



Ohio Legislative Service Commission

Bill Analysis

William Schwartz and other LSC staff

Sub. H.B. 555*

129th General Assembly
(As Reported by H. Education)

Reps. Stebelton and Butler, Amstutz, Grossman, Hayes, Huffman, McClain, Roegner, Thompson

BILL SUMMARY

- Replaces the current academic performance rating system for school districts, individual buildings of districts, community schools, STEM schools, and college-preparatory boarding schools with a phased-in letter grade system under which districts and schools are assigned grades of "A," "B," "C," "D," or "F" based on 15 measures to reflect the performance profile of each district or school.
- Creates six component classifications in which each performance measure is categorized and a grade is assigned for each component to be calculated into assigning an overall grade to a school district or building.
- Requires the State Board of Education to develop an alternative academic performance rating system for community schools serving primarily students enrolled in dropout prevention and recovery programs.
- Establishes criteria for closing dropout prevention and recovery community schools based on their academic performance.
- Requires the Department of Education to review additional information included on report cards and submit to the Governor and the General Assembly recommendations for revisions.
- Establishes a new evaluation process for determining which community school sponsors may sponsor additional schools.

* This analysis was prepared before the report of the House Education Committee appeared in the House Journal. Note that the list of co-sponsors and the legislative history may be incomplete.

- Permits the Ohio Office of School Sponsorship to sponsor a community school if the school's sponsor has been prohibited from sponsoring additional schools.
- Delays implementation of the new sponsor evaluation system until the 2015-2016 school year.
- Renames the Ohio Accountability Task Force as the Ohio Accountability Advisory Committee and alters its membership and duties.
- Requires the State Board to submit to the General Assembly recommendations for a comprehensive statewide plan to intervene in and improve the performance of persistently poor performing schools and school districts.
- Reinstates the permanent requirement for five scoring ranges on the state achievement assessments.
- Requires a school district to provide immediate services and regular diagnostic assessments for a student found to have a reading deficiency pending development of the student's reading improvement and monitoring plan required under continuing law.
- Adds college-preparatory boarding schools to the provisions requiring the Department of Education to rank public schools by expenditures.
- Requires that a designated fiscal officer of a community school be licensed as a school treasurer by the State Board of Education prior to assuming the duties of fiscal officer.
- Requires the Department of Education to conduct two application periods each year for the Educational Choice Scholarship Program.
- Establishes measures the Superintendent of Public Instruction must consider before approving new Internet- or computer-based community schools.
- Restates that the requirements of the standards-based state framework for teacher evaluations and the standards and procedures for nonrenewal of a teacher's contract as a result of the evaluation prevail over any conflicting provisions of a collective bargaining agreement entered into on or after the effective date of the bill.
- Specifically permits educational service centers to partner in the development of STEM schools.

- Permits an educational service center to sponsor a new start-up community school in any challenged district in the state, instead of just its service territory, so long as it receives approval to do so from the Department of Education.
- Qualifies for a War Orphans Scholarship, children of military veterans who participated in an operation for which the Armed Forces Expeditionary Medal was awarded.
- Authorizes the administrators of the Ohio National Guard Scholarship Program and the Ohio War Orphans Scholarship Program to apply for and receive grants; to accept gifts, bequests, and contributions from public and private sources; and to deposit all such contributions into the respective National Guard Scholarship Reserve Fund (existing) or the Ohio War Orphans Scholarship Fund (created by the bill).

TABLE OF CONTENTS

Performance rating system	4
Letter grades	5
Overall grade	6
Performance measures	7
Disaggregated reporting	15
Other actions related to performance ratings	16
Ed Choice eligibility	20
Closure of poorly performing community schools	22
Exemptions	24
Additional information on the report card	24
Separate additional measures	24
Dropout prevention and recovery program rating system	25
Phase-in	26
Duties of the State Board	27
Duties of the Department of Education	27
Exemption from teacher testing and annual performance rankings	27
Dropout prevention and recovery program closure criteria	28
Community school sponsor ratings	28
Student academic performance component	29
Adherence to quality practices component	30
Peer review of sponsors	30
Office of Ohio School Sponsorship	30
Ohio Accountability Advisory Committee	31
Background of current Task Force membership	31
Advisory Committee duties	32
State Superintendent report to the Advisory Committee	33
Comprehensive intervention plan	33
Scoring levels on achievement assessments	33
Third grade reading guarantee	34
Performance and expenditure ranking for public schools	34
Community school fiscal officers	35

Internet- and computer-based community schools	35
Ed Choice application periods.....	36
Standards-based framework for teacher evaluations	36
Educational service centers and STEM school organization	37
Educational service center sponsorship of start-up community schools	37
War Orphans Scholarship Program and National Guard Scholarship Program	37
War Orphans Scholarship eligibility	37
War Orphans Scholarship and National Guard Scholarship funding.....	38
Miscellaneous changes.....	38
Background on current academic performance rating system	39
Value-added progress dimension.....	40
AYP.....	41

CONTENT AND OPERATION

Performance rating system

The bill replaces the current academic performance rating system for school districts, individual buildings of districts, community schools, STEM schools, and college-preparatory boarding schools with a "performance profile" system, under which districts and schools are assigned letter grades of "A," "B," "C," "D," or "F" for overall academic performance and for each of several performance measures. The State Board of Education must adopt the performance criteria for each letter grade and prescribe a method by which the Department of Education will assign each letter grade. In prescribing that method, the bill creates six new "component" classifications in which each of the performance measures is categorized. Those components are: (1) gap closing, (2) achievement, (3) progress, (4) graduation, (5) kindergarten through third grade literacy, and (6) prepared for success (see "**Overall grade**" below). In addition to each performance measure being graded, each "component" is graded, and only the "component" grades are used by the State Board to calculate the overall grade for a district or building.¹

The Department must issue annual report cards reflecting the performance profile of each school district, individual school building operated by the district,² community school,³ STEM school,⁴ and college-preparatory boarding school⁵ using the performance measures and letter grades prescribed by the bill. The Department must

¹ R.C. 3302.03(C)(2).

² R.C. 3302.03.

³ R.C. 3314.012, not in the bill.

⁴ R.C. 3326.17, not in the bill.

⁵ R.C. 3328.26, not in the bill.

include in the report card the most recent two-year trend data in student achievement for each subject in each grade.

(See also "**Background on current academic performance rating system**" at the back of this analysis.)

The new ratings are phased in over four school years. The bill incrementally increases the number of graded and reported separate performance measures in each of the 2012-2013 through 2014-2015 school years. For the 2012-2013 and 2013-2014 school years, the Department must assign letter grades only to specified individual metrics. The State Board must adopt a resolution, by April 30, 2013, describing the performance measures, benchmarks, and grading systems to be used for the 2012-2013 school year. Beginning with the 2014-2015 school year, the Department must assign an overall grade each school year. The bill also requires the Department to incorporate a high school student academic progress measure to be graded as an individual performance measure and included in the overall grade beginning with the report card for the 2015-2016 school year.

Letter grades

The grade for overall performance of a district or school must be assigned by the Department based on specified performance measures and a performance criteria and method for assigning grades prescribed by the State Board. For a school building to which any of the performance measures do not apply grade levels served by the school building, the State Board must designate the performance measures that are applicable to the building and that must be calculated separately and used to calculate the building's overall grade. For example, the State Board must designate that the component that measures dual-enrollment program participation must not factor into the separate and overall grades for a school building that serves only grades kindergarten through six.⁶

The bill gives the following meanings to each of the letter grades for the metrics and the overall grade:

A – making excellent progress;

B – making above average progress;

C – making average progress;

D – making below average progress;

⁶ R.C. 3302.03.

F – failing to meet minimum progress.⁷

Overall grade

The State Board must adopt rules that establish a method to assign an overall grade for a school district or building for the 2014-2015 school year and each year thereafter. That method must group the individual performance measures (as described above) into the six larger "components" described below.⁸

Gap closing. Includes only the AMO performance measure.

Achievement. Includes the measures for performance index score and performance indicators met.

Progress. Includes the overall value-added progress dimension measure and the performance measure for the three separate value-added subgroups (gifted students, students with disabilities, and students whose achievement places them in the lowest quintile on a statewide basis). Beginning with the 2015-2016 school year, the high school academic progress measure is also included in the progress component.⁹

Graduation. Includes the four- and five-year adjusted cohort graduations rates.

Kindergarten through third grade literacy. Includes the progress a district or building is making in improving literacy in kindergarten through third grade.

