

### **3301-102-02    Definitions.**

The following terms are defined as they are used in the rules in this chapter:

~~(A) "Administrative services" means services designed to accomplish reasonably expected functions of a public school's daily operations, including, but not limited to, services provided by a superintendent, principal, treasurer, school psychologist, or data coordinator.~~

~~(B) "Challenged school district" means any of the following:~~

~~(1) A school district that is part of the pilot project area;~~

~~(2) A school district that meets one of the following conditions:~~

~~(a) On the effective date of this rule 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 the effective date of this rule March 22, 2013;~~

~~(b) For two of the 2012-2013, 2013-2014, and 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;~~

~~(c) For the 2015-2016 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;~~

~~(3) A big eight school district;~~

~~(4) 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.~~

(C) "Capacity" means an organization's capability of providing sufficient monitoring, oversight, and technical assistance, consistent with sponsor duties defined in division (D) of section 3314.03 of the Revised Code and as verified by the rating issued for a sponsor for the evaluation conducted pursuant to section 3314.016 of the Revised Code, which includes taking steps to intervene in a school's operations to ensure that the community schools it sponsors will meet all legally mandated fiscal, academic, and operational requirements.

(B) "Chief administrative officer" means the individual assigned the role of superintendent in the Ohio educational directory system-redesign (OEDS-R) or its successor system.

~~(D) "Conflict of interest" has the same meaning as set forth in Chapters 102. and 2921. of the Revised Code.~~

~~(E)~~ (C) "Community school" means a public school created under Chapter 3314. of the Revised Code, independent of any school district and part of the state's program of education.

~~(F)~~ (D) "Community school contract" means a written agreement and any amendments thereto, between the sponsor and the governing authority of a community school that establishes the duties, rights and responsibilities of both parties in accordance with all sections of the Revised Code and all rules of the Administrative Code that are applicable to sponsors and community schools.

~~(G)~~ (E) "Conversion school" means a community school created by converting all or a portion of an existing traditional public school or building operated by an educational service center or joint vocational school district to a community school.

~~(H)~~ (F) "Department" means the Ohio department of education.

~~(I)~~ (G) "Dropout prevention and recovery program" means:

(1) A drug recovery program operated by a community school in cooperation with a court; or

(2) A program operated by a community school meeting the following requirements:

(a) Serves only students not younger than sixteen years of age and not older than twenty-one years of age;

(b) Enrolls students who, at the time of their initial enrollment, either, or both, are at least one grade level behind their cohort age groups or experience crises that significantly interfere with their academic progress such that they are prevented from continuing their traditional programs;

(c) Requires students to attain at least the applicable score designated for each of the assessments prescribed under division (B)(1) of section 3301.0710 of the Revised Code or, to the extent prescribed by rule of the state board of education under division (D)(5) of section 3301.0712 of the Revised Code, division (B)(2) of that section;

(d) Develops an individual career plan for the student that specifies the student's matriculating to a two-year degree program, acquiring a business and industry credential, or entering an apprenticeship;

(e) Provides counseling and support for the student related to the plan developed under paragraph (G)(2)(d) of this rule during the remainder of the student's high school experience; and

(f) The instructional plan demonstrates how the academic content standards adopted by the state board of education under section 3301.079 of the Revised Code will be taught and assessed.

(H) "Dropout prevention and recovery school" means a community school in which a majority of the students are enrolled in a dropout prevention and recovery program as defined in paragraph (G). Beginning with the 2017-2018 school year, for the purposes of this definition and any other references to dropout prevention and recovery community schools in Chapter 3301-102 of the Administrative Code, a "majority" is defined as seventy-five percent or greater. The department shall establish a process by which community schools are recognized as a dropout prevention and recovery school and shall publish the process on the department of education website ([www.education.ohio.gov](http://www.education.ohio.gov)).

(I) For the purposes of section 3314.02(C)(1)(f)(iii) of the Revised Code, an "education-oriented entity" is one that has been:

(1) Granted tax-exempt status under section 501(c)(3) of the Internal Revenue Code;

(2) Is organized for one or more of the following purposes:

(a) Supporting and/or directly providing educational services and/or programs aimed at the ultimate goal of obtaining a diploma or GED; or

(b) Promoting career and college readiness among persons eligible to attend a K-12 program.

