

As Introduced

**126th General Assembly
Regular Session
2005-2006**

S. B. No. 108

Senators Gardner, Padgett

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A B I L L

To amend section 3314.08 of the Revised Code to 1
eliminate the payment of state parity aid to 2
community schools. 3

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 3314.08 of the Revised Code be 4
amended to read as follows: 5

Sec. 3314.08. (A) As used in this section: 6

(1) "Base formula amount" means the amount specified as such 7
in a community school's financial plan for a school year pursuant 8
to division (A)(15) of section 3314.03 of the Revised Code. 9

(2) "Cost-of-doing-business factor" has the same meaning as 10
in section 3317.02 of the Revised Code. 11

(3) "IEP" means an individualized education program as 12
defined in section 3323.01 of the Revised Code. 13

(4) "Applicable special education weight" means the multiple 14
specified in section 3317.013 of the Revised Code for a handicap 15
described in that section. 16

(5) "Applicable vocational education weight" means: 17

(a) For a student enrolled in vocational education programs 18
or classes described in division (A) of section 3317.014 of the 19

Revised Code, the multiple specified in that division;	20
(b) For a student enrolled in vocational education programs or classes described in division (B) of section 3317.014 of the Revised Code, the multiple specified in that division.	21 22 23
(6) "Entitled to attend school" means entitled to attend school in a district under section 3313.64 or 3313.65 of the Revised Code.	24 25 26
(7) A community school student is "included in the DPIA student count" of a school district if the student is entitled to attend school in the district and:	27 28 29
(a) For school years prior to fiscal year 2004, the student's family receives assistance under the Ohio works first program.	30 31
(b) For school years in and after fiscal year 2004, the student's family income does not exceed the federal poverty guidelines, as defined in section 5101.46 of the Revised Code, and the student's family receives family assistance, as defined in section 3317.029 of the Revised Code.	32 33 34 35 36
(8) "DPIA reduction factor" means the percentage figure, if any, for reducing the per pupil amount of disadvantaged pupil impact aid a community school is entitled to receive pursuant to divisions (D)(5) and (6) of this section in any year, as specified in the school's financial plan for the year pursuant to division (A)(15) of section 3314.03 of the Revised Code.	37 38 39 40 41 42
(9) "All-day kindergarten" has the same meaning as in section 3317.029 of the Revised Code.	43 44
(10) "SF-3 payment" means the sum of the payments to a school district in a fiscal year under divisions (A), (C)(1), (C)(4), (D), (E), and (F) of section 3317.022, divisions (J), (P), and (R) of section 3317.024, and sections 3317.029, 3317.0212, 3317.0213, 3317.0216, 3317.0217, 3317.04, 3317.05, 3317.052, and 3317.053 of	45 46 47 48 49

the Revised Code after making the adjustments required by sections 50
3313.981 and 3313.979, divisions (B), (C), (D), (E), (K), (L), and 51
(M) of section 3317.023, and division (C) of section 3317.20 of 52
the Revised Code. 53

(B) The state board of education shall adopt rules requiring 54
both of the following: 55

(1) The board of education of each city, exempted village, 56
and local school district to annually report the number of 57
students entitled to attend school in the district who are 58
enrolled in grades one through twelve in a community school 59
established under this chapter, the number of students entitled to 60
attend school in the district who are enrolled in kindergarten in 61
a community school, the number of those kindergartners who are 62
enrolled in all-day kindergarten in their community school, and 63
for each child, the community school in which the child is 64
enrolled. 65

(2) The governing authority of each community school 66
established under this chapter to annually report all of the 67
following: 68

(a) The number of students enrolled in grades one through 69
twelve and the number of students enrolled in kindergarten in the 70
school who are not receiving special education and related 71
services pursuant to an IEP; 72

(b) The number of enrolled students in grades one through 73
twelve and the number of enrolled students in kindergarten, who 74
are receiving special education and related services pursuant to 75
an IEP; 76

(c) The number of students reported under division (B)(2)(b) 77
of this section receiving special education and related services 78
pursuant to an IEP for a handicap described in each of divisions 79
(A) to (F) of section 3317.013 of the Revised Code; 80

(d) The full-time equivalent number of students reported 81
under divisions (B)(2)(a) and (b) of this section who are enrolled 82
in vocational education programs or classes described in each of 83
divisions (A) and (B) of section 3317.014 of the Revised Code that 84
are provided by the community school; 85