Prepared for success. Includes the performance measures that assess high school student career or college readiness. These include a district's or school's (1) national standardized test participation rate and average score, (2) percentage of students determined not to be "college-ready," (3) AP participation rate and test scores, (4) participation in dual enrollment programs, (5) percentage of students who receive an honors diploma, (6) results of the college and career-ready assessment, and (7) percentage of students who receive an industry credential.

Further, the State Board's rules must incorporate a method to calculate a grade for each of the six components separately as well as an overall letter grade. The calculation for assigning the overall letter grade must give equal weight to the Achievement and Progress components.

⁷ R.C. 3302.03(E).

⁸ R.C. 3302.03(C)(2).

⁹ R.C. 3302.03(D).

At least 45 days before the State Board adopts rules prescribing the methods for calculating the overall grade, the Department must make a presentation before the House and Senate Education committees describing the format for the report card, weights that will be assigned to the components of the overall grade, and the method for calculating the overall grade.

Performance measures

The following table shows the performance measures (except the high school student academic performance measure) prescribed by the new system and the school year or years for which the measure is graded or reported only.

Performance Measure	2012-2013 School Year	2013-2014 School Year	2014-2015 School Year and Thereafter
Annual measurable objectives	Graded	Graded	Graded
Performance index scores	Graded	Graded	Graded
Performance indicators met	Graded	Graded	Graded
Four- and five-year adjusted cohort graduation rates	Graded	Graded	Graded
Overall value-added progress dimension	Graded	Graded	Graded
National standardized test for college admission participation rate and average score	Graded	Graded	Graded
Percentage of students determined not to be "college-ready"	Graded	Graded	Graded
Advanced Placement participation rate and test scores	Reported	Graded	Graded
Dual-enrollment program participation rate	Reported	Reported	Graded

Performance Measure	2012-2013 School Year	2013-2014 School Year	2014-2015 School Year and Thereafter
Value-added progress dimension disaggregated for certain student subgroups (gifted students, children with disabilities, and lowest performance quintile on a statewide basis)	Graded	Graded	Graded
Kindergarten through third grade literacy rate	None	Graded	Graded
College and career-ready assessment exam	None	Graded	Graded
Honors diploma	Graded	Graded	Graded
Industry credentials	None	None	Graded

As noted above, the high school student academic progress measure must be graded and included in the overall grade beginning with the 2015-2016 school year.

Though the State Board must adopt most performance criteria by June 30, 2013, for each letter grade and prescribe methods by which the Department assigns each grade, the bill also prescribes some criteria for certain measures and deadlines for the State Board to determine those criteria.¹⁰ Each measure and the bill's prescribed grading criteria and methods are described below.

Annual measurable objectives (AMO). AMO is a new measure to determine if a district or building is making "adequate yearly progress" (AYP) in closing achievement gaps between students of different subgroups. It is a measure used instead of AYP as otherwise required under the federal No Child Left Behind Act. The bill defines AMOs simply as a measure of student progress determined in accordance with an agreement between the Ohio Department of Education and the United States Department of Education.¹¹

Performance index score. Performance index score is a measure used under the current report card system. To assign a numeric score, the Department assigns weights to student assessment scores from zero, for a student that does not take a test, to a

¹⁰ R.C. 3302.03(A)(3).

¹¹ R.C. 3302.01(H).

maximum score of 120, using progressively larger weights as the level of skill attained on the assessments increases.¹² In adopting benchmarks for assigning grades for this measure, the bill requires the State Board to designate 90% or higher for an "A," 75% to 80% for a "C," and less than 50% for an "F."¹³ The Department must add an additional weight at the next higher scoring level for students who have been permitted to pass over a grade or subject under an acceleration policy¹⁴ and who have scored proficient or higher on an assessment. Additionally, for each school year in which a student has scored at the advanced "level on an assessment and the student's score is included in the performance index score, the Department must add an "additional proportional weight" to the student.¹⁵

Performance indicators met. Under current law, the State Board establishes performance indicators for use on the current performance rating system.¹⁶ For the 2010-2011 report cards, these performance indicators consisted of performance on state achievement assessments (including the Ohio Graduation Tests), graduation rate, and attendance rate. Under the bill, the State Board continues to be responsible for establishing these indicators, and indicators are just one of the performance measures used in developing the overall letter grade and performance profile. In adopting benchmarks for assigning letter grades for the performance indicator measure, the bill requires the State Board to designate 90% or higher for a letter grade of "A."¹⁷

To determine if an indicator has been met or has not been met, the State Board of Education establishes a percentage by which a school district's or building's students must score proficient or better on a state achievement assessment. Currently, the percentage is set at 75% for the elementary level state achievement assessments and the tenth-grade Ohio Graduation Test (OGT), and at 85% for the eleventh-grade OGT.

The bill directs the State Board to set the percentage at 80% for all of the state achievement assessments for the 2013-2014 school year. In other words, to meet a single indicator, 80% of the students taking the assessment would have to attain a score of proficient or better for a school district or building to meet a performance indicator.

¹² R.C. 3302.01(A).

¹³ R.C. 3302.03(A)(1)(b), (B)(1)(b), and (C)(1)(b).

¹⁴ R.C. 3324.10, not in the bill.

¹⁵ R.C. 3302.01(A).

¹⁶ R.C. 3302.02.

¹⁷ R.C. 3302.03(A)(1)(c), (B)(1)(c), and (C)(1)(c).

Additionally, the bill permits the State Board to adopt rules by July 1, 2014, establishing a different percentage to begin with the 2014-2015 school year.

Separately, the bill removes "student attendance" as an indicator.¹⁸

Finally, the bill also expands the current requirement that the State Board include an indicator that reflects the level of service provided to gifted students. Under the bill, beginning with the 2013-2014 school year, the gifted indicator must include (1) the level of gifted services provided, (2) performance of students identified as gifted on state assessments, (3) value-added growth measure disaggregated for students identified as gifted, (4) the level of gifted identification effort, (5) appropriate licensed gifted staff levels, (6) the level of professional development provided to general education teachers working with gifted students, and (7) gifted education spending.¹⁹

Four- and five-year adjusted cohort graduation rates. As noted above, the four-year graduation rate is a performance indicator measure for the current report cards. The bill makes the graduation rate a separate and independent performance measure. The four-year adjusted cohort graduation rate is the number of students who graduate in four years or less with a high school diploma divided by the number of students who form the adjusted cohort for the graduating class. The five-year adjusted cohort graduation rate (which is a new measure) is the number of students who graduate in five years with a high school diploma divided by the number of students who form the adjusted cohort for the four-year graduation rate.²⁰

Under the bill, a district or school must have a four-year adjusted cohort graduation rate of 93% or higher in order to receive an "A" for this performance measure, and a *five year* adjusted cohort graduation rate of 95% or higher in order to receive an "A."²¹

Overall score on the value-added progress dimension. The value-added progress dimension, too, is used under the current rating system. It is a measure of academic gain for a student or group of students over a specific period of time that is calculated using data from student achievement assessments. It tracks the amount of a student's academic growth attributable to a particular district or building.²² To show

¹⁸ R.C. 3302.02.

¹⁹ R.C. 3302.02.

²⁰ R.C. 3302.01(G).

²¹ R.C. 3302.03(A)(1)(d), (B)(1)(d), and (C)(1)(d).

²² R.C. 3302.021.

growth from one year to the next, the dimension tracks student scores on state assessments in subjects and grade levels for which there are assessments for the prior year. Those tests are the reading and math assessments for grades four through eight. The bill requires the Department to use at least three years of value-data, as available, to determine this measure.

The bill also prescribes a grading system for the value-added progress dimension as follows:

(1) For a grade of "A," a district or building must have a score that is at least two standard errors of measure above the mean score.

(2) For a grade of "B," a district or building must have a score that is at least one standard error of measure, but less than two standard errors of measure above the mean score.

(3) For a grade of "C," a district or building must have a score that is less than one standard error of measure above the mean score, but greater than or equal to one standard error of measure below the mean score.

(4) For a grade of "D," a district or building must have a score that is not greater than one standard error of measure below the mean score, but is greater than or equal to two standard errors of measure below the mean score.

(5) Finally, for a grade of "F," a district or building must have a score that is not greater than two standard errors of measure below the mean score or less.²³

The State Board must prohibit the assignment of a grade of "A" for this measure unless the district's or building's grade assigned for the value-added progress dimension for all subgroups is a "B" or higher.

National standardized test participation rate and average score. The State Board must select a national standardized test for college admission. Both the participation rate and average score of students contribute to determining a grade for this measure. In adopting benchmarks for assigning letter grades, the Department must designate a "C" for a district or school with at least a 50% participation rate among eligible students and an average composite score on the test that is the equivalent of the state mean score on the test.²⁴

²³ R.C. 3302.03(A)(1)(e), (B)(1)(e), and (C)(1)(e).