(3) The department has determined that the applicant has a demonstrated record of successfully implementing educational programs. Demonstration of the applicant's successful implementation of educational programs shall be supported by outcome data related to the goals of the applicant's educational programs and may also include process measures, financial measures and other indicators of added value to the program participants and others; and

(4) The applicant is not a community school.

(5) Pursuant to section 3314.02(C)(1)(f)(iii) of the Revised Code and for the purposes of paragraph (I)(2) of this rule, the department will determine on a case-by-case basis whether an applicant is organized for one of the purposes stated in that paragraph. In making this determination, the department shall consider, but not be limited to, the following criteria:

(a) Applicant's mission, organizational goals and strategic plan, in the event the applicant has a strategic plan;

(b) Activities that the applicant routinely engages in and/or that routinely take place in the course of a typical business day;

(c) Applicant's historical record of providing or supporting academic and/or vocational programs; and

(d) Applicant's agreements with third-party service providers regarding the provision of academic and/or vocational programs.

(6) An applicant may meet the requirement regarding its status as a tax-exempt entity by successfully showing that it falls under a parent organization that has obtained tax-exempt status under section 501(c) of the Internal Revenue Code for itself and its affiliated entities; however, all other eligibility criteria in this chapter must be met by the applicant itself and not the parent organization.

~~(K)~~ (J) "Eligible applicant entity" means either of the following:

(1) Any of the entities listed in division (C)(1) of section 3314.02 of the Revised Code;

(2) An entity described in section 3314.021 or 3314.027 of the Revised Code that received a rating below "effective" under division (B) of section 3314.016 of the Revised Code for two or more consecutive years.

~~The board of education of the district in which the school is proposed to be located;~~

~~(2) The board of education of any joint vocational school district with territory in the county in which is located the majority of the territory of the district in which the school is proposed to be located;~~

~~(3) The board of education of any other city, local, or exempted village school district having territory in the same county where the district in which the school is proposed to be located has the major portion of its territory;~~

~~(4) The governing board of any educational service center, as long as the proposed school will be located in a county within the territory of the service center or in a county contiguous to such county;~~

~~(5) The board of trustees of any of the thirteen state universities listed in section 3345.011 of the Revised Code [university of Akron, Bowling Green state university, Central state university, university of Cincinnati, Cleveland state university, Kent state university, Miami university, Ohio university, the Ohio state university, Shawnee state university, university of Toledo, Wright state university, and Youngstown state university], or a sponsoring authority designated by any such board of trustees, as long as a contractually specified mission of the proposed community school will be the practical demonstration of teaching methods, educational technology, or other teaching practices that are included in the university's teacher preparation program approved by the state board;~~

~~(6) Any qualified tax-exempt applicant under section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. 501(c)(3) (January 2009), if all of the following conditions are satisfied:~~

~~(a) The applicant has been in operation for at least five years prior to the application date;~~

~~(b) The applicant has net assets of at least five hundred thousand dollars that are owned by the applicant and verifiable by an audited financial statement provided by a certified public accountant and has demonstrated a record of financial responsibility;~~

~~(c) The state board has determined that the applicant is an education-oriented entity;~~

~~An education-oriented entity is one that has been~~

~~(i) Granted a federal non-profit certificate; and is~~

~~(ii) Organized for one or more of the following purposes:~~

~~(a) Supporting and/or directly providing educational services and/or programs aimed at the ultimate goal of obtaining a diploma or GED; or~~

~~(b) Promoting career and college readiness among persons eligible to attend a K-12 program.~~

~~The state board will determine on a case-by-case basis whether an applicant is organized for one of the purposes stated in this paragraph. In making this determination, the state board shall consider, but not be limited to, the following criteria:~~

~~(i) Applicant's mission, organizational goals and strategic plan, in the event the applicant has a strategic plan;~~

~~(ii) Activities that the applicant routinely engages in and/or that routinely take place in the course of a typical business day;~~

~~(iii) Applicant's historical record of providing or supporting academic and/or vocational programs; and~~

~~(iv) Applicant's agreements with third-party service providers regarding the provision of academic and/or vocational programs.~~

~~(d) The state board has determined that the applicant has a demonstrated record of successfully implementing educational programs; and~~

~~Demonstration of the applicant's successful implementation of educational programs shall be supported by outcome data related to the goals of the applicant's educational programs and may also include process measures, financial measures and other indicators of added value to the program participants and others; and~~

~~(e) The applicant is not a community school.~~

~~An applicant may meet the requirement regarding its status as a tax-exempt entity by successfully showing that it falls under a parent organization that has obtained tax-exempt status under section~~

~~501(c) of the Internal Revenue Code for itself and its affiliated entities; however, all other eligibility criteria in this chapter must be met by the applicant itself and not the parent organization.~~

~~(J)~~ (K) "EMIS" (~~education management information system~~) means ~~The~~ the education management information system that provides the architecture and standards for reporting data to the Ohio department of education. EMIS is the statewide data collection system for Ohio's primary and secondary education system. Staff, student, district, building, and financial data are collected through this system. The source data for Ohio's accountability and funding systems are the EMIS data files. In addition, these files are utilized for many other state and federal requirements.