(e) Twenty per cent of the number of students reported under 86
divisions (B)(2)(a) and (b) of this section who are not reported 87
under division (B)(2)(d) of this section but who are enrolled in 88
vocational education programs or classes described in each of 89
divisions (A) and (B) of section 3317.014 of the Revised Code at a 90
joint vocational school district under a contract between the 91
community school and the joint vocational school district and are 92
entitled to attend school in a city, local, or exempted village 93
school district whose territory is part of the territory of the 94
joint vocational district; 95

(f) The number of enrolled preschool handicapped students 96
receiving special education services in a state-funded unit; 97

(g) The community school's base formula amount; 98

(h) For each student, the city, exempted village, or local 99
school district in which the student is entitled to attend school; 100

(i) Any DPIA reduction factor that applies to a school year. 101

(C) From the SF-3 payment made to a city, exempted village, 102
or local school district and, if necessary, from the payment made 103
to the district under sections 321.24 and 323.156 of the Revised 104
Code, the department of education shall annually subtract the sum 105
of the amounts described in divisions (C)(1) to ~~(6)~~(5) of this 106
section. However, the aggregate amount deducted under this 107
division shall not exceed the sum of the district's SF-3 payment 108
and its payment under sections 321.24 and 323.156 of the Revised 109
Code. 110

(1) An amount equal to the sum of the amounts obtained when, 111
for each community school where the district's students are 112
enrolled, the number of the district's students reported under 113
divisions (B)(2)(a), (b), and (e) of this section who are enrolled 114
in grades one through twelve, and one-half the number of students 115
reported under those divisions who are enrolled in kindergarten, 116
in that community school is multiplied by the base formula amount 117
of that community school as adjusted by the school district's 118
cost-of-doing-business factor. 119

(2) The sum of the amounts calculated under divisions 120
(C)(2)(a) and (b) of this section: 121

(a) For each of the district's students reported under 122
division (B)(2)(c) of this section as enrolled in a community 123
school in grades one through twelve and receiving special 124
education and related services pursuant to an IEP for a handicap 125
described in section 3317.013 of the Revised Code, the product of 126
the applicable special education weight times the community 127
school's base formula amount; 128

(b) For each of the district's students reported under 129
division (B)(2)(c) of this section as enrolled in kindergarten in 130
a community school and receiving special education and related 131
services pursuant to an IEP for a handicap described in section 132
3317.013 of the Revised Code, one-half of the amount calculated as 133
prescribed in division (C)(2)(a) of this section. 134

(3) For each of the district's students reported under 135
division (B)(2)(d) of this section for whom payment is made under 136
division (D)(4) of this section, the amount of that payment; 137

(4) An amount equal to the sum of the amounts obtained when, 138
for each community school where the district's students are 139
enrolled, the number of the district's students enrolled in that 140
community school who are included in the district's DPIA student 141

count is multiplied by the per pupil amount of disadvantaged pupil
impact aid the school district receives that year pursuant to
division (B) or (C) of section 3317.029 of the Revised Code, as
adjusted by any DPIA reduction factor of that community school. If
the district receives disadvantaged pupil impact aid under
division (B) of that section, the per pupil amount of that aid is
the quotient of the amount the district received under that
division divided by the district's DPIA student count, as defined
in that section. If the district receives disadvantaged pupil
impact aid under division (C) of section 3317.029 of the Revised
Code, the per pupil amount of that aid is the per pupil dollar
amount prescribed for the district in division (C)(1) or (2) of
that section.

(5) An amount equal to the sum of the amounts obtained when,
for each community school where the district's students are
enrolled, the district's per pupil amount of aid received under
division (E) of section 3317.029 of the Revised Code, as adjusted
by any DPIA reduction factor of the community school, is
multiplied by the sum of the following:

(a) The number of the district's students reported under
division (B)(2)(a) of this section who are enrolled in grades one
to three in that community school and who are not receiving
special education and related services pursuant to an IEP;

(b) One-half of the district's students who are enrolled in
all-day or any other kindergarten class in that community school
and who are not receiving special education and related services
pursuant to an IEP;

(c) One-half of the district's students who are enrolled in
all-day kindergarten in that community school and who are not
receiving special education and related services pursuant to an
IEP.

