

**SECTION (F)(2):**  
**ENSURING SUCCESSFUL CONDITIONS FOR HIGH-PERFORMING CHARTER SCHOOLS AND OTHER**  
**INNOVATIVE SCHOOLS (40 POINTS)**

**US DEPARTMENT OF EDUCATION - APPLICATION INSTRUCTIONS**  
**FROM CFDA NUMBER: 84.395A - RACE TO THE TOP APPLICATION FOR PHASE 2 FUNDING**

Format compliance statement: Consistent with FAQ Addendum 3 (posted on 12/24/2009 by the US Department of Education on its web site), Question #L-9 *allows a State to use its own format for the response provided it is substantially similar, contains all of the same information, and in the same order.* Ohio's response is accordingly provided in a single narrative. Instructions from the US Government for this section are cut/pasted from the Government document and inserted here, ahead of Ohio's response.

**(F)(2) Ensuring successful conditions for high-performing charter schools and other innovative schools (40 points)**

The extent to which—

- (i) The State has a charter school law that does not prohibit or effectively inhibit increasing the number of high-performing charter schools (as defined in this notice) in the State, measured (as set forth in Appendix B) by the percentage of total schools in the State that are allowed to be charter schools or otherwise restrict student enrollment in charter schools;
- (ii) The State has laws, statutes, regulations, or guidelines regarding how charter school authorizers approve, monitor, hold accountable, reauthorize, and close charter schools; in particular, whether authorizers require that student achievement (as defined in this notice) be one significant factor, among others, in authorization or renewal; encourage charter schools that serve student populations that are similar to local district student populations, especially relative to high-need students (as defined in this notice); and have closed or not renewed ineffective charter schools;
- (iii) The State's charter schools receive (as set forth in Appendix B) equitable funding compared to traditional public schools, and a commensurate share of local, State, and Federal revenues;
- (iv) The State provides charter schools with funding for facilities (for leasing facilities, purchasing facilities, or making tenant improvements), assistance with facilities acquisition, access to public facilities, the ability to share in bonds and mill levies, or other supports; and the extent to which the State does not impose any facility-related requirements on charter schools that are stricter than those applied to traditional public schools; and
- (v) The State enables LEAs to operate innovative, autonomous public schools (as defined in this notice) other than charter schools.

*In the text box below, the State shall describe its current status in meeting the criterion. The narrative or attachments shall also include, at a minimum, the evidence listed below, and how each piece of evidence demonstrates the State's success in meeting the criterion. The narrative and attachments may also include any additional information the State believes will be helpful to peer reviewers. For attachments included in the Appendix, note in the narrative the location where the attachments can be found.*

**(F)(2) Ensuring successful conditions for high-performing charter schools and other innovative schools (40 points)**

Evidence for (F)(2)(i):

- A description of the State’s applicable laws, statutes, regulations, or other relevant legal documents.
- The number of charter schools allowed under State law and the percentage this represents of the total number of schools in the State.
- The number and types of charter schools currently operating in the State.

Evidence for (F)(2)(ii):

- A description of the State’s approach to charter school accountability and authorization, and a description of the State’s applicable laws, statutes, regulations, or other relevant legal documents.
- For each of the last five years:
  - The number of charter school applications made in the State.
  - The number of charter school applications approved.
  - The number of charter school applications denied and reasons for the denials (academic, financial, low enrollment, other).
  - The number of charter schools closed (including charter schools that were not reauthorized to operate).

Evidence for (F)(2)(iii):

- A description of the State’s applicable statutes, regulations, or other relevant legal documents.
- A description of the State’s approach to charter school funding, the amount of funding passed through to charter schools per student, and how those amounts compare with traditional public school per-student funding allocations.

Evidence for (F)(2)(iv):

- A description of the State’s applicable statutes, regulations, or other relevant legal documents.
- A description of the statewide facilities supports provided to charter schools, if any.

Evidence for (F)(2)(v):

- A description of how the State enables LEAs to operate innovative, autonomous public schools (as defined in this notice) other than charter schools.