~~(K)~~ (L) "Governing authority" means for both conversion and new start-up community schools a board of not less than five individuals, ~~and for conversion community schools, a board of not less than three individuals,~~ who are charged with the responsibility of establishing policies and procedures for the operation and management of a ~~new start-up or conversion~~ community school and responsible for carrying out all of the provisions of a community school contract. ~~The following stipulations apply to members of a governing authority:~~

~~(1) No person shall serve on the governing authority or operate the community school under contract with the governing authority so long as the person owes the state any money or is in a dispute over whether the person owes the state any money concerning the operation of a community school that has closed;~~

~~(2) No person shall serve on the governing authorities of more than five start-up community schools at the same time; and~~

~~(3) No present or former member, or immediate relative of a present or former member of the governing authority of any community school established under Chapter 3314, of the Revised Code shall be an owner, employee or consultant of any nonprofit or for-profit operator of a community school, as defined in section 3314.014 of the Revised Code, unless at least one year has elapsed since the conclusion of the person's membership.~~

~~(L) "Immediate relatives" means spouses, children, parents, grandparents, siblings, and in-laws.~~

(M) "Learning opportunity" means classroom-based or non-classroom-based supervised instructional and educational activities that are defined in the community school's contract and are

(1) Provided by or supervised by a licensed teacher;

(2) Goal oriented; and

(3) Certified by a licensed teacher as meeting the criteria established for completing the learning opportunity.

(N) "New start-up school" has the same meaning as defined in division (A)(5) of section 3314.02 of the Revised Code.

~~(O)~~ "Pilot project area" means the school districts included in the territory of the former community school pilot project established by section 50.52 of Am. Sub. H.B. No. 215 of the 122nd General Assembly. This "pilot project area" includes the entire territory of any school district having the majority of its territory in Lucas County.

~~(P)~~ "Preliminary agreement" means a written agreement and any amendments thereto between a proposing person or group and a sponsor that sets forth the intention of both parties to negotiate in good faith towards the execution of a community school contract in accordance with Chapter 3314. of the Revised Code. A preliminary agreement between a proposing person or group and a sponsor must be entered into under section 3314.02 of the Revised Code after the sponsor has obtained approval from the department to be a sponsor and prior to the adoption of a community school contract.

~~(Q)~~ ~~(P)~~ "Site visit" means a visit in person by a representative of the sponsor, or of the department, on-site at the location of the school with the school administrator, fiscal officer, and/or member(s) of the governing authority to review and verify contractual, local, state and federal compliance as to the following matters, including, but not limited to: health and safety, educational program, including provision of student learning opportunities as referenced in division (A)(23) of section 3314.03 of the Revised Code and as defined in ~~paragraph~~ paragraph (M) of this rule, student state-required academic assessment(s), fiscal operations, governance and administration, and other assessment and accountability measures, as defined in the community school's contract.

~~(R)~~ ~~(Q)~~ "SOES" ~~(School options enrollment system)~~ means The SOES the school options enrollment system or its successor system, which is the EMIS subsystem that drives funding for students in community schools and STEM Schools. This Web application is used to enter and review student enrollment and demographic data to form the basis for the flow of funds to community schools and STEM schools. School personnel enter data in the SOES and traditional public school personnel review, verify, or challenge that data.

~~(S)~~ ~~(R)~~ "Sponsor" means any of the following:

(1) An eligible entity that has been approved by the department to sponsor new start-up community schools and that has entered into a sponsorship agreement with the department regarding the manner in which it will conduct its sponsorship; ~~or~~

(2) An entity that is exempted by section 3314.021 or 3314.027 of the Revised Code from obtaining approval; ~~or~~

(3) Prior to July 1, 2017, a ~~A~~ city, local, or exempted village school district, educational service center, or joint vocational school district that has entered into a community school contract to sponsor a conversion community school; or

(4) On and after July 1, 2017, a city, local, or exempted village school district, educational service center, or joint vocational school district that has been approved by the department to be a sponsor and has entered into a community school contract to sponsor a conversion community school.

