

Quarterly Performance Report

October 1, 2016 thru December 31, 2016

Grant activities:

Ohio Department of Education (the Department) has been under a due diligence review by the U.S. Department of Education (USDoE) and therefore has not expended any federally awarded grant funds during this reporting period. ODE has continued to respond in a timely manner to USDoE during the federal review, and it had been Ohio's intention to complete the following steps during the last quarter of federal fiscal year 2015, through September 30, 2016, for which expenses would have been incurred against the grant:

1. Request reimbursement for two delegates' expenses from attending the 2016 Project Directors meeting in Washington D. C.;
2. Develop and disseminate information about the CSP grant program to interested parties including potential developers, sponsors, teachers, parents, communities and other stakeholders;
3. Develop detailed written subgrant guidelines, build the subgrant application in Ohio's online grant portal, and issue the Year 1 Notice of Grant Opportunity;
4. Develop detailed monitoring and support plan for all aspects of monitoring and technical assistance; and
5. Develop detailed project data collection and analysis plan.

Regarding item 1, the Department will not be seeking reimbursement for the expenses incurred while attending the 2016 Project Directors meeting in Washington, D.C. Also in regards to items 2, 3 and 4 (above), the Department is continuing to develop information about the CSP grant program and will disseminate the information beginning February 2017. The Department is remaining steadfast in the development of written subgrant guidelines and will build the subgrant application in Ohio's online grant portal before the end of March 2017. Also during this current reporting period, October through December 2016, the state has submitted to USDoE the Request for Application (RFA) in draft form, as well as the monitoring protocol and the support plan for all aspects of monitoring and technical assistance; those items will be finalized no later than February 2017. Regarding item 5 (above), the Department is currently working to finalize the project data collection and analysis plan and will submit this plan to USDoE no later than January 6, 2017.

Ohio's first evaluation of community school sponsors (authorizers) was completed and ratings were released on October 13, 2016. The sponsor evaluation framework is made up of three equally weighted components: Academic Performance, Compliance with Rules and Laws, and Quality Practices. The evaluation has consequences for sponsors. Of the 65 sponsors rated for the 2015-2016 school year, none were rated exemplary overall; five were rated effective overall; 39 were rated ineffective overall and 21 were rated poor overall. Sponsors who were rated poor lose their authority by operation of law, subject to an appeal. For any schools whose sponsor's authority is revoked, the Department's Office of School Sponsorship will assume sponsorship.

Sponsors who receive an overall “ineffective” rating are currently working through the quality improvement plan (QIP) process. Ineffective sponsors were required to submit QIPs addressing areas of practice needing improvement on or before December 12, 2016. The Department is currently reviewing the submitted QIPs and for those sponsors with unacceptable plans, the Department will place those sponsors under a corrective action plan.

Also during this reporting period, the Department has:

- Finalized the Advisory Committee Charter;
- Identified potential Advisory Committee members. and during the last two weeks of the reporting period will reach out to the selected committee members requesting their participation;
- Worked to update the Agreed Upon Procedures to include recommendations from USDoe;
- Began work with the Auditor of State regarding the Agreed Upon Procedures and the independent monitor;
- Submitted the draft Request For Application (RFA) to USDoe
- Submitted the draft Monitoring Protocol to USDoe; and
- Began the development of the Charter School Grant web page.

During the last three quarters of the current federal fiscal year, January 1, 2017 through September 30, 2017, Ohio will:

- Finalize internal grant-related processes;
- Receive Round 1 Subgrant applications, conduct the peer review process and make Round 1 Subgrant awards;
- In July 2017, the funding for round 1 sub-grant will begin to flow. The number of subgrants are estimated to be a portion of the initial expectation due to the low number of sponsors receiving the necessary evaluation rating; the Department currently anticipates awarding:
 - 4 - Planning subgrants at \$100,000 each; (projected numbers only)
 - 4 - Year 1 Implementation subgrants at \$350,000 each; (projected numbers only)
 - 2 – Year 2 Implementation subgrants at \$250,000 each; and
- Begin Round 1 subgrantee program monitoring.