²⁴ R.C. 3302.03(A)(1)(f), (B)(1)(f), and (C)(1)(f).

Percentage of students who are not "college-ready." This measure evaluates the percentage of a district's or school's students who enroll in state colleges or universities, and, to the extent possible, the percentage of students who enroll in colleges or universities out of state, and who are determined *not* to be "college-ready." The Chancellor of the Board of Regents is charged with prescribing a method for determining college readiness for this measure that (1) accounts for all students and (2) does not classify as not college-ready those students who do not attend college, including those students who elect not to go to college, join the military, or attend institutions that do not report college-ready statistics.²⁵

Advanced Placement (AP) participation rate and test scores. This measure demonstrates the rate of participation in AP classes among students enrolled in a district or school and the percentage of those students who receive a score of three or better on the applicable AP test.²⁶ Advanced Placement is a program developed and marketed by the College Board that offers students the opportunity to earn college credit while enrolled in high school through participation in high-level approved academic courses in various subject areas. Generally, to be eligible for college credit, a student must take an exam covering the course content. Each college or university establishes its own policy regarding how well students must score on AP exams to receive college credit at that institution.

The bill also requires the State Board to adopt rules by December 31, 2013, prescribing the methods by which the AP participation rate and test scores will be assessed and assigned a letter grade, including prescribing performance benchmarks for each grade.²⁷

Participation in dual enrollment programs. Under this measure, a district or building receives a grade based on the number of high school and college credits its students have earned in a school year through dual enrollment programs. Dual enrollment programs include such programs as the Post-Secondary Enrollment Options Program and federal career-technical dual enrollment programs. The credits must appear on the post-secondary transcript issued by the institution of higher education from which the student earned the college credit.²⁸

²⁵ R.C. 3302.03(A)(1)(g), (B)(1)(g), and (C)(1)(g).

²⁶ R.C. 3302.03(A)(2)(a), (B)(1)(h), and (C)(1)(h).

²⁷ R.C. 3302.03(B)(3).

²⁸ R.C. 3302.03(A)(2)(b), (B)(2)(a), and (C)(1)(j).

Additionally, the bill specifies that the credits earned through dual enrollment programs (1) must not be remedial or developmental, (2) must be transferrable to other institutions of higher education of the University System of Ohio, and (3) must count toward the curriculum requirements established for completion of the student's degree.²⁹

The bill also requires the State Board to (1) develop a method to identify and track high school and college credits earned by a student through International Baccalaureate (IB) programs, and (2) develop a measure for issuing a grade for credits earned by a student through those programs. That method and measure must be ready for use by the 2014-2015 school year. The bill permits the Department to substitute the credits earned through AP programs with credits earned through IB programs.³⁰

Value-added progress dimension score for certain subgroups. The Department must disaggregate the value-added progress dimension scores for a district or school for its students identified as gifted in superior cognitive ability and specific academic fields, students with disabilities, and students whose performance places them in the lowest quintile for achievement on a statewide basis using a method prescribed by the State Board, and assign a letter grade for each of the three categories as separate measures. This measure is separate from overall value-added progress dimension score. The Department, however, must use the same method outlined above for the overall value-added progress dimension score in calculating grades for this measure.³¹ In disaggregating specific academic ability fields for gifted students, the department must use data for those students with specific academic ability in math and reading. If any other academic field is assessed, the department must also include data for students with specific academic ability in that field.³²

The bill requires the State Board to adopt rules by December 31, 2013, to prescribe the methods by which the value-added progress dimension score for certain subgroups will be assessed and assigned a letter grade, including prescribing performance benchmarks for each grade.³³

Kindergarten through 3rd grade literacy. The State Board must prescribe by December 31, 2013, a method to determine if, and by how much, a district or school is

²⁹ R.C. 3302.03(A)(2)(b).

³⁰ R.C. 3302.03(C)(1)(j).

³¹ R.C. 3302.03(A)(2)(c), (B)(1)(i), and (C)(1)(i).

³² R.C. 3302.01(B) and 3302.02.

³³ R.C. 3302.03(B)(3).

making progress in improving literacy in kindergarten through third grade. In adopting letter grade benchmarks, the State Board must designate for a grade of "A" a district or building that has reduced by 50% or more its percentage of students in grades kindergarten through two have scored below grade level on the diagnostic assessments and those in third grade who have scored below proficient on the third-grade English language arts achievement assessment. The State Board also must designate a value that is not lower than the statewide average value for this measure for a grade of "C." Additionally, the bill specifies that no grade must be issued for a district or building in which less than 5% of students have scored below proficient on the third grade English language arts assessment.³⁴

College and career-ready assessment. Current law requires the Superintendent of Public Instruction and the Chancellor of the Board of Regents to adopt a nationally standardized assessment that measures college and career readiness to be used, in part, as a new measure to replace the Ohio Graduation Test (OGT).³⁵ While the new assessment has not yet been implemented, reportedly, it will be soon. The bill requires the results of the college and career readiness assessment selected by the state Superintendent and the Chancellor to be used as a separate metric in the bill's new rating system. In adopting letter grade benchmarks for this performance measure, the State Board must designate that a grade of "C" must not be less than the state mean composite score on the assessments.³⁶ (The other measures prescribed under current law to replace the OGT are certain end-of-course examinations. They are not incorporated into the bill's new rating system.)

Honors diploma. Current law authorizes a public high school to issue an "honors diploma" to any student who has successfully completed the school's curriculum (or, if the student is disabled, the student's individualized education program), has met the achievement testing requirements for graduation, and has met additional criteria for the honors diploma established in rules adopted by the State Board of Education. The State Board may also prescribe an honors diploma that recognizes technical expertise for a career-technical student.³⁷ The bill includes the percentage of a district's or building's students who receive an honors diploma as a graded performance measure beginning with the 2012-2013 school year. In adopting

³⁴ R.C. 3302.03(B)(1)(j), (B)(3), and (C)(1)(k).

³⁵ R.C. 3301.0712(B)(1), not in the bill.

³⁶ R.C. 3302.03(B)(1)(k) and (C)(1)(l).

³⁷ R.C. 3313.61(B), not in the bill.

letter grade benchmarks, the State Board must designate that for a grade of "A," at least 50% of students must have earned an honors diploma.³⁸

Industry credentials. Beginning in the 2014-2015 school year, the Department must include as a graded measure the percentage of a district's or building's students who receive an industry credential. An industry credential is a certification of competency in a career-technical field. The State Board must adopt benchmarks for assigning letter grades for this measure not later than July 1, 2014.³⁹

High school academic progress. Finally, not later than July 1, 2015, the State Board must develop a measure of student academic progress for high school students. This measure first will be reported, graded, and included in the overall grade on the report card beginning with the 2015-2016 school year.⁴⁰

Disaggregated reporting

As under current law, the bill requires the Department to report disaggregated student achievement and progress data according to certain categories. They include (1) grade level ("age group" under current law), (2) race and ethnic group, (3) gender, (4) students who have been enrolled in a district or school for three or more years, (5) students who have been enrolled in a district or school for more than one year and *less* than three years, (6) students who have been enrolled in a district or school for one year or less, (7) economically disadvantaged students, (8) students enrolled in a conversion community school, (9) limited English proficient students, (10) students with disabilities, (11) migrant students, and (12) gifted students. The bill adds students who perform in the lowest quintile for achievement on a statewide basis, as determined by a method prescribed by the State Board to the list of separately reported categories.⁴¹

Under continuing law, the Department may not report disaggregated performance data for a group if it contains less than ten students. However, the bill requires the Department to indicate on a report card when that is the reason performance data for a group is not reported.⁴²

³⁸ R.C. 3302.03(A)(1)(i), (B)(1)(k), and (C)(1)(l).

³⁹ R.C. 3302.03(C)(1)(n).

⁴⁰ R.C. 3302.03(D).

⁴¹ R.C. 3302.03(F).

⁴² R.C. 3302.03(F).

The bill also eliminates the reporting of the number of "lead teachers" employed by each district and school on the report card.⁴³

Other actions related to performance ratings

There are several provisions of law that prescribe various actions tied to performance ratings system and data. The bill conforms those provisions to its new phased-in rating system. The table below compares current law with the bill's changes regarding those related actions.