~~(T)~~ "Sponsor capacity" means an organization's capability of providing sufficient technical assistance, oversight, and monitoring, consistent with sponsor duties defined in division (D) of section 3314.03 of the Revised Code, which includes taking steps to intervene in a school's operations to ensure that the community schools it sponsors will meet all legally mandated fiscal, academic, and operational requirements.

~~(U)~~ ~~(S)~~ "Sponsor monitoring, oversight, and technical assistance" means ~~actions taken by the sponsor to fulfill its legal obligations to monitor all aspects of a school's fiscal, academic and operational performance, including, but not limited to, compliance with applicable rules, laws, and all terms of the community school's contract~~ includes the following:

(1) Monitoring a community school's compliance with all laws applicable to the school and with the terms of the school's contract;

(2) Monitoring and evaluating the academic and fiscal performance and the organization and operation of the school on at least an annual basis;

(3) Reporting on an annual basis the results of the evaluation conducted under division (D)(2) of section 3314.03 of the Revised Code to the department and to the parents of students enrolled in the school;

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

(5) Taking steps to intervene in the school's operation to correct problems in the school's overall performance, declaring the school to be on probationary status pursuant to section 3314.073 of the Revised Code, suspending the operation of the school pursuant to section 3314.072 of the Revised Code, or terminating the contract of the school pursuant to section 3314.07 of the Revised Code as determined necessary by the sponsor;

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

(7) Other activities designed to specifically benefit the school the entity sponsors.

~~(W)~~ ~~(T)~~ "Sponsorship agreement" means a written agreement, and any amendments thereto, between the department and a sponsor which establishes the duties, rights and responsibilities of both parties in accordance with all sections of the Revised Code and all rules of the Administrative Code that are applicable to sponsors and community schools.

~~(W)~~ ~~(U)~~ "State board" means the state board of education.

~~(X)~~ ~~(V)~~ "Technical assistance" means the provision of targeted and customized supports by professionals with subject matter expertise relevant to the operations of a community school toward successfully fulfilling its obligations under applicable rules, laws and the terms of its community school contract.

### **3301-102-03 Approval of sponsors.**

(A) The department shall establish the annual application and approval process, including cycles and deadlines during the fiscal year, for eligible entities that may become or continue to be sponsors of new start-up and/or conversion community schools ~~in challenged school districts~~ and post that information on the department's website (education.ohio.gov) by ~~July~~ March first each year.

~~(B) An eligible entity shall obtain a written application from the department to become a sponsor and shall complete it and submit it to the department no later than the deadlines posted on the department's website.~~ Eligible entities may apply for approval by the department of education to sponsor community schools. In addition to specific eligibility requirements for certain entities, as described in rule 3301-102-02 of the Administrative Code, the applicant will be assessed as to the following:

(1) Organizational commitment and capacity;

(2) Rigor and scope of its application process and decision-making for new and existing community schools seeking sponsorship;

(3) Thoroughness and specificity of operational and academic performance requirements as used in the community school contract;

(4) Its system of community school oversight and monitoring;

(5) Rigor and scope of community school contract renewal and termination decision-making;

(6) Provision of technical assistance;

(7) Demonstrate that if the applicant sponsors or operates schools in another state, at least one of the schools sponsored or operated by the applicant must be rated comparable to or better than the performance of Ohio schools graded "C" under section 3302.03 of the Revised Code or its successor system; and

(8) In the case of an existing sponsor, the sponsor's most recent rating under section 3314.016 of the Revised Code.

~~(C) Confirmation of applications received shall be posted on the department's website.~~

~~(D)~~ The department shall provide written notice to each applicant of the department's approval or reasons for disapproval of each application after completion of the department's review process.

