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Selected highlights of finalized MBR legislation summarized

Substitute Senate Bill (SB) 316, which contains the education policy portions of the Mid-biennium Budget Review (MBR), was approved by the General Assembly and was signed by the Governor on Monday, June 25. It includes the third-grade reading guarantee, clarifications to teacher evaluations and a number of additional changes. The [ODE website](#) includes an MBR Summary (see *SB 316 – As Enrolled*), but following are some items of particular interest to school treasurers. The bill:

- Alters the expenditure standards and rankings, delays the State Board's approval of the standards, aligns standards with federal reporting categories, requires reporting of the standards by districts and community schools to begin on July 1, 2013, and eliminates the requirement to calculate rankings retroactively (Ohio Revised Code [ORC] 3302.20-.25).
- Establishes a definition of "blended learning" and requires the State Board of Education to revise any minimum operating standards to include standards for the operation of blended learning (ORC 3301.079 and 3302.41).
- Expands the ability of community schools in operation since May 2005 to operate in a residential care facility (Section 610.10 of SB 316).
- Codifies, with some alterations, processes for district of residence and enrollment practices for community schools, including a required monthly review by resident districts and a dispute resolution process (ORC 3314.11).
- Permits an ESC educating a child in the custody of a county or district juvenile detention facility to directly bill the school district responsible for paying the cost of educating that child (ORC 3313.847).
- Specifies that for children placed in the custody of either a government agency or a person other than the child's parent, the deduction for the payment of EdChoice scholarships will be made from the school district that includes the child in its ADM for funding purposes (ORC 3310.08).
- Requires a second EdChoice application period for the 2012-2013 school year for eligible students who attended a nonpublic school in 2011-12 when the school received its charter (Section 733.70 of SB 316).
- Changes provisions governing the sale or lease of school district property to: 1) require that college preparatory boarding schools also be given the right of first refusal; 2) permit community schools and college preparatory boarding schools currently not located in the district be added to the list of those given the right of first refusal; 3) require that the appraised fair market value of the property be determined by an appraisal that is not more than one year old; and 3) allow nonprofit private colleges and universities and chartered nonpublic schools to be included in the list of entities that may purchase school district real property after the right of first refusal is implemented (ORC 3313.41).

- Allows for 1) the establishment of a group of STEM schools to operate from multiple facilities under a single governing body; and 2) the establishment of STEM schools to serve only gifted students (ORC 3326.03 and ORC 3326.031).
- Prohibits the accrual of sick leave for substitutes, adult education instructors who are scheduled to work less than the full-time equivalent of 120 days per school year, and persons who are employed on an as-needed, seasonal or intermittent basis (ORC 124.38).
- Includes “law enforcement emergencies” within the description of “calamity day” (ORC 3317.01 and ORC 3314.36).

Beyond Boundaries Web page offers action plan for shared services

Late last month, the Ohio Office of Budget and Management launched BeyondBoundaries.ohio.gov, which contains an action plan, promising practices and examples of shared services for school districts and local governments. It also includes 10 recommendations to help schools and governments find ways to create shared service opportunities, identify barriers and ensure the quality of services provided. The plan is a comprehensive study that is designed to identify recommendations, potential collaborations and needed changes to the overall way of doing business in Ohio’s public sector. It shows how local leaders can benefit by shared service options and provides a roadmap for taking the next steps to succeed.

Highlights of Ohio’s ESEA Flexibility Waiver outlined

With Ohio’s Elementary and Secondary Education Act (ESEA) Flexibility Waiver, districts will have flexibility from sanctions and reporting requirements previously mandated. To receive this flexibility, Ohio has agreed to adapt college and career-ready expectations, dedicate more resources to close sub-group achievement gaps and implement an evaluation system that will support effective instruction and leadership. ODE’s [ESEA Flexibility Waiver](#) Web page provides many important details about the provisions waived by the U.S. Department of Education. Below is a quick summary of these provisions:

1. Highlights of the provisions **no longer required**:
 - a. Supplemental Educational Services.
 - b. Public School Choice (PSC).
 - i. Students who have used PSC as a transfer option **must be offered** the choice to complete the highest grade level of the building to which they transferred.
 - ii. Transportation **is not required**; however, it is a district choice and can be a set-aside from Title I if the district chooses to continue to offer transportation.
 - c. 10 percent required set-aside for professional development for LEAs identified in District Improvement.
2. LEAs with Priority, Focus, Alert and/or Low-Performing Title I schools or LEAs in High, Medium, or Low Support must set-aside 20 percent of their Title I allocation to assist with reading interventions and a list of other options from the LEAs School Improvement Plan.
 - a. For more information on options for the 20 percent set-aside, please click [here](#) and review page 118 of Ohio’s ESEA Flexibility Waiver or slides 26-28 of the ESEA Flexibility Waiver Webinar.
3. Title I, Sub A funds will be awarded to schools identified as Priority or Focus **after** the Local Report Cards are released in August.
4. The waiver offers greater fiscal flexibility to transfer funds into Title I, Part A, if you so choose. For assistance with this provision, please contact your consultant in the Office of Federal Programs.

Preliminary Title I funds have been loaded into the CCIP based on early estimates from USDOE. In early July, ODE will load final preliminary allocations. This could require a revision or change to your FY13 Consolidated Application.

FY 2013 application for supplemental K12 connectivity subsidy is available

As you may remember, the Ohio K-12 Network was created in FY 2000 to provide funding to assist districts in connecting to the statewide Educational Technology Network, which links Ohio classrooms to

each other and the Internet. Traditional public, community and joint vocational schools, as well as qualifying Educational Service Centers, may complete the FY 2013 application for a per-building subsidy of \$1,800. Nonpublic schools should contact their Information Technology Centers to inquire about their eligibility and application requirements for this subsidy. More detailed information is available on the [eTech website](#), where the online application is posted. Questions about the technical aspects of the application should be directed to Scott Gaughan at scott.gaughan@etech.ohio.gov or (614) 485-6004; or to Robb Cass at robert.cass@etech.ohio.gov or (614) 485-6448. Fiscal questions should be directed to Mitch Meredith at mitch.meredith@education.ohio.gov or (614) 995-4005.

Jon Peterson Special Needs Scholarship Program award process begins

ODE has begun reviewing applications and awarding Jon Peterson Special Needs scholarships to eligible students. The program was established during the current biennium budget and provides funding for students with disabilities to enroll in a program other than the one operated by their public school districts. Scholarship awards are based on the student's disability condition and range from \$7,196 to \$20,000 annually.

District-level information is available from the person assigned the SAFE role of "Reviewer-JPSN." The district deduction for scholarship recipients will begin in August as estimated amounts and will be recalculated with each district payment report throughout the year.

Pupil transportation report is due soon

The **T2 report**, which must be completed and submitted by **Aug. 1**, collects all costs for pupil transportation services provided during the school year. The report also separates special education transportation cost from regular education cost. This is a Web-based report that is accessed through the SFPS system. Typically, this report is completed cooperatively between the transportation office staff and the treasurer. The report must be signed by the treasurer and superintendent before submission. Boards of Developmental Disabilities that provide school-age student transportation also are required to submit this report to receive pupil transportation funding. To keep abreast of other related report due dates, check the [Calendar of T Report Deadlines](#).

Save the dates for regional treasurers clinics

Treasurers, members of school finance offices and district officials will benefit from one of the regional day-long Treasurers' Clinics planned in five locations in September. Although the agenda is still under development, it will include shared service examples, the expenditure standards and other topics. ODE, the Ohio School Boards Association (OSBA) and the Ohio Association of School Board Officials (OASBO) are sponsoring the series.

Dates and locations will be: Sept. 5, Athens; Sept. 7, Rootstown; Sept. 19, West Chester; Sept. 20, Worthington; and Sept 27, Perrysburg. Registration and more details will be announced through OSBA and/or OASBO. Register [here](#) for a regional clinic.

New fiscal year calendar now available; remember calamity day plans due July 31

The Fiscal Year 2013 School Finance calendar was updated and is now available [here](#). Important dates include the **July 31** deadline for makeup of excess calamity days via online lessons. See details [here](#).

For more information, contact your [area coordinator](#) or the ODE staff member below.

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