*Recommended maximum response length: Six pages*

**OHIO’S NARRATIVE RESPONSE TO (F)(2) IS FOUND ON PAGES F2-1 - F2-7.  
APPENDICES WITH SUPPORTING EVIDENCE ARE REFERENCED AS APPLICABLE.**

## ***(F)(2) Ensuring Successful Conditions for High-Performing Charter Schools and Other Innovative Schools***

### ***Overview***

A comprehensive and effective turnaround school strategy demands strong and mutually beneficial partnerships with Ohio's charter school community. Ohio's charter advocacy organizations endorse the State's RttT plan and participated in outreach and partnership activities with other state-wide education organizations, including those representing school boards and educators. Ohio has a long history of support for charter schools, known in Ohio as Community Schools. Ohio passed its first charter law in 1997 as part of an education reform agenda to provide parents with expanded opportunities and choices for students in low-performing schools and districts. Currently, *Ohio has the fifth-largest charter-school enrollment in the nation*, with more than 93,000 students enrolled in 322 charter schools across the State. If charters were viewed as a single, comprehensive school district, it would be the largest district in Ohio. To ensure consistent quality among charter schools in Ohio—which, candidly, has been uneven—Ohio legislators passed the toughest charter school accountability/closure laws in the nation with the support of charter school advocacy organizations—laws that are designed to ensure that charter schools successfully educate Ohio's children to high standards of excellence and deliver on the promise of providing students and parents with improved options for their children. As most of our charter schools are located in urban settings, it is imperative that Ohio monitors the quality of education that charter schools provide to their students. With a State priority on closing achievement gaps, all Ohio schools must have effective teachers and principals who are focused on student success. The student success education reforms in HB 1 will apply equally to charter schools, including changes to standards and assessments, the State's accountability structure, and reforms around teacher licensure. Additionally, charter schools that are identified as among the lowest-achieving schools will benefit from the State's turnaround and achievement-gap-closing plans. Further, ODE will deepen a partnership with the charter school community and engage the highest-performing charter schools to serve as models for other schools.

### ***(F)(2)(i) Opportunities for Charter School Growth***

Ohio does not cap the number of bricks-and-mortar charter schools that can open in low-performing districts or in Ohio's eight largest urban districts. Furthermore, there is no cap on

conversion charter schools, which are formerly traditional public schools converted into charter schools. However, Ohio does have a cap on the number of online charter schools. Currently, there are 29 bricks-and-mortar charter schools and 27 online charter schools. *Collectively, these schools represent 9% of all public schools and 5% of all public school students. There are 42 times as many charter school students as there were in the 1998-1999 school year, when Ohio opened its first 15 charter schools.*

Ohio law permits both new start-up and conversion charter schools and does not prohibit or effectively inhibit increasing the number of bricks-and-mortar charter schools in identified regions and districts. There are no limits to how many bricks-and-mortar charter schools may operate in Ohio or how many conversion charter schools may open. Any school district, Educational Service Center, or Joint Vocational School may convert a building or part of a building to a charter school, pursuant to ORC Sections 3314.013, 3314.014, 3314.016, and 3314.017. State law does not prohibit a district from converting its schools into charter schools. These laws align well with the provisions in the RttT turnaround schools strategy. The potential number of conversion charter schools is bounded only by the number of traditional public school buildings in the State.

The State allows new start-up charter schools in Ohio's eight large urban districts (Akron, Canton, Cleveland, Cincinnati, Columbus, Dayton, Toledo, and Youngstown) as well as any district-rated Academic Emergency or Academic Watch by the State's accountability system (seven additional districts in 2009-2010). *These districts cover 97% of the persistently lowest-achieving public schools in Ohio. There are no limits to the number of charters that may open in those districts.* Student enrollment in charter schools is not limited and continues to grow at about 6% per year.

### ***(F)(2)(ii) Charter School Authorization***

The rapid expansion of charter schools in Ohio has been accompanied by mixed performance. Because of this, the State has instituted, with the support of charter school advocacy organizations, strong performance accountability standards for charter schools and sponsors. These standards, according to the National Alliance for Public Charter Schools, represent the toughest performance and closure laws in the nation and are effective at culling schools that are chronically underperforming and at ensuring high-quality charter schools for Ohio's students. *Student achievement is a key factor in the renewal of charter schools.* Thus,

Ohio's commitment to ensuring that all students receive a high-quality education is supported by this accountability system. (See Appendix F.2.1.)

Ohio's system of charter authorization places an intermediary, called a sponsor, between ODE and individual charter schools. Included in HB 1 is a provision that establishes ODE oversight over all sponsors who, in turn, have responsibility for schools. *ODE has full authority to revoke the sponsoring organization's approval.* In addition, only sponsors with evidence of success can open new charter schools.