~~(E) An applicant shall provide as part of its initial written application, as well as during the application review process, evidence requested and deemed necessary by the department, including, but not limited to, evidence of its capacity as a sponsor and willingness to do all of the following:~~

~~(1) Demonstrate that the applicant is an eligible entity capable of sponsoring a new start-up school(s) to be located in a challenged school district(s);~~

~~(2) Demonstrate that the applicant has a record of financial responsibility and successful implementation of educational programs;~~

~~(3) Demonstrate that if the applicant sponsors or operates schools in another state, at least one of the schools sponsored or operated by the applicant must be rated comparable to or better than the performance of Ohio schools rated in continuous improvement or its successor equivalent rating under section 3302.03 of the Revised Code;~~

~~(3) (4) Demonstrate, in its application that the applicant or its representative(s) possess the requisite skills, professional knowledge and expertise to, provide technical assistance and monitor, oversee, and hold accountable for compliance with all applicable laws, rules, and terms of the community school contract for each community school that it proposes to sponsor;~~

~~(4) (5) Demonstrate the applicant's specific willingness to comply with all other sections of the Revised Code and all rules of the Administrative Code which are applicable to sponsors and community schools.~~

(D) Any applicant that has been approved to ~~act as~~ become a sponsor or continue to be a sponsor of a community school shall enter into a sponsorship agreement with the department regarding the manner in which the applicant shall conduct such sponsorship before it enters into any preliminary agreement ~~or~~ and community school contract.

~~(G)~~ (E) The decision of the department to disapprove an applicant for sponsorship of a community school may be appealed by the applicant in accordance with section 119.12 of the Revised Code.

#### **3301-102-04 Sponsorship agreement.**

(A) The duties and responsibilities of a sponsor ~~of a new start-up community school in a challenged school district~~ shall be specified in a sponsorship agreement with the department. In addition to duties of the sponsor specified in the Revised Code and Administrative Code, duties and responsibilities include, but are not limited to, the following:

(1) Attend training sessions as required by the department, and assure that technical assistance is provided to the community school(s) that it sponsors;

~~(2) A sponsor shall not require a community school to purchase additional services from the sponsor. A community school's accepting, purchasing, subscribing to, or otherwise using any additional services and the associated fees offered by a sponsor shall be accompanied by the written assurances of the sponsor that the additional administrative services being provided:~~

~~(a) Pose no conflict of interest in accordance with Chapters 102. and 3301. of the Revised Code, and related statutory provisions, and;~~

~~(b) Shall be obtained at the lowest and best price at or below market value, as evidenced by two written price quotations from vendors not including that of the sponsor, or;~~

~~(c) If the community school accepts the sponsor's offer to provide the additional administrative services which was not the lowest written price quotation, the sponsor has received the community's school's justification, in writing, for not selecting the lowest written price quotation, which shall be approved and adopted by the community school's governing board by resolution.~~

~~All documentation required by paragraph (A) (3) of this rule shall be provided to the department upon request;~~

~~(3) Monitor and evaluate the community school's compliance with all laws and rules applicable to the community school and with the terms of the preliminary agreement and the community school contract;~~

~~(a) Conduct comprehensive site visits to the community school as necessary, but at least twice annually while classes are in session; and~~

~~(b)~~ (3) Make written reports of all information obtained during site visits, and provide written reports of all site visits to the department upon request.

(4) Upon request of the department, provide current documentation of the sponsor's capacity to ~~monitor and~~ provide monitoring, oversight, and technical assistance to each community school that it sponsors concerning the community school's compliance with all laws and rules applicable to the community school's operations.

(5) Provide the department with immediate notice of any adverse media coverage into the sponsor’s monitoring, oversight, or technical assistance of any community school(s) and/or the compliance with law or rule of any community school(s) with which the sponsor has contracted.

(B) ~~The~~ In addition to the terms required to be included in the sponsorship agreement between the department and sponsor described in Chapter 3314. of the Revised Code, the sponsorship agreement between the department and the sponsor shall also include:

~~(1) The number of preliminary agreements and community school contracts into which a sponsor may enter;~~

~~(2) The geographic area in which the entity shall have authority to sponsor new start-up community schools; and~~

~~(3)~~ The term of the sponsorship agreement.

Initially, the conditions and term of the first sponsorship agreement entered into between the department and a newly approved applicant shall be based upon the entity's capacity as demonstrated in its sponsorship application. Sponsors may seek to modify their sponsorship agreement with the department prior to the expiration of the term of the sponsorship agreement as well as at the time of the sponsorship agreement's renewal. The department's decisions regarding modification requests will be based upon the sponsor's compliance with reporting requirements and the results of the sponsor evaluation performed in accordance with section 3314.016 of the Revised Code ~~department's assessment of the sponsor performance review and sponsor metrics reported for all sponsors by the department and as specified in statute.~~ The department shall consider such proposed modifications in a timely manner.