Action	Current law	The bill
Practice OGT (R.C. 3301.0711 (B)(10) and (D)(2))	School districts in academic watch or academic emergency, or that have a three-year average graduation rate or 75% or less, must administer a practice version of the OGT to all ninth graders.	School districts that have a three-year average graduation rate or 75% or less, must administer a practice version of the OGT to all ninth graders.
NCLB sanctions (R.C. 3302.04(A))	School districts and buildings in academic watch or academic emergency have priority for improvement assistance.	School districts and buildings described below receive priority for Department improvement assistance: (1) Prior to the 2012-2013 school year, districts and buildings in academic watch and academic emergency; (2) For the 2012-2013 school year and thereafter, districts and buildings in the manner prescribed by any agreement currently in force between the Department and the United States Department of Education; however, the Department must endeavor to include schools and buildings that the Department considers to be low performing.
NCLB sanctions (R.C. 3302.04 (D)(1))	The Department may conduct site visits of academic emergency districts or buildings.	For the 2012-2013 school year and thereafter, the Department may conduct site visits of districts or buildings that have received a rating of "F" for the performance index score or a rating of "D" or "F" for the overall value-added progress dimension.

⁴³ Current division (C)(8) of R.C. 3302.03.

Action	Current law	The bill
Pilot school restructuring program (R.C. 3302.042)	The opportunity for parents to petition for school reforms in the Columbus City School District Pilot Project applies with respect to schools that have been ranked in the lowest 5% of all public schools by performance index score for three or more consecutive years.	Parents in the Columbus City School District may petition for school reforms if the school has been ranked in the lowest 5% of all public schools by performance index score for three or more consecutive years (current law) <i>or</i> , for the 2014-2015 school year and thereafter, has received a rating of "D" or "F" for the overall value-added progress dimension.
Exemptions (R.C. 3302.05)	The State Board must adopt rules exempting districts that are excellent or effective from education statutes and certain administrative rules.	The State Board must adopt rules exempting districts if the following applies: <ol style="list-style-type: none"> (1) For the 2011-2012 school year, the district was declared to be excellent and had above expected growth in the overall value-added measure; (2) For the 2012-2013 and 2013-2014 school years, the district received an "A" for number of performance indicators met and for the overall value-added progress dimension; (3) For the 2014-2015 school year and thereafter, the district received and overall grade of "A."
Academic distress commissions (R.C. 3302.10)	<p>The state Superintendent must establish an academic distress commission for each district that has been declared to be in academic emergency and has failed to make AYP for four or more consecutive years.</p> <p>The commission ceases to exist when the district is rated continuous improvement or better for two of three prior school years.</p>	The state Superintendent must establish an academic distress commission for each district that meets any of the following conditions: <ol style="list-style-type: none"> (1) The district has been declared to be in academic emergency and has failed to make AYP for four or more consecutive years (current law); (2) The district has received a grade of "F" for the performance index score <i>and</i> a grade of "D" or "F" for the overall value-added progress dimension for two more consecutive years; (3) The district has received an overall grade of "F" <i>or</i> a grade of "F"

Action	Current law	The bill
		<p>for the overall value-added progress dimension for two or more consecutive years; or</p> <p>(4) At least 50% of the schools operated by the district have received an overall grade of "D" or "F."</p> <p>The commission ceases to exist when the district for two of the three prior school years either (1) is rated in need of continuous improvement or better (current law), or (2) receives a grade of "C" or better for <i>both</i> the performance index score and overall value-added progress dimension.</p>
<p>General school restructuring (R.C. 3302.12)</p>	<p>A district is required to restructure a school that has been ranked in the lowest 5% of all public schools by performance index score for three consecutive school years and is in academic watch or academic emergency.</p>	<p>A district is required to restructure any school for which any of following applies:</p> <p>(1) The school has been ranked in the lowest 5% of all public schools by performance index score for three consecutive school years and is in academic watch or academic emergency (current law);</p> <p>(2) The school has received a grade of "F" for the value-added progress dimension for three consecutive school years; or</p> <p>(3) The school has received an overall grade of "F" for three consecutive school years.</p>
<p>Site-based management councils (R.C. 3313.473)</p>	<p>Excellent and effective districts with more than 5,000 students are exempt from the requirement to designate one school to be operated by a site-based management council.</p>	<p>Districts with more than 5,000 students and ratings as described below are exempt from the requirement to designate one school to be operated by a site-based management council:</p> <p>(1) For the 2011-2012 school year, the district was declared to be excellent or effective (current law).</p> <p>(2) For the 2012-2013 or 2013-2014 school year, the district received grades of "A" or "B" for the performance index score <i>and</i> for the</p>



Action	Current law	The bill
		<p>overall value-added progress dimension.</p> <p>(3) For the 2014-2015 school year and any school year thereafter, the district received an overall grade of "A" or "B."</p>
<p>Location of start-up community schools (R.C. 3314.02(A)(3))</p>	<p>New start-up community schools may open only in "challenged school districts," which includes, among others, districts that are in academic watch or academic emergency.</p>	<p>The ratings of a "challenged school district" are expanded to include:</p> <p>(1) For two of the 2012-2013, 2013-2014, and 2014-2015 school years, a district that receives a grade of "D" or "F" for the performance index score or a grade of "F" for the overall value-added progress dimension.</p> <p>(2) For the 2015-2016 school year and thereafter, (a) a district that receives an overall grade of "D" or "F" and, (b) for at least two of the three most recent school years, the district received a grade of "F" for the overall value-added progress dimension.</p> <p>(Other nonratings based criteria for a challenged school district are not changed by the bill.)</p>
<p>Multiple-facility community schools (R.C. 3314.05 (B)(1)(e))</p>	<p>A community school may be located in multiple facilities under the same contract if several conditions are met and it continues to have a rating of continuous improvement or higher for two or more consecutive school years.</p>	<p>A community school may be located in multiple facilities under the same contract if several conditions are met and it continues to have a combination of any of the following ratings for two or more consecutive years:</p> <p>(1) A rating of in need of continuous improvement or higher;</p> <p>(2) For the 2012-2013 and 2013-2014 school years, a grade of "C" for both the performance index score and the overall value-added progress dimension;</p> <p>(3) For the 2014-2015 school year and thereafter, an overall grade of "C" or an overall designation "meets standards" if the school is operating a dropout program (see "Dropout</p>

Action	Current law	The bill
		prevention and recovery program rating system" below).
Ohio Teaching Fellows Program (R.C. 3333.391)	Students who commit to teaching for four years in a school district building that is hard-to-staff or in academic watch or academic emergency are eligible for scholarships under the Ohio Teaching Fellows Program.	Students who commit to teaching for four years in a school district building that is hard-to-staff or has a "persistently low performance rating," as determined jointly by the Chancellor and the state Superintendent, are eligible for scholarships under the Ohio Teaching Fellows Program.

Ed Choice eligibility

The Educational Choice Scholarship Program (Ed Choice) operates statewide in every district except Cleveland to provide scholarships for students who are assigned or would be assigned to district schools that have persistently low academic achievement. Under the program, students may use their scholarships to enroll in chartered nonpublic schools. Currently, a student is eligible to apply for an Ed Choice scholarship if the student is attending, or otherwise would be assigned to, a school building operated by the student's resident district that, in two of three report card rankings, either (1) has been declared to be in academic watch or academic emergency, or (2) is ranked in the lowest 10% of all public school buildings according to performance index score, and, in either case, was not rated excellent or effective in the most recent ranking. A student who receives an Ed Choice scholarship may receive scholarships until the student completes grade 12, so long as (1) the student's resident district stays the same or the student transfers to a new district and would be assigned in that new district to a qualifying building, (2) the student takes each state achievement assessment prescribed for the student's grade level while enrolled in a chartered nonpublic school, and (3) the student is not absent from that school for more than 20 days (not including excused absences).⁴⁴

Since school and district ratings play a central function in determining Ed Choice eligibility, the bill conforms the Ed Choice law to its new rating system as in the case of the other actions described above. However, the graduated phase in of the new system along with the three-year look-back feature of Ed Choice creates the need for an extensive phase in of new Ed Choice eligibility using multiple variables for different years as the new rating system itself phases into full implementation. The bill does not affect the use of performance index score rankings in determining Ed Choice eligibility.

⁴⁴ R.C. 3310.03.

Under the bill, students who are enrolled in, or would otherwise be enrolled in, a school that received in two of the three most recent report cards published prior to the first day of July of the school year for which a scholarship is first sought, a combination of any of the following ratings are eligible for an Ed Choice scholarship:

(1) Academic watch or emergency (current law).

(2) A "D" or "F" for *both* the performance index score *and* the overall value-added progress dimension or if the building serves only grades 10 through 12, the building received a grade of "D" or "F" for the performance index score and had a four-year adjusted cohort-graduation rate of less than 75%. (Applies only for report cards issued for the 2012-2013 and 2013-2014 school year.)