The district's per pupil amount of aid under division (E) of 173
section 3317.029 of the Revised Code is the quotient of the amount 174
the district received under that division divided by the 175
district's kindergarten through third grade ADM, as defined in 176
that section. 177

~~(6) An amount equal to the per pupil state parity aid funding 178
calculated for the school district under either division (C) or 179
(D) of section 3317.0217 of the Revised Code multiplied by the sum 180
of the number of students in grades one through twelve, and 181
one half of the number of students in kindergarten, who are 182
entitled to attend school in the district and are enrolled in a 183
community school as reported under division (B)(1) of this 184
section. 185~~

(D) The department shall annually pay to a community school 186
established under this chapter the sum of the amounts described in 187
divisions (D)(1) to ~~(7)~~(6) of this section. However, the sum of 188
the payments to all community schools under divisions (D)(1), (2), 189
(4), (5), and (6), ~~and (7)~~ of this section for the students 190
entitled to attend school in any particular school district shall 191
not exceed the sum of that district's SF-3 payment and its payment 192
under sections 321.24 and 323.156 of the Revised Code. If the sum 193
of the payments calculated under those divisions for the students 194
entitled to attend school in a particular school district exceeds 195
the sum of that district's SF-3 payment and its payment under 196
sections 321.24 and 323.156 of the Revised Code, the department 197
shall calculate and apply a proration factor to the payments to 198
all community schools under those divisions for the students 199
entitled to attend school in that district. 200

(1) An amount equal to the sum of the amounts obtained when 201
the number of students enrolled in grades one through twelve, plus 202
one-half of the kindergarten students in the school, reported 203
under divisions (B)(2)(a), (b), and (e) of this section who are 204

not receiving special education and related services pursuant to 205
an IEP for a handicap described in section 3317.013 of the Revised 206
Code is multiplied by the community school's base formula amount, 207
as adjusted by the cost-of-doing-business factor of the school 208
district in which the student is entitled to attend school; 209

(2) The greater of the following: 210

(a) The aggregate amount that the department paid to the 211
community school in fiscal year 1999 for students receiving 212
special education and related services pursuant to IEPs, excluding 213
federal funds and state disadvantaged pupil impact aid funds; 214

(b) The sum of the amounts calculated under divisions 215
(D)(2)(b)(i) and (ii) of this section: 216

(i) For each student reported under division (B)(2)(c) of 217
this section as enrolled in the school in grades one through 218
twelve and receiving special education and related services 219
pursuant to an IEP for a handicap described in section 3317.013 of 220
the Revised Code, the following amount: 221

(the community school's base formula amount 222
X the cost-of-doing-business factor 223
of the district where the student 224
is entitled to attend school) + 225
(the applicable special education weight X 226
the community school's base formula amount); 227

(ii) For each student reported under division (B)(2)(c) of 228
this section as enrolled in kindergarten and receiving special 229
education and related services pursuant to an IEP for a handicap 230
described in section 3317.013 of the Revised Code, one-half of the 231
amount calculated under the formula prescribed in division 232
(D)(2)(b)(i) of this section. 233

(3) An amount received from federal funds to provide special 234
education and related services to students in the community 235

school, as determined by the superintendent of public instruction. 236

(4) For each student reported under division (B)(2)(d) of 237
this section as enrolled in vocational education programs or 238
classes that are described in section 3317.014 of the Revised 239
Code, are provided by the community school, and are comparable as 240
determined by the superintendent of public instruction to school 241
district vocational education programs and classes eligible for 242
state weighted funding under section 3317.014 of the Revised Code, 243
an amount equal to the applicable vocational education weight 244
times the community school's base formula amount times the 245
percentage of time the student spends in the vocational education 246
programs or classes. 247

(5) An amount equal to the sum of the amounts obtained when, 248
for each school district where the community school's students are 249
entitled to attend school, the number of that district's students 250
enrolled in the community school who are included in the 251
district's DPIA student count is multiplied by the per pupil 252
amount of disadvantaged pupil impact aid that school district 253
receives that year pursuant to division (B) or (C) of section 254
3317.029 of the Revised Code, as adjusted by any DPIA reduction 255
factor of the community school. The per pupil amount of aid shall 256
be determined as described in division (C)(4) of this section. 257

(6) An amount equal to the sum of the amounts obtained when, 258
for each school district where the community school's students are 259
entitled to attend school, the district's per pupil amount of aid 260
received under division (E) of section 3317.029 of the Revised 261
Code, as adjusted by any DPIA reduction factor of the community 262
school, is multiplied by the sum of the following: 263

(a) The number of the district's students reported under 264
division (B)(2)(a) of this section who are enrolled in grades one 265
to three in that community school and who are not receiving 266

special education and related services pursuant to an IEP; 267

(b) One-half of the district's students who are enrolled in 268
all-day or any other kindergarten class in that community school 269
and who are not receiving special education and related services 270
pursuant to an IEP; 271

(c) One-half of the district's students who are enrolled in 272
all-day kindergarten in that community school and who are not 273
receiving special education and related services pursuant to an 274
IEP. 275

The district's per pupil amount of aid under division (E) of 276
section 3317.029 of the Revised Code shall be determined as 277
described in division (C)(5) of this section. 278