(2) Adherence to quality practices

The sponsorship agreement between a sponsor and the department of education shall require the sponsor to adhere to quality practices prescribed by the department in accordance with section 3314.016 of the Revised Code.

(3) Quality Improvement Plan

The sponsorship agreement between a sponsor and the department of education shall require the sponsor to comply with the terms of a quality improvement plan if such a plan is established by the department of education as a result of the sponsor’s overall rating of “ineffective” on the evaluation performed in accordance with section 3314.016 of the Revised Code.

(4) Third-Party Beneficiary

The sponsorship agreement between a sponsor and the department of education shall require the sponsor to name the department of education as an intended third party beneficiary of any current or future contract entered into between the sponsor and a community school in accordance with section 3314.03 of the Revised Code. As a third party beneficiary, the department of education

shall have the right to enforce the terms of the community school contract against the community school as if it were the sponsor in the following circumstances:

(a) Evidence of conditions or violations of law at the community school that pose an imminent danger to the health and safety of the school's students and/or employees;

(b) Evidence of an egregious act of financial mismanagement resulting in loss and/or fraud, waste, or theft of public funds;

(c) Evidence a community school has a negative cash flow balance for two consecutive school years, is indebted to the sponsor or the community school operator, as defined by section 3314.02(A)(8) of the Revised Code, and the sponsor has not developed and implemented a corrective action plan which requires the community school to demonstrate viability as a going concern.

(d) Evidence a community school implemented an education program that is not permitted by Ohio law or rule or is not described in the in the community school contract, and the sponsor has not developed and implemented a corrective action plan which requires the community school to implement an education program permitted by Ohio or law or rule;

(e) Evidence a community school has failed to administer any assessments required by Ohio law and/or rule, including but not limited to the assessments required by sections 3301.0710, 3301.0712, and 3314.017 of the Revised Code, and the sponsor has not developed and implemented a corrective action plan which requires the community school to administer any assessments required by Ohio or law or rule;

(f) Upon a finding by the state board of education that the sponsor is unable or unwilling to fulfill its obligations under criteria in section 3314.015 of the Revised Code, other criteria for sponsorship contained in Chapter 3314. of the Revised Code, the sponsorship agreement, or criteria in the Administrative Code.

#### (5) Annual Report of Revenues and Expenditures

Beginning with the 2016-2017 school year, the sponsor shall submit an annual report of all revenues received in accordance with section 3314.03(C) of the Revised Code and all expenditures made to provide monitoring, oversight, and technical assistance to the community schools it sponsored. Such a report shall be submitted not later than August fifteenth following the conclusion of each school year and shall be in the format and manner prescribed by the department of education.

#### (6) Criteria and Documentation Requirements for Student Participation in Learning Opportunities

The sponsorship agreement between a sponsor and the department of education shall require the sponsor to ensure classroom-based and non-classroom based learning opportunities at community school(s) which it sponsors comply with criteria and documentation requirements for student participation established by the department of education in accordance with section 3314.08(H)(2)

of the Revised Code. Such criteria and documentation requirements for student participation shall be published on the department of education website (education.ohio.gov) annually as part of the “FTE Review and Community School Enrollment” manual.

(C) ~~The term of the sponsorship agreement shall be specified in the sponsorship agreement.~~ At least one hundred eighty days prior to the expiration of the sponsorship agreement term, the sponsor shall notify the department as to its intent regarding the renewal of its sponsorship agreement, but nothing in the sponsorship agreement precludes the sponsor from seeking an earlier ~~sponsor~~ sponsorship agreement renewal decision from the department. In any case when a sponsor becomes unwilling or unable to fulfill the obligations under the sponsorship agreement, a sponsor shall notify the department at least one hundred eighty days prior to any termination of the sponsorship agreement.

(D) A sponsor shall not enter into any new or successor community school contract which has a term exceeding the term of the sponsorship agreement, unless the sponsor has been rated “exemplary” under section 3314.016 of the Revised Code for at least two consecutive years, beginning with the 2015-2016 school year. If the sponsorship agreement is renewed, a new term shall be specified in the renewed sponsorship agreement based upon the entity's capacity and its effectiveness as a sponsor as assessed by the department's review of the sponsor's performance during the preceding term of the sponsorship agreement and evaluations of the sponsor conducted under section 3314.016 of the Revised Code.