(3) A "D" or "F" for the overall grade *or* "F" for the overall value-added progress dimension. (Applies for report cards issued for the 2014-2015 school year and thereafter.)⁴⁵

Students who are about to enroll in kindergarten, or are currently enrolled in a community school, and whose resident district has an intradistrict open enrollment policy, are eligible for Ed Choice if the *district* has any combination of the following ratings in two of the three most recent report cards published prior to the first day of July of the school year for which a scholarship is first sought:

(1) Academic emergency (current law).

(2) A "D" or "F" for the performance index score and the overall value-added progress dimension. (Applies only for report cards issued for the 2012-2013 and 2013-2014 school years.)

(3) A "D" or "F" for the overall grade *or* "F" for the overall value-added progress dimension. (Applies for report cards issued for the 2014-2015 school year and thereafter.)⁴⁶

However, a student in any case discussed above is *not* eligible for a new scholarship if the school or district (in the case of intradistrict open enrollment) in the *most recent* report card published prior to July 1st of the school year for which the scholarship is sought is rated as follows:

(1) Effective or excellent (current law).

⁴⁵ R.C. 3310.03(A)(1).

⁴⁶ R.C. 3310.03(A)(5).

(2) An "A" or "B" for the performance index score *and* the value-added progress dimension. (Applies only for report cards issued for the 2012-2013 and 2013-2014 school years.)

(3) An "A" or "B" for the overall grade *or* "A" for the value-added progress dimension. (Applies for report cards issued for the 2014-2015 school year and thereafter.)⁴⁷

(See also "**Ed Choice application periods**" below.)

Closure of poorly performing community schools

Under current law, community schools that meet statutory criteria for persistent poor academic performance must permanently close. The bill also amends these criteria to conform to the bill's new phase-in rating system.⁴⁸ The first schools subject to the new criteria are subject to closure at the end of the 2013–2014 school year. As under current law, a community school that meets the conditions must close at the conclusion of the school year in which the school becomes subject to the closure.⁴⁹ The table below shows the closure criteria under current law and the bill.

Community School Closure Criteria		
Type of school	Current law (until July 1, 2013)	The bill (to begin July 1, 2013)
A school that does not offer a grade higher than three	Has been in academic emergency for two of the three most recent school years.	For two of the three most recent school years, any of the following: (1) Has been in academic emergency; (2) Has received an "F" in the kindergarten through 3rd-grade literacy measure; or (3) Has received an overall grade of "F."

⁴⁷ R.C. 3310.03(G).

⁴⁸ R.C. 3314.35(A)(3).

⁴⁹ R.C. 3313.35(B).

Community School Closure Criteria		
Type of school	Current law (until July 1, 2013)	The bill (to begin July 1, 2013)
A school that offers any of grades four to eight but no grade higher than nine	(1) Has been in academic emergency for two of the three most recent school years and (2) showed less than one standard year of academic growth in reading or math for two of the three most recent school years.	For two of the three most recent school years, any of the following: (1) Has been in academic emergency; (2) Has received an "F" for the performance index score <i>and</i> for the overall value-added progress dimension; or (3) Has received an overall grade of "F" <i>and</i> an "F" for the value-added progress dimension.
A school that offers any of grades 10 to 12	Has been in academic emergency for two of the three most recent school years.	For two of the three most recent school years, any of the following: (1) Has been in academic emergency; (2) Has received an "F" for the performance index score <i>and</i> has not met its annual measurable objectives (AMO); or (3) Has received an overall grade of "F" <i>and</i> an "F" for the overall value-added progress dimension. The bill specifies that the value-added progress dimension for a community school that offers any of grades 10 to 12 must only calculate the score of the students who have taken the state achievement assessments for at least the two most recent school years.

Exemptions

The bill maintains the current exemption from closure for a community school if the school operates a dropout prevention and recovery program and has a waiver from the Department of Education. However, the bill eliminates this exemption on July 1, 2014, and creates new closure criteria for community schools that operate dropout programs, which take effect on July 1, 2014.⁵⁰ Those closure criteria compete with the bill's new separate rating system for dropout community schools (see below).

Additionally, the bill maintains the current permanent exemption for a community school in which a majority of students are children with disabilities receiving special education and related services.⁵¹

Additional information on the report card

The bill specifies that, not later than December 31, 2013, the Department of Education must review the additional information collected by the Department on the school district and building report cards, already part of current law,⁵² and submit to the Governor and the General Assembly recommended revisions to make the report cards easier to read and understand.⁵³

Separate additional measures

The bill requires the State Board to adopt and specify measures in addition to those included on the annual report card not later than December 31, 2013. Beginning with the 2013-2014 school year, the Department must annually report these measures in a separate report and must make the information available on its web site. For each school district, each building in a district, each community school, each STEM school, and each college-preparatory boarding school, the measures must include at least the following information:

- (1) Data for students who have skipped a grade or subject area under an acceleration policy;
- (2) The number of students who are eligible to receive and those that are receiving free lunch under federal law;

⁵⁰ R.C. 3314.35(A)(4).

⁵¹ R.C. 3314.35(A)(4)(b).

⁵² R.C. 3302.03(H).

⁵³ Section 5.

(3) The number of lead teachers employed by each district and each building once the data is available through the Education Management Information System (EMIS) established under current law;

(4) The amount of students screened and identified as gifted;

(5) Postgraduate student outcome data, including postsecondary credit earned, nationally recognized career or technical certification, military enlistment, job placement, and attendance rate;

(6) Availability of courses in fine arts;

(7) Participation with other school districts to provide career-technical education services to students;

(8) The amount of extracurricular services offered to students.⁵⁴

Dropout prevention and recovery program rating system

The bill establishes a separate, phased-in rating and report card system to be used exclusively for community schools that primarily serve students enrolled in dropout prevention and recovery programs.⁵⁵ Reporting under the system begins with the 2012-2013 school year, but an overall rating will not be assigned until the 2014-2015 school year.

Under this new separate system a dropout program is rated on its attainment or nonattainment in meeting each of the following performance indicators:

(1) Four-, five-, six-, seven-, and eight-year adjusted cohort graduation rates for the school year for which the overall designation is granted (30% weight);

(2) Percentage of twelfth-grade students and other students within three months of their 22nd birthday who attain a passing score on applicable state achievement assessments for graduation (30% weight);

(3) Annual measurable objectives (20% weight); and

(4) Growth in student achievement in reading or mathematics, or both as measured by separate nationally norm-referenced assessments, adopted or approved by

⁵⁴ R.C. 3302.034.

⁵⁵ R.C. 3314.017.

the State Board, that have developed appropriate standards for students enrolled in dropout prevention and recovery programs (20% weight).⁵⁶

The overall rating designations are: (1) exceeds standards, (2) meets standards, and (3) does not meet standards.⁵⁷

The bill specifies that no other report card system applies to community schools with dropout programs. However, the bill clarifies that it does not exempt a dropout program from the requirements of the federal No Child Left Behind Act.⁵⁸

In addition to the four performance indicators, the bill specifies certain "student-outcome data" be reported on the report card but not included in the overall rating. These data include postsecondary credit earned, nationally recognized career or technical certification, military enlistment, job placement, and attendance rate.⁵⁹

Phase-in

The new ratings are phased in over three school years as described below.

2012-2013 school year. For this school year, no overall rating is assigned, and the following performance indicators are reported without a rating: (1) graduation rates, (2) percentage of twelfth-grade students and other students passing the graduation assessments, (3) statewide average for the graduation rates and the graduation achievement assessment passage rate, and (4) AMO.⁶⁰

2013-2014 school year. For this school year, again no overall rating is assigned, but unlike the previous school year, certain performance indicators *do* receive a rating, while others *do not*. The performance indicators that *are* rated for this school year are: (1) graduation rates, (2) percentage of twelfth-grade students and other students passing the graduation assessments, and (3) AMO.⁶¹ Student achievement growth in reading or math, or both, and student outcome data are reported but not rated.⁶²

⁵⁶ R.C. 3314.017(E).

⁵⁷ R.C. 3317.017(D)(1).

⁵⁸ R.C. 3314.017(B).

⁵⁹ R.C. 3314.017(E)(2)(d)(ii).

⁶⁰ R.C. 3314.017(E)(1).

⁶¹ R.C. 3314.017(E)(2)(a) to (c).

⁶² R.C. 3314.017(E)(2)(d).