~~(7) An amount equal to the sum of the amounts obtained when, 279
for each school district where the community school's students are 280
entitled to attend school, the district's per pupil amount of 281
state parity aid funding calculated under either division (C) or 282
(D) of section 3317.0217 of the Revised Code is multiplied by the 283
sum of the number of that district's students enrolled in grades 284
one through twelve, and one half of the number of that district's 285
students enrolled in kindergarten, in the community school as 286
reported under division (B)(2)(a) and (b) of this section. 287~~

(E)(1) If a community school's costs for a fiscal year for a 288
student receiving special education and related services pursuant 289
to an IEP for a handicap described in divisions (B) to (F) of 290
section 3317.013 of the Revised Code exceed the threshold 291
catastrophic cost for serving the student as specified in division 292
(C)(3)(b) of section 3317.022 of the Revised Code, the school may 293
submit to the superintendent of public instruction documentation, 294
as prescribed by the superintendent, of all its costs for that 295
student. Upon submission of documentation for a student of the 296
type and in the manner prescribed, the department shall pay to the 297

community school an amount equal to the school's costs for the 298
student in excess of the threshold catastrophic costs. 299

(2) The community school shall only report under division 300
(E)(1) of this section, and the department shall only pay for, the 301
costs of educational expenses and the related services provided to 302
the student in accordance with the student's individualized 303
education program. Any legal fees, court costs, or other costs 304
associated with any cause of action relating to the student may 305
not be included in the amount. 306

(F) A community school may apply to the department of 307
education for preschool handicapped or gifted unit funding the 308
school would receive if it were a school district. Upon request of 309
its governing authority, a community school that received unit 310
funding as a school district-operated school before it became a 311
community school shall retain any units awarded to it as a school 312
district-operated school provided the school continues to meet 313
eligibility standards for the unit. 314

A community school shall be considered a school district and 315
its governing authority shall be considered a board of education 316
for the purpose of applying to any state or federal agency for 317
grants that a school district may receive under federal or state 318
law or any appropriations act of the general assembly. The 319
governing authority of a community school may apply to any private 320
entity for additional funds. 321

(G) A board of education sponsoring a community school may 322
utilize local funds to make enhancement grants to the school or 323
may agree, either as part of the contract or separately, to 324
provide any specific services to the community school at no cost 325
to the school. 326

(H) A community school may not levy taxes or issue bonds 327
secured by tax revenues. 328

(I) No community school shall charge tuition for the 329
enrollment of any student. 330

(J)(1)(a) A community school may borrow money to pay any 331
necessary and actual expenses of the school in anticipation of the 332
receipt of any portion of the payments to be received by the 333
school pursuant to division (D) of this section. The school may 334
issue notes to evidence such borrowing. The proceeds of the notes 335
shall be used only for the purposes for which the anticipated 336
receipts may be lawfully expended by the school. 337

(b) A school may also borrow money for a term not to exceed 338
fifteen years for the purpose of acquiring facilities. 339

(2) Except for any amount guaranteed under section 3318.50 of 340
the Revised Code, the state is not liable for debt incurred by the 341
governing authority of a community school. 342

(K) For purposes of determining the number of students for 343
which divisions (D)(5) and (6) of this section applies in any 344
school year, a community school may submit to the department of 345
job and family services, no later than the first day of March, a 346
list of the students enrolled in the school. For each student on 347
the list, the community school shall indicate the student's name, 348
address, and date of birth and the school district where the 349
student is entitled to attend school. Upon receipt of a list under 350
this division, the department of job and family services shall 351
determine, for each school district where one or more students on 352
the list is entitled to attend school, the number of students 353
residing in that school district who were included in the 354
department's report under section 3317.10 of the Revised Code. The 355
department shall make this determination on the basis of 356
information readily available to it. Upon making this 357
determination and no later than ninety days after submission of 358
the list by the community school, the department shall report to 359

the state department of education the number of students on the 360
list who reside in each school district who were included in the 361
department's report under section 3317.10 of the Revised Code. In 362
complying with this division, the department of job and family 363
services shall not report to the state department of education any 364
personally identifiable information on any student. 365

(L) The department of education shall adjust the amounts 366
subtracted and paid under divisions (C) and (D) of this section to 367
reflect any enrollment of students in community schools for less 368
than the equivalent of a full school year. The state board of 369
education within ninety days after April 8, 2003, shall adopt in 370
accordance with Chapter 119. of the Revised Code rules governing 371
the payments to community schools under this section including 372
initial payments in a school year and adjustments and reductions 373
made in subsequent periodic payments to community schools and 374
corresponding deductions from school district accounts as provided 375
under divisions (C) and (D) of this section. For purposes of this 376
section: 377