(E) The department may require actions of the sponsor to correct deficiencies in the sponsor's compliance with its obligations in rule and/or law and may impose restrictions on the conditions of the sponsorship agreement if such deficiencies are not remedied in a reasonable time based on the circumstances.

(F) In accordance with rule 3301-102-07 of the Administrative Code, the department may terminate the sponsorship agreement upon a finding of the state board of education that a sponsor is unable or unwilling to fulfill its obligations under criteria in section 3314.015 of the Revised Code, other criteria for sponsorship contained in Chapter 3314. of the Revised Code, the sponsorship agreement entered into in accordance with this section, or other criteria in the Administrative Code.

(G) In accordance with section 3314.016 of the Revised Code, the department may terminate the sponsorship agreement upon a finding by the state board of education that revocation of sponsorship authority is appropriate after the sponsor received an overall rating of “poor” in any one year or an overall rating of “ineffective” for three consecutive years on the evaluation system established by the department.

(H) Notwithstanding paragraphs (F) or (G), the department may terminate the sponsorship agreement if a sponsor fails to perform any of its obligations under the sponsorship agreement and such failure to perform continues uncured for more than thirty days after written notice by the department. However, the department may immediately terminate the sponsorship agreement if the department determines a sponsor is unable or unwilling to comply with all laws applicable to sponsors and community schools and there is evidence of the following:

(1) Conditions or violations of law at a community school that pose an imminent danger to the health and safety of the school's students and/or employees.

(2) Evidence of an egregious act of financial mismanagement resulting in loss and/or fraud, waste or theft of public funds.

(I) In the event this agreement is terminated in accordance with paragraphs (F), (G), or (H), the department shall assume the sponsorship of any community school(s) with which the sponsor has contracted for the remainder of the current school year and may elect to continue sponsoring any community school(s) until the earlier of up to the expiration of two school years or until a new sponsor as described in division (B) or (C)(1) of section 3314.02 of the Revised Code, as applicable, is secured by the community school's governing authority.

DRAFT

**3301-102-05 Monitoring and reporting requirements for all sponsors.**

(A) ~~The~~ In addition to a sponsors' responsibilities under the Revised Code and Administrative Code, the monitoring and reporting duties and responsibilities of all community school sponsors include, but are not limited to, the following:

~~(1) Verification through site visit prior to the community school's opening for instruction and provision in writing of the annual assurances for each sponsored school no later than ten business days prior to the opening of the school as required by section 3314.19 of the Revised Code~~

~~(2) Monitor, evaluate and report the community school's compliance with all laws and rules applicable to the community school and with the terms of the preliminary agreement and the community school contract, including, but not limited to, the following:~~

~~(a) Conduct comprehensive site visits to the community school as necessary, but at least twice annually while classes are in session; and~~

~~(b)~~ (2) Make written reports of all information obtained during site visits, and provide written reports of all site visits to the department upon request.

~~(3) Monitor and evaluate the academic and fiscal performance and the organization and operation as well as the legal compliance of the community school, and submit a written report of the evaluation results to the parents of students enrolled in the community school and to the department by November thirtieth of each year;~~

~~(4) Notify the department within one business day of a community school's failure to comply with applicable state or federal laws, rules, or contractual requirements, as well as any financial difficulties, if such failure to comply or financial difficulties occur and may result results in the sponsor's taking any actions outlined in sections 3314.07, 3314.072, or 3314.073 of the Revised Code. determination to declare the community school to be on probationary status, to suspend the operation of the community school, or to terminate the community school contract. In such circumstances, the sponsor shall provide written notice to the department within thirty ten business days of the community school's noncompliance or financial difficulties specifying the exact nature of the problem and the plan for and status of any resolution.~~

~~(5) Upon request of the department, and when participating in the department's review of sponsor performance, provide an update demonstrating that the sponsor and its representative(s), including those it engages, possess the requisite skills, professional knowledge and expertise to monitor and provide technical assistance to each community school under its sponsorship.~~

~~(6) Comply with the financial reporting requirements as established by the department and report the financial record separately for each community school that the entity sponsors in accordance with applicable accounting standards and as prescribed by all applicable sections of the Revised Code and rules of the Administrative Code;~~

~~(7)(4)~~ Have in place a written plan of action to be undertaken in the event that the community school experiences financial difficulties or closes prior to the end of a school year, consistent with requirements of division (E) of section 3314.015 of the Revised Code ~~including, but not limited to, the handling of facilities, equipment, materials, supplies, employees, students, school records, which include student records that are consistent with section 3314.44 of the Revised Code, and address any other obligations of the community school and submit the written plan to the department upon request.~~

(B) A sponsor shall notify the department in writing within twenty-four hours of the execution of each preliminary agreement or community school contract.