The legal requirements of each charter are described in law (ORC 3314.03). Ohio law does not speak to the authorizer's approval process for creating charter schools other than the requirement for a developer of a new start-up charter school to engage the services of an Operator, which is an individual, organization, or franchise-trained individual(s) responsible for the daily operations of a highly rated charter school in Ohio or in another state. Extensive requirements regarding authorizer responsibilities to monitor, hold accountable, reauthorize, and close schools (ORC 3314 and OAC 3301-102-05) exist in Ohio. Required monitoring includes bimonthly reviews of the school's finances; comprehensive site visits conducted at the school at least twice annually, while school is in session, to review compliance with the school's contract and all applicable State and Federal laws; and submission of an annual report to ODE on each charter school's compliance with all legal and regulatory requirements, renewal decisions, and disciplinary interventions, including probation, suspension, and termination (ORC 3314.07 and renewals in ORC 3314.072 and 3314.073).

Ohio's academic accountability system applies to all public schools, including charters, and issues annual Local Report Cards (LRCs) at the building level, reporting student and school performance data and assigning a rating scale from "Excellent with Distinction" to "Academic Emergency." Charters receive LRCs annually, beginning at the end of the school's first year of operation. Student achievement is a key factor in charter renewals. Under ORC 3314.35, charter schools (excluding those schools specifically targeting dropout recovery or students with disabilities) are subject to closure for continued poor performance if they meet the following student achievement criteria:

- For schools serving grades not higher than grade 3, a rating of Academic Emergency on the Local Report Card for three of the four most-recent school years.

- For schools serving any grades 4-8, but not above 9, a rating of Academic Emergency for two of the three most-recent school years where, in at least two of the three most-recent school years, the school showed less than one standard year of academic growth in either reading or mathematics.
- For schools offering any grade levels 10-12, a rating of Academic Emergency for three of the four most-recent school years.

Charter school applications are made directly to sponsors rather than the State, as shown in Table F.2.1.

Table F.2.1. Charter School Application and Approval Data by School Year

School Year	Number of Applications Received by Charter School Authorizers	Number of Applications Not Approved By Charter School Authorizers	Application Approved: Applicant Has Operated or Plans to Operate School	Application Approved: Applicant Did Not and Will Not Operate School
2004-2005	71	27	43	1
2005-2006	139	40	82	17
2006-2007	52	32	20	0
2007-2008	35	12	23	0
2008-2009	45	22	23	0
<b>Total</b>	<b>342</b>	<b>133</b>	<b>191</b>	<b>18</b>

During the past five years, 65 charter schools closed. Some closed because the school's Governing Authority chose not to continue operations (voluntary closure) and fewer closed because the sponsor non-renewed the charter for cause or revoked the charter (involuntary closure). Some schools may have more than one reason for closing; these reasons are categorized in Table F.2.2.

Table F.2.2. Reasons for Charter School Closings by School Year

School Year	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
<b>Number Closed</b>	<b>7</b>	<b>19</b>	<b>7</b>	<b>14</b>	<b>18</b>
<b>Ordered</b>	<b>1</b>	<b>8</b>	<b>1</b>	<b>3</b>	<b>8</b>
<b>Voluntary</b>	<b>6</b>	<b>10</b>	<b>6</b>	<b>10</b>	<b>10</b>
<b>Not Applicable</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>
<b>Academic viability</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>
<b>Financial viability and low enrollment</b>	<b>5</b>	<b>6</b>	<b>2</b>	<b>3</b>	<b>9</b>
<b>Financial viability and other contractual non-compliance</b>	<b>2</b>	<b>8</b>	<b>0</b>	<b>6</b>	<b>4</b>
<b>Merged or converted school</b>	<b>0</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>0</b>
<b>Could not find a new location</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>
<b>Could not find a new sponsor</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>

Start-up and conversion charter schools may enroll students from within the district, from contiguous districts, or from anywhere within the State. *ORC 3314.03(A)(7) requires that each charter school's contract specify the ways in which it will achieve a racial and ethnic balance reflective of the community it serves.*

### **(F)(2)(iii) Charter School Funding**

Charter schools are LEAs in Ohio and, as LEAs, are eligible for their commensurate share of all Federal entitlement and competitive funding. Ohio established State funding levels for all charter schools that are equitable with those for traditional public schools.

Students attending charter schools are included in the number of funded students for the traditional school district where the student resides. State per-pupil funding is then transferred from the traditional district to the charter school by the State, including the proportionate share of State funding provided to the district for traditional public education students. The per-pupil amount transferred for each student is calculated in accordance with the following formula:

- Base funding of \$5,718 (school year [SY] 2009–2010) or \$5,703 (SY 2010–2011) plus base supplements of \$50.91
- For special education pupils, \$5,732 times the applicable special education weight
- For students in career-technical education programs, \$5,732 times the applicable career-technical education weight
- For economically disadvantaged students, a per-pupil amount based on the funding the resident district received for the SY 2008–2009.
  - A charter school receives funding for all-day kindergarten students if the resident district of the student met the eligibility requirements to receive all-day kindergarten funding in the SY 2008–2009.
- A per-pupil amount based on the property and income wealth of the resident district to provide parity between disparate districts.

