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Bill Analysis

Legislative Service Commission

H.B. 295

126th General Assembly
(As Introduced)

Reps. Williams, Carano, Bocchieri, Cassell, Ujvagi, Chandler, Garrison, Yuko, Koziura, Healy, S. Patton, Hartnett, Miller, Beatty, Harwood, Strahorn, Fessler

BILL SUMMARY

- Requires (rather than authorizes) the Superintendent of Public Instruction to impose a civil penalty of \$100 on a community school fiscal officer for willful or negligent failure to report accurate data to the Education Management Information System (EMIS).
- Requires the Department of Education to notify a sponsor in the last year of a community school's contract about the school's failure to report required data to EMIS in the previous year and to request the sponsor to consider suspending the school's operations, placing the school under probation, or refusing to renew the school's contract. Allows the Department to revoke approval of the sponsor and assume sponsorship of all of the sponsor's schools if the sponsor does not consider taking action against the school.
- Requires the Department to annually examine the proficiency and achievement test data reported to EMIS by each community school for completeness and accuracy.
- Requires the Department's training and information provided to sponsors and community schools to include information on EMIS reporting requirements and penalties for failure to report.
- Requires a prospective community school sponsor to furnish information to the Department about its ability and willingness to monitor community school academic performance based on precise and readily measurable goals.

- Requires that the academic goals specified in contracts between community schools and sponsors be "precise and readily measurable," and include performance standards specified in accordance with the federal No Child Left Behind Act of 2001.
- Requires community school report cards to include data about students withdrawing from the school and specifies that student attendance goals, and a method for accurately reporting student attendance, must be included in the contract between each school and its sponsor.
- Clarifies that a sponsor may renew a contract with a community school "only" if the sponsor finds that the school has satisfactorily made progress toward its academic goals and has complied with statutory requirements and terms of the contract.

CONTENT AND OPERATION

Background

Community schools (often called "charter schools") are public schools that operate independently from any school district under a contract with a sponsor. Any existing school district school may be converted to a community school under the sponsorship of that school district. A new "start-up" community school may be located only in certain "challenged" school districts (generally large urban districts or those in academic watch or academic emergency) and may be sponsored by any of the following:

- (1) The school district in which it is located;
- (2) A school district located in (or a joint vocational school district serving) the same county in which the district where the school is located has the majority of its territory;
- (3) Any educational service center;
- (4) The board of trustees of a state university (or the board's designee) if a mission of the community school will be a practical demonstration of the teaching methods, technology, or practices included in the curriculum of the university's teacher preparation program; or
- (5) A federally tax exempt entity that has been in operation for at least five years, has assets of at least \$500,000, and is an education-oriented entity as determined by the Department of Education.

Under current law, most sponsors must be approved by the Department of Education, and the Department must monitor the effectiveness of each approved sponsor in overseeing any schools it sponsors.¹

Community school reporting of EMIS data

Community schools specifically must comply with a number of statutes in the same manner as school districts. Among these statutes is the law governing the state's Education Management Information System (or EMIS, R.C. 3301.0714, not in the bill). EMIS is an electronic database for fiscal, employee, building, and student data maintained by the Department of Education. By rule, the Department may delineate methods and timelines for community schools to report required data that differ from those prescribed for school districts. The rules, however, may not modify the actual data required to be reported to EMIS.

Responsibility of fiscal officers

(R.C. 3314.17)

Under current law, each community school must designate a fiscal officer who, among other duties, is responsible for reporting the school's data to EMIS (R.C. 3314.011, not in the bill). The fiscal officer either must be licensed as a school treasurer or business manager or must complete specified numbers of continuing education hours each year. The State Board of Education may suspend or revoke the license of any fiscal officer who willfully reports erroneous, inaccurate, or incomplete data to the EMIS (R.C. 3301.0714(N), not in the bill). In addition, if the Superintendent of Public Instruction determines that a fiscal officer has (1) willfully failed to report data in any year, (2) willfully reported erroneous, inaccurate, or incomplete data in any year, or (3) negligently reported erroneous, inaccurate, or incomplete data in the current and any previous year, the Superintendent may impose a civil penalty of \$100 on the fiscal officer after an adjudicatory hearing under the Administrative Procedure Act.

The bill *requires* (rather than authorizes) the Superintendent to impose this civil penalty. The current license revocation provision is not changed by the bill.

