

House Bill 166 Technical Assistance and Frequently Asked Questions for Community Schools and Sponsors

House Bill 166 (FY20-FY21 state budget bill) enacted changes that impact sponsor and community schools. The Office of Community Schools created this document to provide technical assistance and frequently asked questions related to House Bill 166.

QUALITY COMMUNITY SCHOOL SUPPORT FUND

The Department has created a [webpage](#) dedicated to technical assistance and frequently asked question surrounding the Quality Community School Support fund. Please visit this page for additional information.

ELIGIBILITY FOR MERGER – OHIO REVISED CODE 3314.0211

[Ohio law](#) allows for two or more community schools to merge upon the adoption of a resolution by the governing authority of each school involved in the merger. A community school merger will take effect on the first day of July of the year specified in the resolution.

Schools that plan to merge are required to do the following not fewer than 60 days prior to the effective date of a merger or May 1:

- 1) Provide a copy of the resolution to the school's sponsor;
- 2) Notify the Ohio Department of Education of the impending merger, effective date of the merger, name of the school designated as the surviving school and name of the entity that will sponsor the surviving school.

The governing authority of the surviving community school is required to enter into a new contract with the school's sponsor. A sponsor is not allowed to assign its existing contract to the sponsor of the surviving community school during a merger; nor can a sponsor assume an existing contract of a community school involved in a merger.

Some community schools are not eligible to merge with one or more community schools. Those schools fit into one or both of the following categories:

- Schools meeting the performance criteria for required closure¹ for at least one of the two most recent school years;
- Schools receiving notification of the sponsor's intent to terminate or not renew the school's contract.

Frequently Asked Questions Regarding Community School Mergers

Q: Does this new section of law prohibit all community schools from merging?

A: No, this section of law provides a window for when community schools can merge and, in most cases, does not prevent community schools from merging. The only instances where two or more community schools would be prevented from merging are outlined above.

Q: When does a school have to notify the Department of a merger?

A: Schools are required to notify the Department 60 days prior to the effective date of the merger. The school and/or sponsor can reach out to the assigned Office of Community School consultant for information on how to submit the required information.

¹ Ohio Revised Code 3314.35 or 3314.351

ANNUAL ASSURANCES BY COMMUNITY SCHOOL SPONSOR – ORC 3314.19

[Ohio law](#) changes the requirement for the sponsor of each community school to provide assurances to the Department. Previously, sponsors were required to annually provide assurances to the Department 10 business days prior to school opening. Under the new law, sponsors will only be required to provide assurances for schools:

- In the first year of a new school's operation; or
- The first year a school operates from a new building if the school is not an internet- or computer-based community school.

This changes the frequency by which the sponsors must provide the assurances to the Department; however, it does not affect the school's or sponsor's requirement to comply with the provisions in the assurances.

Frequently Asked Questions About Annual Assurances

- Q:** If I have an existing community school and I open a second facility, is the sponsor required to submit an opening assurance 10 business days prior to school opening?
- A:** Adding a new facility under ORC 3314.05 would be a change in the building from which the school operates, and the expectation is that, for the new facility, an opening assurance would be submitted by the sponsor 10 business days prior to school starting in that facility.
- Q:** As a sponsor, I am no longer required to complete the opening assurances for the majority of my buildings. What reporting requirements will I have to the Department?
- A:** House Bill 166 changed the frequency by which sponsors must submit assurances in writing to the Department; however, it does not remove the requirements in ORC 3314.19. Sponsors still have an oversight obligation to ensure community schools comply with the requirements. The Department may ask for verification that sponsors have reviewed elements in ORC 3314.19 as part of oversight monitoring or as evidence during the sponsor evaluation.

PROPOSAL FOR CONVERTING PUBLIC SCHOOL TO COMMUNITY SCHOOL – ORC 3314.02(B)(5)

[Ohio law](#) provides a method for a community school that opened as a conversion school that later changes sponsorship to a sponsor that is not a district or educational service center to be classified as a start-up community school.

Frequently Asked Questions About Converting Public Schools to Community Schools – Classifications of Community Schools

- Q:** Under what conditions will this change in law impact a community school?
- A:** ORC 3314.02 provides conditions for classification as either a conversion or start-up community school. These classifications focus on the method for opening a community school; however, they do not provide parameters for ongoing operation of schools nor do they cover what would happen in the event a school changes sponsor.

Conversion community schools can only be opened by districts or educational service centers. If conversion community schools choose to change sponsors and do not select districts or educational service centers as their sponsors, they will be reclassified as start-up schools.

- Q:** My community school was started as a conversion school with a district. If the school changes sponsors to another district or educational service center sponsor, is it still classified as a conversion community school?

A: Yes, the community school still is classified as a conversion community school. ORC 3314.02 provides the conditions for which a community school can open as either a conversion or start-up community school. The ongoing operation of the community school is not impacted by a change of sponsor to another district or educational service center sponsor even though the new sponsor was not the entity that “converted” the space for the community school.

SPONSOR VERIFICATION OF FINDINGS FOR RECOVERY – ORC 3314.02(E)

Previously, each sponsor of a community school was required to annually verify that a finding for recovery has not been issued by the auditor of state against every employee of the community school and operator. Now, the sponsor is required to annually verify that a finding for recovery has not been issued by the auditor of state against individuals who:

- Propose to create a community school; or
- Any member of a governing authority, operator, or any employee of each community school **with the responsibility for fiscal operations or authorization to expend money on behalf of the school.**

The change limits the focus of this verification requirement to individuals with the responsibility for fiscal operations or those who are authorized to expend money on behalf of the school.

Frequently Asked Questions About Converting Public Schools to Community Schools – Findings for Recovery

Q: What is the practical impact of this change in law?

A: Each community school will need to identify individuals with responsibility for fiscal operations or authorized to expend money on behalf of the school. This list should be made available to the sponsor upon request at the time this verification is completed.

PROPER CERTIFIED TEACHER REQUIREMENTS FOR COMMUNITY SCHOOLS – ORC 3314.03(A)(11)(D)

Beginning October, 17, 2019 community schools will no longer be required to meet the proper certification or licensure requirements under ORC 3319.074. The Department released technical assistance on this item, which can be found [here](#).

EXPECTATIONS FOR PROPERTY TAX EXEMPTION – ORC 5713.08 & 5715.27

[Ohio law](#) outlines a requirement for community schools to annually apply for a property tax exemption with the county Auditor’s office. The changes in law require a community school to apply in the first year of operation and thereafter, the school must file an annual statement attesting that it still qualifies for the exemption.

Frequently Asked Questions About Converting Public Schools to Community Schools – Expectations for Property Tax Exemption

Q: What is required to be included in the annual statement to the county auditor’s office?

A: [ORC 5715.27\(l\)](#) states the community school must provide before December 31st a statement to the commissioner attesting that the property in the initial application continues to qualify for the exemption authorized under division (A)(1) of section 5709.07 of the Revised Code for that succeeding tax year. Your local county auditor’s office may offer additional technical assistance on filing the tax exemption.

LEASE OR SALE OF UNUSED SCHOOL FACILITIES – ORC 3313.411

[Ohio Law](#) requires any school district board of education to offer any unused school facilities it owns for lease or sale to the governing authorities of community schools or STEM schools located within the district. This applies to any facility that has not been used for school operation for the past year. Previously the requirement was after two years.