Transportation services for charter schools are provided by the district of residence of attending students. However, charter schools may receive transportation funds directly if they provide transportation services to students.

Ohio has been a recipient of the Federal Public Charter School Program grant for three State award periods. This grant allows Ohio to provide implementation and start-up grants to

new and developing charter schools on a competitive basis. The current average charter school award is \$500,000 over a 3-year period.

The School Funding Advisory Council (detailed in Appendix F.1.1) is tasked in HB 1 with, among other things, developing recommendations for improvements to Ohio's charter school funding. Deliberations and discussions are currently underway and final recommendations from this task force are due by December 2010. Representatives from charter schools sit on the School Funding Advisory Council whose membership is codified in law.

#### ***(F)(2)(iv) Charter School Funding for Facilities***

In lieu of direct facilities funding, Ohio law governs access to existing facilities. When a traditional school district disposes of real property that is suitable for classroom space, it must first offer that property to new, start-up charter schools located in its district at a price that is not higher than the appraised fair market value. Charter schools have 60 days in which to decide to make the purchase. If more than one charter school wants the property, the sale must be awarded to the school who accepted the offer first. Additionally, when a traditional district has real property suitable for classroom space and it has not used that property for academic instruction, administration, storage, or any other educational purpose within the past year, and does not have a plan to do so during the next three years, it must offer that property to new start-up charter schools located in its district under the same conditions as outlined above, per ORC 3313.41(G)(2). No State-level facility requirements are imposed on charter schools, which is different from traditional public schools. Each school's occupancy is locally approved through the zoning, health, and fire departments. Facility funding issues also are being discussed by the School Funding Advisory Council.

Charter schools cannot share in traditional school district bond or mill levies.

#### ***(F)(2)(v) LEA Ability to Operative Innovative, Autonomous Public Schools***

Ohio has a variety of mechanisms for encouraging innovative, autonomous public schools other than charter schools and many districts actively participate in this work. The broadest powers are provided to the Superintendent of Public Instruction and the State Board of Education under the Innovative Education Pilot Program waiver as captured in HB 1 (ORC 3302.07), which allows school districts to apply for exemptions from specific statutory provisions or rules. This authority is extremely broad, though appropriate restrictions to the



flexibility offered relative to funding and special education requirements are not subject to waiver.

The Operating Standards for Ohio Schools, Ohio Administrative Code 3301-35-01 (B)(8), provide flexibility for students to obtain credit through alternative “educational options.” These are defined as learning experiences or activities that are designed to extend, enhance, or supplement classroom instruction and honor individual student needs and talents. Educational options are offered in accordance with local board of education policy and with parental approval, and may include independent study, study abroad programs, tutorial programs, distance learning, and community service, among other options. In addition, the State Board of Education adopted a plan that enables students to earn units of high school credit based on a demonstration of subject area competency instead of or in combination with completing hours of classroom instruction. Students may earn credits by completing coursework; by testing out of or demonstrating mastery of course content; or by pursuing one or more educational options as described above. A summary of Ohio’s Credit Flexibility Plan is in Appendix B.3.4.

Many compelling examples of innovative, autonomous public schools exist across the State of Ohio. For instance, Ohio has nine Early College High School (ECHS) sites in eight school districts, serving roughly 2,500 students. These schools build significant college-going identity and culture and students earn up to 60 college credits (the equivalent of an associate’s degree) prior to graduation. Ohio’s STEM schools have the authority to define their instructional models and associated curriculum. Per ORC 3326.08, STEM school governing bodies have the authority to hire administrative officers, teachers, and other personnel. Provided the statutory minimums are met in terms of length of the school year, these schools have the discretion to define their school day and year, as well as control their budget (ORC 3326.08, 3326.21, 3326.51(B)(2)-(5)).

**Forging Alliances.** As the RtT strategy and plan unfolds, a deepened partnership between ODE and the Ohio Alliance for Public Charter Schools is being initiated. This partnership will inform future policies on charter schools in Ohio and also assist in the dissemination and sharing of best practices utilized in Ohio’s charter schools that impact student learning. Further, promising practices in Ohio’s traditional schools will also be shared. RtT presents an incredible opportunity to engage all of Ohio’s education partners in meaningful conversations that result in a cohesive commitment to all of Ohio’s children.