Grant expenditures:

\$0.00 expended from Grant Funds for the current reporting period.

Update on grant project timelines:

The project timeline has been updated.

[Attached: Ohio High-Risk Condition Gantt chart 12 20 2016](#)

5	Subgrant Competition				
5.1	Authorizer Evaluation and Quality Control	Ohio	✓	Wed 9/14/16	Thu 10/13/16
5.2	subgrantee eligibility screening/Development of Scoring Rubric	Ohio	✓	Wed 9/14/16	Mon 2/06/17
5.3	RFA process and copy of RFA	Ohio		Tue 1/31/17	Tue 5/30/17
5.3.1	Approval of the RFA by ED	ED		Tue 1/31/17	Mon 2/06/17
5.3.2	Notice of Grant Opportunity	Ohio		Mon 2/13/17	Tue 5/30/17
5.3.3	RFA Publish Date	Ohio		Sat 4/01/17	Fri 4/07/17
5.3.4	Projected Subgrant RFA release date and close date	Ohio		Mon 5/01/17	Tue 5/30/17
5.4	Subgrant award process	Ohio		Sat 4/01/17	Fri 6/30/17
5.4.1	pre-application training	Ohio		Sat 4/01/17	Sun 4/30/17
5.4.2	selection and training of reviewers	Ohio		Sat 4/01/17	Tue 5/30/17
5.4.3	budget reviews, internal screening, and risk assessment	Ohio		Thu 6/01/17	Fri 6/30/17
5.4.4	award determination process	Ohio		Thu 6/01/17	Fri 6/30/17
5.5	processing of subgrantee payments (written protocols)	Ohio	✓	Wed 9/14/16	Mon 1/30/17
5.6	Ensuring subgrantee adherence to all program requirements (written protocols)	Ohio	✓	Wed 9/14/16	Mon 1/30/17

Updates on the timeline for implementing the Authorizer Quality Performance Review and how the implementation status impacts the grant budget:

With the release of the first Sponsor Evaluation ratings, the pipeline of potential applicants is smaller than anticipated. Sponsors rated ineffective will complete quality improvement plans and will work to receive an overall rating of effective or higher during the next round of evaluations, thus increasing the pipeline of potential applicants. Given the rigor of the evaluation, limiting applicants to those sponsors rated effective or higher increases the probability of opening successful community schools.

The second round of the Sponsor Evaluation process began with a webinar on November 29, 2016. The webinar overviewed the proposed changes in the Sponsor Evaluation System for 2016-2017, those proposed changes are available on the Department’s website: <http://education.ohio.gov/Topics/Community-Schools/Sponsor-Ratings-Rules-Evaluation-Tools>

As noted, in the webinar and the web link, the Department is accepting public comments on the proposed revisions to the evaluation framework through December 31, 2016. The final version of the evaluation framework will be released on January 23, 2017, and in-person training for the second round of sponsor evaluations is currently being planned and will be held on January 31, 2017.

Updates on audit findings and resolutions of audits involving charter schools in Ohio: including the authorizers' responsibility and involvement:

[Attached: Final January 2017 Audit Update to USDE JQ 12 23 2016](#)
[Attached: Appendix C 12 23 2016](#)

As passed in charter reform bill that was passed through HB 2 and became effective on February 1, 2016, Ohio Revised Code 117.105 now requires the Auditor of State to provide written notice to sponsors regarding any action taken against or upcoming audit of a community schools and Ohio Revised Code 3314.019 now mandates a community school's sponsor to communicate with the Auditor of State regarding an audit of the school or the condition of financial and enrollment records of the school, and shall maintain a presence at any and all meetings with the Auditor of State regardless of whether the sponsor has entered into an agreement with another entity to perform all or part of the sponsor's oversight duties. These laws became effective on February 1, 2016 and were included within the Compliance

Component of the sponsor evaluation system. During the first sponsor evaluation, 15 sponsors were found to be noncompliant with this law; five of the 15 sponsors were rated ineffective overall and are required to include ensuring their future compliance of this law on their QIP. Ten of the sponsors were rated poor overall and will have their sponsorship revoked.