(1) A student shall be considered enrolled in the community 378
school for any portion of the school year the student is 379
participating at a college under Chapter 3365. of the Revised 380
Code. 381

(2) A student shall be considered to be enrolled in a 382
community school during a school year for the period of time 383
between the date on which the school both has received 384
documentation of the student's enrollment from a parent and has 385
commenced participation in learning opportunities as defined in 386
the contract with the sponsor. For purposes of applying this 387
division to a community school student, "learning opportunities" 388
shall be defined in the contract, which shall describe both 389
classroom-based and non-classroom-based learning opportunities and 390
shall be in compliance with criteria and documentation 391

requirements for student participation which shall be established 392
by the department. Any student's instruction time in 393
non-classroom-based learning opportunities shall be certified by 394
an employee of the community school. A student's enrollment shall 395
be considered to cease on the date on which any of the following 396
occur: 397

(a) The community school receives documentation from a parent 398
terminating enrollment of the student. 399

(b) The community school is provided documentation of a 400
student's enrollment in another public or private school. 401

(c) The community school ceases to offer learning 402
opportunities to the student pursuant to the terms of the contract 403
with the sponsor or the operation of any provision of this 404
chapter. 405

(3) A student's percentage of full-time equivalency shall be 406
considered to be the percentage the hours of learning opportunity 407
offered to that student is of nine hundred and twenty hours. 408

(M) The department of education shall reduce the amounts paid 409
under division (D) of this section to reflect payments made to 410
colleges under division (B) of section 3365.07 of the Revised 411
Code. 412

(N)(1) No student shall be considered enrolled in any 413
internet- or computer-based community school unless both of the 414
following conditions are satisfied: 415

(a) The student possesses or has been provided with all 416
required hardware and software materials and all such materials 417
are operational so that the student is capable of fully 418
participating in the learning opportunities specified in the 419
contract between the school and the school's sponsor as required 420
by division (A)(23) of section 3314.03 of the Revised Code; 421

(b) The school is in compliance with division (A)(1) or (2) 422
of section 3314.032 of the Revised Code, relative to such student. 423

(2) In accordance with policies adopted jointly by the 424
superintendent of public instruction and the auditor of state, the 425
department shall reduce the amounts otherwise payable under 426
division (D) of this section to any internet- or computer-based 427
community school that includes in its program the provision of 428
computer hardware and software materials to each student, if such 429
hardware and software materials have not been delivered, 430
installed, and activated for all students in a timely manner or 431
other educational materials or services have not been provided 432
according to the contract between the individual community school 433
and its sponsor. 434

The superintendent of public instruction and the auditor of 435
state shall jointly establish a method for auditing any community 436
school to which this division pertains to ensure compliance with 437
this section. 438

The superintendent, auditor of state, and the governor shall 439
jointly make recommendations to the general assembly for 440
legislative changes that may be required to assure fiscal and 441
academic accountability for such internet- or computer-based 442
schools. 443

(O)(1) If the department determines that a review of a 444
community school's enrollment is necessary, such review shall be 445
completed and written notice of the findings shall be provided to 446
the governing authority of the community school and its sponsor 447
within ninety days of the end of the community school's fiscal 448
year, unless extended for a period not to exceed thirty additional 449
days for one of the following reasons: 450

(a) The department and the community school mutually agree to 451
the extension. 452

(b) Delays in data submission caused by either a community school or its sponsor. 453
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(2) If the review results in a finding that additional funding is owed to the school, such payment shall be made within thirty days of the written notice. If the review results in a finding that the community school owes moneys to the state, the following procedure shall apply: 455
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(a) Within ten business days of the receipt of the notice of findings, the community school may appeal the department's determination to the state board of education or its designee. 460
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(b) The board or its designee shall conduct an informal hearing on the matter within thirty days of receipt of such an appeal and shall issue a decision within fifteen days of the conclusion of the hearing. 463
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(c) If the board has enlisted a designee to conduct the hearing, the designee shall certify its decision to the board. The board may accept the decision of the designee or may reject the decision of the designee and issue its own decision on the matter. 467
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(d) Any decision made by the board under this division is final. 471
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(3) If it is decided that the community school owes moneys to the state, the department shall deduct such amount from the school's future payments in accordance with guidelines issued by the superintendent of public instruction. 473
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Section 2. That existing section 3314.08 of the Revised Code is hereby repealed. 477
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Section 3. Sections 1 and 2 of this act take effect July 1, 2005. 479
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