(C) A sponsor shall submit a copy of each preliminary agreement, community school contract adoption resolution, executed community school contract, and any amendments thereto, in the format required by the department to the department within ten business days of executing any such agreement, contract or amendments.

(D) Sponsors shall respond in a timely manner to reasonable requests from the department for information, data, and documents. Sponsors shall also investigate any complaints or allegations of noncompliance with law, rule, or contract regarding sponsored community schools and report the results of the investigation to the department in a timely manner. The department may require the sponsor to conduct further investigation following review of the report submitted pursuant to this paragraph.

### **3301-102-07   Revocation of sponsorship authority.**

(A) The department shall notify the sponsor within a reasonable time under the circumstances that it intends to seek a finding by the state board of education that the sponsor is non-compliant pursuant to the criteria in section 3314.015 of the Revised Code, other criteria for sponsorship contained in Chapter 3314. of the Revised Code, the sponsorship agreement, or criteria in the Administrative Code. The notice shall give the sponsor ten business days to submit a corrective action plan to the department. The department shall determine whether the corrective action plan demonstrates a satisfactory remedy for the deficiencies. If the corrective action plan is not satisfactory, the department shall notify the sponsor and may elect to seek a finding of non-compliance from the state board of education.

(B) ~~Notwithstanding paragraph (A) of this rule~~ Upon consideration of a request from the department as referenced in paragraph (A) of this rule, the state board may make a finding and outline the basis for such a finding of non-compliance. ~~time the state board finds that a sponsor is not in compliance with, or is no longer willing to comply with, any of the following:~~

~~(1) Any section of the Revised Code or any rule of the Administrative Code that is applicable to sponsors or community schools;~~

~~(2) The sponsorship agreement to which it is a party; or~~

~~(3) Any community school contract to which it is a party.~~

(C) The department shall notify the sponsor, in accordance with section 119.07 of the Revised Code, and all of the community schools that it sponsors within ~~ten business~~ thirty days of ~~its~~ the state board's finding. ~~If the state board of education makes a finding pursuant to paragraph (B) of this rule, it shall notify the sponsor of its decision in accordance with Chapter 119. of the Revised Code.~~

(D) If the ~~request for~~ sponsor requests a hearing in accordance with section 119.07 of the Revised Code ~~is received within ten business days,~~ the state board or its designee shall conduct a hearing on that matter in accordance with Chapter 119. of the Revised Code.

(E) Upon conclusion of the hearing, if conducted by the state board, or upon consideration of a designated hearing officer's report and recommendation, the state board may confirm, modify, or reverse its finding. If the finding is confirmed, the department may revoke the sponsor's authority to sponsor community schools. If the department decides to revoke the sponsor's authority, it shall issue a notice to the sponsor of its right to appeal the decision to the court of common pleas in Franklin County, Ohio in accordance with ~~Chapter 119. section 119.12~~ section 119.12 of the Revised Code.

(F) In accordance with section 3314.015 of the Revised Code, the department ~~may~~ shall assume the sponsorship of any community school(s) with which the sponsor has contracted for the remainder of the current school year and may elect to continue sponsoring any community school(s) until the earlier of up to the expiration of two school years or until a new sponsor as

described in division (B) or (C)(1) of section 3314.02 of the Revised Code, as applicable, is secured by the community school's governing authority.

~~(G) The resolution of the state board confirming the revocation of the sponsor's authority to sponsor community schools may be appealed by the sponsor in accordance with section 119.12 of the Revised Code. The department's decision to revoke a sponsor's authority to sponsor community schools may be appealed by the sponsor in accordance with section 119.12 of the Revised Code.~~ In the event the ~~department or the~~ office of Ohio school sponsorship or its successor assumes the sponsorship of any community school(s) with which the sponsor holds current community school contracts, the department will have the authority, rights and responsibilities of a sponsor pursuant to Chapter 3314. of the Revised Code including, but not limited to, providing monitoring, oversight, and technical assistance and, as needed, the authority to place said community school(s) on probation, suspend, not renew or terminate a contract pursuant to Chapter 3314. of the Revised Code.