2014-2015 school year and thereafter. For the 2014-2015 school year and thereafter, an overall rating *is* assigned and the following performance indicators receive an individual rating and are included in the computation of the overall rating: (1) graduation rates, (2) percentage of twelfth-grade students and other students passing the graduation assessments, (3) AMO, and (4) student achievement growth in reading or math, or both. Student outcome data, as described above, must be included on the report card but *not* included in the calculation of the overall rating.⁶³

Duties of the State Board

Under the bill, not later than March 31, 2013, the State Board must specify by rules the expected performance levels and benchmarks for (1) graduation rates, (2) percentage of students attaining a passing score on the graduation assessments, and (3) AMO.⁶⁴ Additionally, not later than December 31, 2014, the State Board must specify by rules the expected performance levels and benchmarks for the student achievement growth in reading and math, and adopt standards for awarding overall ratings.⁶⁵

Duties of the Department of Education

During the 2012-2013 and 2013-2014 school years, the Department must gather and analyze data from dropout programs and examine any assessments it deems necessary, including sample assessments for purposes of measuring student achievement growth in reading and math for the purposes of the rating system. In performing these duties, the Department must consult with stakeholder groups. The bill also requires the Department to identify one or more states that have established, or are in the process of establishing, similar rating systems for dropout programs. The Department then must consult with the departments of education of those states. Finally, the bill requires the Department to post the rating and relevant performance data for each community school that operates a dropout program on its web site and submit a copy of the rating and data to the governing authority of the community school.⁶⁶

Exemption from teacher testing and annual performance rankings

Generally, beginning with the 2015-2016 school year, community schools and STEM schools ranked in the lowest 10% of all public school buildings according to

⁶³ R.C. 3314.017(E)(3).

⁶⁴ R.C. 3314.017(D)(2)(a).

⁶⁵ R.C. 3314.017(D)(2)(b).

⁶⁶ R.C. 3314.017(F).

performance index score must require each classroom teacher of a core subject area to take content knowledge examinations selected by the Department as appropriate to determine expertise to teach that core subject area and the grade level to which the teacher is assigned. (Similar retesting provisions apply to teachers in school district schools with low performance evaluations.) Under the bill, dropout schools are exempt from the retesting provision⁶⁷ and are not included in the performance index score rankings.⁶⁸

Dropout prevention and recovery program closure criteria

The bill establishes criteria for the closure of poorly performing community schools that operate dropout prevention and recovery programs that is aligned with its new rating and report card system for these schools. Currently, those schools are exempt from closure based on performance unless the General Assembly does not enact a closure and report card system for them by March 31, 2013.

Under the bill, any dropout community school that has received an overall rating, under the new system, of "does not meet standards" for two of the three most recent school years is subject to closure. Since those schools will not receive overall ratings until the 2014-2015 school year, they will not be subject to closure until the 2016-2017 school year. The bill specifies that a dropout program that opens on or after July 1, 2014, is not subject to closure for its first two years of operation. Additionally, any dropout program that is in operation prior to July 1, 2014, will not be subject to closure until after August 31, 2016.⁶⁹

Also, the bill specifies that if a school meets the closure criteria, the Department must notify the school by September 1 that it must close not later than the following June 30.⁷⁰

Community school sponsor ratings

Current law prohibits a community school sponsor from sponsoring additional schools if it is ranked in the lowest 20% on an annual ranking of sponsors by their composite performance index scores. The composite performance index score is a measure of the academic performance of students enrolled in community schools sponsored by the same entity.

⁶⁷ R.C. 3319.58.

⁶⁸ R.C. 3302.20 and 3302.21.

⁶⁹ R.C. 3314.351(A) and (C).

⁷⁰ R.C. 3314.351(B).

The bill substantially revises this system so that, beginning with the 2015-2016 school year, those determinations will be made on the basis of several factors, including student performance. In the meantime, the bill retains the composite performance index score ranking to determine if a sponsor may sponsor additional schools.⁷¹

Under the new system, each sponsor will receive an annual "rating" based on a combination of three components. They are: (1) the academic performance of students enrolled in community schools that are sponsored by the entity, (2) the sponsor's adherence to quality practices, which must be specified by the Department, and (3) the sponsor's compliance with applicable laws and administrative rules as measured by standards adopted by rule of the State Board.⁷² Based on all three of those components, a sponsor will be rated as "exemplary," "effective," or "ineffective." Each component must be weighted equally, except that entities sponsoring community schools for the first time may be assigned the rating of "emerging" for the first two consecutive years. As under current law, the ratings must be published by the Department of Education between October 1 and October 15 of a calendar year.⁷³

Student academic performance component

The bill does not specify how the Department is to measure the academic performance component. It is, therefore, up to the Department to determine which metrics to use in computing a sponsor's rating based on the academic achievement of the students enrolled in the sponsor's schools. On the other hand, just as under the current performance index score rankings, the bill specifically excludes from any computation of the academic performance component any community schools that enroll primarily students with disabilities or schools in operation for not more than two full school years.⁷⁴

Prior to the 2014-2015 school year, the bill specifies that the student academic performance component must *not* include data from community schools that primarily serve students in a dropout prevention and recovery program. Beginning with the 2014-2015 school year, however, the student academic performance component *must* include data from community schools that primarily operate dropout programs.⁷⁵

⁷¹ Section 6.

⁷² R.C. 3313.016(B)(1)(a) to (c).

⁷³ R.C. 3314.016(B)(6).

⁷⁴ R.C. 3314.016(B)(2)(a) and (b).

⁷⁵ R.C. 3314.016(B)(7).

Adherence to quality practices component

To develop the quality practices component, the bill requires the Department, by March 31, 2013, to consult with community school sponsors to prescribe the quality practices to which community school sponsors must adhere, develop an instrument to measure the adherence to those practices, and publish those practices and the instrument so that they are available to entities that sponsor community schools prior to their implementation.⁷⁶ Furthermore, the bill specifies that the quality practices must "be based on standards developed by the National Association of Charter School Authorizers or any other nationally organized community school organization."⁷⁷

Peer review of sponsors

The Department is authorized to permit peer review of community school sponsors when evaluating a sponsor's adherence to quality practices. An individual who wishes to participate in this peer review must first complete training established or approved by the Department. Alternatively, the Department can enter into an agreement with another entity to train individuals wishing to participate in peer review. Prior to entering into an agreement, the Department must review and approve the entity's training program.

Office of Ohio School Sponsorship

Under current law, the Office of Ohio School Sponsorship is permitted to directly authorize the operation of a limited number of both new and existing community schools, rather than those schools being subject to the oversight of other public or private sponsors. Additionally, despite being ranked among other sponsors based on the performance of the schools directly authorized by that Office and the schools whose sponsorship the Office has assumed, the Office is expressly exempt from the prohibitions against sponsoring additional community schools based on its ranking.

The bill revises the duties of the Office by authorizing it to assume the sponsorship of a community school whose contract has been voided due to its sponsor being prohibited from sponsoring additional schools. The bill specifies that the Office may assume sponsorship under an existing contract until the *earlier* of the expiration of two school years or until the community school can secure a new sponsor. If the Office assumes sponsorship of such a school, the bill specifies that the school is not to be

⁷⁶ Section 7.

⁷⁷ R.C. 3314.016(B)(3) and Section 7.

included when calculating the maximum number of directly authorized schools that the Office may sponsor.⁷⁸

Ohio Accountability Advisory Committee

The bill changes the name of the Ohio Accountability Task Force to the Ohio Accountability Advisory Committee and alters its membership and duties. Under the bill, the Advisory Committee consists of the following members: (1) the chairpersons and ranking minority members of the House and Senate Education Committees, who are nonvoting members, (2) the Superintendent of Public Instruction or a designee, who also is a nonvoting member, (3) three members of the public appointed by the Speaker of the House, (4) three members of the public appointed by the Senate President, (5) two members of the public appointed by the Governor, and (6) one member of the public appointed by the Auditor of State who shall have experience or expertise as an analyst or auditor. All members of the public that are appointed by the Speaker of the House, the Senate President, and the Governor are required to have experience or expertise in education, statistics and student data analysis, or education public policy.⁷⁹

The bill also contains an uncodified provision that abolishes the Ohio Accountability Task Force, replacing it with the Ohio Accountability Advisory Committee. The bill requires that the members of the new Committee be appointed within 30 days of the bill's effective date. It also specifies that individuals who previously served on the Task Force are eligible to serve on the Advisory Committee.⁸⁰

Background of current Task Force membership

Under current law, the Ohio Accountability Task Force consists of the following members: (1) the chairpersons and ranking minority members of the House and Senate Education Committees, who are nonvoting members, (2) a representative of the Governor, (3) the state Superintendent or a designee, (4) a representative of teachers' unions appointed by the Speaker of the House, (5) a representative of school boards appointed by the Senate President, (6) a school district superintendent appointed by the Speaker, (7) a representative of business appointed by the Senate President, (8) a representative of a nonprofit organization led by the Ohio business community appointed by the Governor, (9) a school building principal appointed by the Senate

⁷⁸ R.C. 3314.016(C).