¹ *Certain entities that were sponsors of existing community schools on April 8, 2003, the effective date of Sub. H.B. 364 of the 124th General Assembly, were "grandfathered" by that act and are not subject to approval by the Department.*

Technical assistance

(R.C. 3314.015(A)(1))

The Department of Education must provide technical assistance to community schools and their sponsors to assist them with such things as compliance with the community school law and the terms of their sponsorship contracts. In fulfilling this responsibility, current law requires the Department to provide training sessions and informational materials. The bill specifies that these sessions and materials must include information on the requirements for reporting data to EMIS and the penalties for failure to comply with the EMIS statute. These penalties, in addition to the civil penalty and potential license revocation for the school's fiscal officer, include a possible partial loss of state funding for the school under a process contained in current law.²

Department examination of community school EMIS student test data

(R.C. 3314.18)

The bill requires the Department of Education annually to examine the EMIS data reported by each community school concerning scores attained on the state proficiency and achievement tests by each student who was enrolled in the school at the end of the school year. If the Department determines that the data is incomplete or inaccurate, it must notify the school and provide technical assistance to the school so that it may revise its reports. The assistance must be in sufficient time for the revised data to be included in the Department's report card for the school. Presumably, during the discovery of the incomplete or inaccurate data, the Department could also file a report with the school and withhold state funds if it determined the school failed to make a "good faith effort" to report the data.

² *Under that process, the Department must make a report to a community school of the school's failure to meet State Board deadlines for reporting or for correcting data; or failure, as determined by the Department, to make a good faith effort to report data. The report must include recommendations for corrective action by the school. At the time the report is filed with the school, the Department must withhold 10% of the school's state funding due for that year. If the school takes the corrective action specified in the report within 45 days of receipt of the report, the Department may release the withheld funds. However, if the school fails to take corrective action within 45 days of the report, **no** withheld funds may be released. Upon making a second report for the same fiscal year, the Department must withhold an **additional** 20% of state funds. (See R.C. 3301.0714(L), not in the bill.)*

Sponsor action when a community school fails to report EMIS data

(R.C. 3314.19)

The bill provides a method for the Department of Education to involve the community school sponsor in the enforcement of EMIS data reporting. If a school fails to report required data during the school year preceding the year in which the school's contract with its sponsor expires, the Department must notify the sponsor of the school's failure to comply with EMIS law and request that the sponsor consider taking one of the following three actions:

- (1) Not renewing the contract with the community school;
- (2) Temporarily suspending operation of the school; or
- (3) Declaring the school to be in a probationary status.³

If the sponsor fails or refuses to consider taking any of these steps, the Department may revoke its approval of the sponsor. The Department's decision to revoke a sponsor's approval is not subject to appeal. The Department then is required to assume the sponsorship of any community school under contract with that sponsor and could take actions "determined appropriate by the Superintendent" of Public Instruction.

The bill specifies that if the Department assumes sponsorship of schools other than the one(s) not in compliance with the EMIS law, it must retain sponsorship until the earlier of two school years or the date on which a new sponsor is secured by the school's governing authority.

Tracking student withdrawal from school and student attendance

(R.C. 3314.012 and 3314.03(A)(6))

The bill requires community school report cards to specify the number of enrolled students who have voluntarily or involuntarily withdrawn from the school during the reporting period. (Under current law, annual report cards must be issued for each community school that has been open for instruction for at least two full school years. The report cards must contain information similar to that included in the report cards for school districts, but the law does provide for a committee to design "model report cards" tailored to the variety of grade levels served and the various missions of community schools.)

³ A sponsor may declare a school in probationary status until the end of the current school year. This declaration may be made only if the governing authority of the school has assured the sponsor that corrective actions will be taken to remedy the conditions that warranted the probationary status. (R.C. 3314.073, not in the bill.)

The bill also requires contracts between community schools and their sponsors to include student attendance goals and a method for accurately recording student attendance.

Community school contractual academic goals

(R.C. 3314.015(B)(1) and 3314.03(A)(3))

Current law requires that the contract between a community school and its sponsor include the school's academic goals, which must include student success on the state achievement tests, and the "method of measurement" of progress toward the goals. The bill adds that the academic goals must be "precise and readily measurable" and, in addition to student success on the state achievement tests, must include meeting performance standards specified for the school in accordance with the federal No Child Left Behind Act of 2001. The Department also must require any entity applying to sponsor a community school to submit evidence of its "ability and willingness" to monitor a school's academic performance based on those precise and measurable goals.

Community school contract renewal

(R.C. 3314.03(E))

The initial term of a contract between a sponsor and a community school's governing authority may not exceed five years.⁴ At the end of that term, the sponsor and the governing authority may renew the contract for any period of time determined by the sponsor, but ending no earlier than the end of a school year. The law specifies that a sponsor may renew the contract if it (1) finds that the school is in compliance with applicable laws and the terms of the school's contract and (2) is satisfied with the school's progress in meeting its academic goals prescribed in the contract. The bill specifies that a sponsor may renew a school's contract *only* if the conditions described in (1) and (2) above exist.

HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	06-09-05	p. 943

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⁴ R.C. 3314.03(A)(13).