>	911
<del>(ii) Meets all of the following criteria:—</del>	912
<del>(I) One of the operator's schools in another state</del>	913
<del>performed better than the school district in which the school is</del>	914
<del>located, as determined by the Department.—</del>	915
<del>(II) At least fifty per cent of the total number of</del>	916
<del>students enrolled in all of the operator's schools are</del>	917
<del>economically disadvantaged, as determined by the Department.—</del>	918
<del>(III) The operator is in good standing in all states where</del>	919
<del>it operates schools.—</del>	920
<del>(IV) The Department has determined that the operator does</del>	921
<del>not have any financial viability issues that would prevent it</del>	922
<del>from effectively operating a community school in Ohio.—</del>	923
<del>(C) <u>A-Except as provided in division (D) of this section,</u></del>	924
<del>a school that is designated as a Community School of Quality</del>	925
<del>under division (B) of this section shall maintain that</del>	926
<del>designation for the two fiscal years following the fiscal year</del>	927
<del>in which the school was initially designated as a Community</del>	928



School of Quality. 929

(D) If a school was designated as a Community School of 930  
Quality under division (B)(3) of this section as it existed 931  
prior to the effective date of this amendment, it shall maintain 932  
that designation for the first fiscal year following the fiscal 933  
year in which the school was initially designated as a Community 934  
School of Quality, but it shall be considered to be in 935  
probationary status for that fiscal year. If the school fails to 936  
show improvement, as determined by the Department, while in 937  
probationary status, the school shall lose its designation as a 938  
a Community School of Quality for the second fiscal year 939  
following the fiscal year in which the school was initially 940  
designated as a Community School of Quality. 941

**Section 5.** That existing Section 265.335 of H.B. 166 of 942  
the 133rd General Assembly is hereby repealed. 943