⁷⁹ R.C. 3302.021(E)(1).

⁸⁰ Section 3.

President, and (10) a member of the State Board of Education appointed by the Speaker.⁸¹

Advisory Committee duties

Under the bill, the duties of the Committee remain the same as under current law, except for the following:

(1) The bill removes the Department and adds the Governor and the General Assembly, along with the State Board as under current law, to the list of entities to which the Advisory Committee must report issues on accountability;

(2) The bill removes a provision requiring the Advisory Committee to examine "the provision of professional development on the interpretation of the data to classroom teachers and administrators";

(3) The bill removes the provision requiring the Advisory Committee to determine starting dates for the implementation of the value-added progress dimension and its incorporation into school district and building report cards and ratings.⁸²

(4) The bill modifies the provision requiring the Advisory Committee to meet at least once each calendar year to at least twice each calendar year.

Unchanged by the bill, the Advisory Committee must continue to adopt recommendations on improving the school district and school accountability system by a majority vote of the members.⁸³ Additionally, the Advisory Committee must continue to examine the implementation of the value-added progress dimension, including the Department's use of the system for collecting and analyzing data, procedures for calculating the value-added progress dimension, and the reporting of performance data to districts and buildings. It further includes a review of any analysis and reporting fees paid by the Department in connection with implementing the value-added progress dimension to determine if they are appropriate for the services received.⁸⁴

⁸¹ R.C. 3302.021(E)(1).

⁸² R.C. 3302.021(E)(2).

⁸³ R.C. 3302.021(E)(2)(d).

⁸⁴ R.C. 3302.021(E)(2)(a) and (d).

State Superintendent report to the Advisory Committee

The bill contains a separate provision requiring the Superintendent of Public Instruction to annually submit to the Ohio Accountability Advisory Committee a summary of the results of the report cards issued to districts and schools.⁸⁵

Comprehensive intervention plan

The bill requires the State Board to submit to the General Assembly, not later than August 31, 2013, recommendations for a comprehensive statewide plan to intervene directly in and improve the performance of persistently poor performing schools and school districts. For this purpose, the bill defines "persistently poor performing schools and school districts" as any of the following: (1) priority schools and focus schools as defined by a waiver issued from provisions of the No Child Left Behind Act of 2001 to the state by the United States Department of Education, (2) schools and districts that have been in school improvement status as defined by the United States Department of Education for four of the five most recent school years, (3) schools and districts whose performance index score places them in the bottom 5% of schools statewide for three of the five most recent school years, and (4) schools and districts that have a value-added progress dimension grade of "F" for three of the five most recent school years, or the equivalent measure.

Scoring levels on achievement assessments

Former law permanently required the State Board of Education to establish five scoring ranges for the state achievement assessments. In 2009, Am. Sub. H.B. 1 of the 128th General Assembly, effective October 16, 2009, instead directed the State Board to establish only three scoring ranges in permanent law. However, temporary law, also enacted in H.B. 1 and, later, Am. Sub. H.B. 153 of the 129th General Assembly, effective June 30, 2011, instructs the State Board to maintain the five scoring ranges for purposes of administering the third grade English language arts achievement assessment.

The bill reinstates the permanent requirement for five scoring ranges on all the state achievement assessments. Under the bill, the ranges are advanced, accelerated, proficient, basic, and limited.⁸⁶

⁸⁵ R.C. 3302.021(F).

⁸⁶ R.C. 3301.0710(A)(2) and Section 7.

Third grade reading guarantee

The third grade reading guarantee requires each school district to assess a student's reading skills at the end of first, second, and third grade to identify students reading below grade level. Upon identification of a student as underperforming, the district must notify the student's parent and provide the student with intervention services, including intense remediation during the summer after third grade. To that end, the district must develop a reading improvement and monitoring plan within 60 days after receiving the student's results on the diagnostic assessment.

Under the bill, once a student is identified as needing intervention services, the district must immediately provide those services pending the completion of the student's improvement and monitoring plan, at which time the services will be provided pursuant to that plan.⁸⁷

The bill also requires the State Board to adopt a diagnostic assessment aligned with the academic standards and model curriculum for each of grades kindergarten through two in reading and writing, instead of English language arts as under current law.⁸⁸

Performance and expenditure ranking for public schools

Law enacted by Am. Sub. H.B. 153 of the 129th General Assembly requires the Department to develop and adopt standards for determining, from the existing data reported under the Education Management Information System (EMIS), the amount of annual operating expenditures for (1) classroom instructional purposes and (2) nonclassroom purposes, for each school district, community school, and STEM school. Those standards, then, and the existing EMIS data are to be used by the Department to rank in order districts and schools by classroom and nonclassroom expenditures and to implement other programs and reports. Subsequent law enacted by Am. Sub. S.B. 316 of the 129th General Assembly delays the date by which the State Board must adopt a final set of expenditure standards from July 1, 2012, to December 31, 2012.⁸⁹ The bill requires the Department to determine the amount of annual operating expenditures for college-preparatory boarding schools in addition to school districts, community schools, and STEM schools.⁹⁰

⁸⁷ R.C. 3313.608.

⁸⁸ R.C. 3301.0715.

⁸⁹ R.C. 3302.20, 3302.21, and 3302.25 (latter section not in the bill).

⁹⁰ R.C. 3302.20.

The bill also specifies that the expenditure reports under this provision begins with fiscal year 2014.⁹¹

Community school fiscal officers

The bill requires that any individual designated as the fiscal officer of a community school be licensed as a school treasurer by the State Board of Education prior to assuming the duties of fiscal officer.⁹² A fiscal officer is similar to a treasurer of a school district and a STEM school, and thus would be licensed by the State Board according to the same standards as school district treasurers.⁹³ The bill eliminates an alternative pathway for unlicensed individuals to become fiscal officers.

Under current law, prior to assuming the duties of fiscal officer, the designated fiscal officer must attain either of the following: (1) licensure by the State Board or (2) completion of at least 16 hours of continuing education classes, courses, or workshops in the area of school accounting.⁹⁴ In addition, an unlicensed fiscal officer must complete 24 hours of continuing education classes within the first year of employment, as well as eight hours of such classes for each subsequent year. All continuing education classes must be approved by the sponsor of the community school.

Internet- and computer-based community schools

Under current law, no Internet- or computer-based community school (e-school) can operate prior to July 1, 2013, unless the school was open for instruction as of May 1, 2005. Beginning July 1, 2013, up to five new schools may open each year. The bill prohibits new e-schools from opening until the later of July 1, 2013, or the sixty-first day after the bill's effective date and establishes an application system for entities that wish to open an e-school.

The bill requires the Superintendent of Public Instruction to approve applications from only those applicants demonstrating experience and quality. The bill also requires the Superintendent to adopt rules that are effective not later than the sixty-first day after the effective date of the bill prescribing measures to determine experience and quality. Those measures must include the sponsor's and operator's experience with online schools, the sponsor's and operator's previous record for student performance, and must give a preference to operators with previous experience in Ohio.

⁹¹ R.C. 3302.20(C).

⁹² R.C. 3314.011.

⁹³ R.C. 3301.074, 3314.011, and 3326.21.

⁹⁴ R.C. 3314.011.

Not later than the earlier of July 1, 2013, or the sixty-first day after the effective date of this bill, the Department of Education must notify any new e-school that filed an application to open of whether the Superintendent has approved or disapproved the school's application. A new e-school that has been approved may open and operate during the initial school year notwithstanding continuing law prescribing dates for adoption and signing of sponsor contracts or the date for opening a school for instruction. However, the school must comply with those mandates for each school year thereafter.⁹⁵

Ed Choice application periods

As noted above, the Educational Choice Scholarship programs pay scholarships to students of poor performing school district schools to attend chartered nonpublic schools instead. Generally, there is only one application period per year for new scholarships. The bill permanently requires the Department of Education to conduct two Ed Choice application periods each year. The first application period must open not sooner than the first day of February but prior to the first day of July of the school year for which a scholarship is sought. The first application period may not run less than 75 days. The second application period must not open sooner than the first day of July of the school year for which the scholarship is sought and may not run less than 45 days.⁹⁶

Standards-based framework for teacher evaluations

Under continuing law enacted by S.B. 316 of the 129th General Assembly, all school districts and educational service centers, and all community schools and STEM schools that receive federal Race to the Top grant funds, must adopt a standards based teacher evaluation policy that conforms to the standards-based state framework developed by the State Board of Education. The statutory requirements regarding teacher evaluations, including the frequency of evaluations, the procedures for doing them, and how they are used for employment decisions, prevail over conflicting provisions of a collective bargaining agreement entered into on or after September 24, 2012 (the effective date of S.B. 316).

The bill restates that the requirements of the standards-based state framework for the evaluations, and the standards and procedures for nonrenewal of a teacher's contract due to the results of an evaluation prevail over any conflicting provisions of a collective bargaining agreement entered into on or after the effective date of this bill.

⁹⁵ R.C. 3314.013.

⁹⁶ R.C. 3310.16.

Educational service centers and STEM school organization

A STEM school is an independent, public science, technology, engineering, and mathematics school for any of grades 6 to 12 established through a collaborative endeavor of both public and private entities. Currently, at least one school district must be a partner in a STEM school's establishment. The bill specifies that the group of collaborating partners establishing a STEM school must include *either* a school district *or* an educational service center.⁹⁷

Educational service center sponsorship of start-up community schools

School districts, educational service centers, state universities under certain conditions, and certain private tax-exempt entities may sponsor start-up community schools. However, educational service centers are currently limited to sponsoring only schools located within the geographical territory of their service regions. The bill permits a service center to sponsor start-up schools in any "challenged school district" in the state, as long as the Department of Education has approved it to do so, has entered into an agreement with the service center for such sponsorship, and if located in a municipal school district (Cleveland) has been recommended by the district's transformation alliance.⁹⁸

Generally, most sponsors have to be approved by the Department before they may enter into contracts with schools. That approval also must be acknowledged in a formal agreement with the Department. Certain early pilot project sponsors (in Lucas County) are exempt from the requirement to get to the Department's approval before sponsoring schools.⁹⁹ It may not be clear whether the bill's requirement for approval for an educational service center to sponsor statewide applies to these exempt sponsors.

War Orphans Scholarship Program and National Guard Scholarship Program

War Orphans Scholarship eligibility

The bill expands the War Orphans Scholarship eligibility to include the children of any deceased or severely wounded service members that participated in an operation for which the Armed Forces Expeditionary Medal was awarded. The War Orphans Scholarship Program provides scholarships for the children of deceased or severely disabled Ohio veterans who were killed or injured during a period of major wartime

⁹⁷ R.C. 3326.03.

⁹⁸ R.C. 3314.02(C) and (F)(3).

⁹⁹ R.C. 3314.015 and 3314.027 (latter section not in the bill).

military service. The Armed Forces Expeditionary Medal is used to recognize more than 20 military operations between 1956 and 1998, including some that are included in the War Orphans Scholarship Program under current law.

War Orphans Scholarship and National Guard Scholarship funding

The bill authorizes the Ohio War Orphans Scholarship Board, the Chancellor of the Ohio Board of Regents, and the Adjutant General to apply for, and receive and accept, grants, and to receive and accept gifts, bequests, and contributions, from public and private sources, including agencies and instrumentalities of the United States and Ohio.¹⁰⁰

The Ohio War Orphans Scholarship Board must deposit the grants, gifts, bequests, or contributions into the Ohio War Orphans Scholarship Fund, which is created by the bill in the state treasury. The fund must be used to operate and provide grants under the War Orphans Scholarship Program.¹⁰¹

The Chancellor of the Board of Regents and the Adjutant General must deposit the grants, gifts, bequests, or contributions into the existing National Guard Scholarship Reserve Fund.¹⁰² Money in the fund must be used to pay scholarship obligations under the National Guard Scholarship Program.¹⁰³

Miscellaneous changes

State education aid. The bill makes a nonsubstantive reference to the definition of "state education aid" for purposes of calculating nonresident tuition to a school operated by a school district.¹⁰⁴

Joint vocational school district report cards. Current law requires the State Board of Education, in consultation with the Chancellor of the Board of Regents, any office established by the Governor that concerns workforce development, the Ohio Association of Career and Technical Education, the Ohio Association of City Career-Technical Schools, and the Ohio Association of Career-Technical Superintendents, to approve a report card for joint vocational school districts and other career-technical planning districts that are not joint vocational school districts. The bill permits the

¹⁰⁰ R.C. 5910.02 last paragraph, and R.C. 5919.34(K).

¹⁰¹ R.C. 5910.07.

¹⁰² R.C. 5919.34.

¹⁰³ R.C. 5919.341, not in the bill.

¹⁰⁴ R.C. 3317.081.

report card to include disaggregated data for each joint vocational school district, if available, and to begin using the report card for the 2012-2013 school year.¹⁰⁵

Contractor access to student personally identifiable data. Current law permits a contractor employed by the Department of Education to have student personally identifiable information for purposes of creating student statewide identification numbers that the Department uses to track student data. The bill permits an entity that is contracted by the Department to develop state assessments also to have student personally identifiable information for purposes of developing those assessments. Under current law, the Department is generally prohibited from obtaining a student's name when student performance data is reported to the Department for inclusion into the Education Management Information System (EMIS).¹⁰⁶

Background on current academic performance rating system

Current law provides for the annual rating of school districts and individual school buildings based on their academic performance.¹⁰⁷ The five classes of performance under the rating system are "excellent," "effective," "continuous improvement," "academic watch," and "academic emergency." The ratings and an explanation of how they were computed are published by the Department of Education in an annual "report card" for each school district, each building within a district, each community school, and each STEM school in the state. The report cards are issued sometime in August for the district's or school's performance for the previous school year.

The ratings are determined by:

(1) Meeting or not meeting specified performance indicators (75% student proficiency on all applicable state achievement assessments, 93% attendance rate, and 90% graduation rate);

(2) Attaining a specified performance index score. The performance index score is a weighted measure of up to 120 points designed to show improvement over time on the state achievement assessments by students scoring at all levels; and

(3) Making or not making "adequate yearly progress" (or "AYP") on state achievement assessments among specified subgroups of test takers. AYP is a measure

¹⁰⁵ R.C. 3302.033.

¹⁰⁶ R.C. 3301.0714(D)(1).

¹⁰⁷ Current R.C. 3302.03(B).

of performance used to determine whether a particular district or building is meeting the goals of the federal No Child Left Behind Act of 2001.¹⁰⁸ The subgroups are each of the federally recognized ethnic classifications (African-American, American Indian or Native Alaskan, Asian or Pacific Islander, Hispanic, multi-racial, and white); disabled students; economically disadvantaged students; and limited-English proficient students.

The following table shows how the performance ratings are determined using those three measures.

Rating	Percentage of performance indicators met		Performance index score		Makes AYP
Excellent	94%-100%	<i>or</i>	100 to 120	<i>and</i>	Yes
	94%-100%	<i>or</i>	100 to 120	<i>and</i>	No*
Effective	75%-93%	<i>or</i>	90 to 99	<i>and</i>	Yes
	75%-93%	<i>or</i>	90 to 99	<i>and</i>	No*
Continuous improvement	0%-74%	<i>and</i>	0 to 89	<i>and</i>	Yes
	50%-74%	<i>or</i>	80 to 89	<i>and</i>	No
Academic watch	31%-49%	<i>or</i>	70 to 79	<i>and</i>	No
Academic emergency	0%-30%	<i>and</i>	0 to 69	<i>and</i>	No

* If an otherwise excellent district or building does not make AYP for two or more of the same student subgroups for three or more consecutive years, it must be rated effective. Similarly, if an otherwise effective district or building does not make AYP for two or more of the same student subgroups for three or more consecutive years, it must be rated continuous improvement.

Value-added progress dimension

There is a fourth measure used to determine district and school ratings. It is known as the "value-added progress dimension." It tracks the amount of a student's academic growth attributable to a particular district or building.¹⁰⁹ To show growth from one year to the next, the dimension tracks student scores on state assessments in subjects and grade levels for which there are assessments for the prior year. Those tests are the reading and math tests for grades 4 through 8. If a district or building demonstrates more than a standard year of academic growth in reading and math for two consecutive years, its rating is raised one level. If a district is already rated

¹⁰⁸ Public Law 107-110.

¹⁰⁹ R.C. 3302.021.

excellent based on the other factors, the Department will rate it as "excellent with distinction" on its report card if it also demonstrates more than a standard year of academic growth for two consecutive years. If a district or building shows less than a standard year of academic growth in those subjects for three straight years, its rating is lowered one level.

AYP

AYP is a measure of performance used to determine whether a particular school district or building is meeting the goals of the federal No Child Left Behind Act. Generally, no district or building may make AYP unless (1) 95% of the students in each subgroup required to take a test actually take the test and (2) a specified percentage of each subgroup of test takers attains scores set by the state Department of Education. The expected scoring performance on the state assessments for purposes of AYP varies from district to district and building to building. It is generally different from (and often lower than) the 75% proficiency rate required under the state performance indicators.

HISTORY

ACTION	DATE
Introduced	05-22-12
Reported, H. Education	---

h0555-rh-129.docx/ks

