

AUTHENTICATED, OHIO LEGISLATIVE SERVICE COMMISSION DOCUMENT #299261

## Ohio Administrative Code

Rule 3301-102-07 Probation and revocation of sponsorship authority. Effective: July 28, 2022

(A) In accordance with the timelines established in division (F) of section 3314.015 of the Revised Code, if the department finds that a sponsor is not in compliance with applicable laws and administrative rules, the department shall declare in a written notice to the sponsor the specific laws and/or rules, or both, for which the sponsor is noncompliant. Indicators of noncompliance include:

(1) Failure of the sponsor to meet the obligations established in section 3314.023 of the Revised Code resulting in a mid-year closure or a community schools continued noncompliance with any state or federal rules and regulations and/or contractual obligations on the part of a community school identified by the department or other state or federal regulatory agencies;

(2) Failure of the sponsor to meet the obligations established in section 3314.023 of the Revised Code resulting in a community schools recurring financial losses from either reporting of negative disbursements as actuals over multiple years reported on the five-year forecasts or recurring losses from operations identified on the most recent audit;

(3) Failure of the sponsor to implement a quality improvement plan as required in section 3314.016 of the Revised Code; or

(4) Instances where sponsor action knowingly resulted in a sponsor or community schools noncompliance with Revised Code, Administrative Code, federal statute and/or terms of the contract.

(B) After receiving written notice of noncompliance from the department, a sponsor that failed to meet expectations established in section 3314.015 of the Revised Code shall be placed in probationary status and may result in the department limiting the sponsors ability to sponsor additional schools while on probationary status.

(C) In addition to revocation based on the results of the evaluation as outlined in section 3314.016 of the Revised Code, the department shall notify the sponsor when it intends to seek a finding by the



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state board of education that the sponsor is non-compliant pursuant to the criteria in section 3314.015 of the Revised Code, other criteria for sponsorship contained in Chapter 3314. of the Revised Code, the sponsorship agreement, or criteria in the Administrative Code.

(D) When the state board of education is evaluating whether to determine that a sponsor is noncompliant or unwilling to comply with Revised Code, Administrative Code, federal statute and/or terms of the contract for the purposes of revocation, the review shall consist of the following factors:

(1) Failure to remedy conditions or violations of law at a community school that may pose an imminent danger to the health and safety of the schools students and/or employee.

(2) Failure to remedy any cause for the department to place a sponsor on probation in accordance with division (F) of section 3314.015 of the Revised Code after the probation process has been completed.

(3) If a sponsor is on probation and has failed to remedy the initial instance of noncompliance, the department identifies another instance where the department determines the sponsor is not in compliance with additional applicable laws and administrative rules as referenced in paragraph (A) of this rule.

(E) After the state board makes a finding of noncompliance, the department, on behalf of the state board, shall notify the sponsor and all of the community schools that it sponsors within ten business days of its finding. The notification shall include the state boards resolution detailing the basis for the state boards finding of non-compliance and include the fact that the sponsor may request a hearing on the matter.

(F) If the request for a hearing is received within ten business days, the state board or its designee shall conduct a hearing on that matter in accordance with Chapter 119. of the Revised Code. Within thirty days of receipt of the transcript from the hearing, a hearing officer will submit a report and recommendation, unless an extension is granted by the department.

(G) Upon conclusion of the hearing, a party may file written objections pursuant to Chapter 119. of



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the Revised Code. The state board may confirm, modify, or reverse the hearing officer's findings.

(H) The resolution of the state board confirming the revocation of the sponsor's authority to sponsor community schools may be appealed by the sponsor in accordance with section 119.12 of the Revised Code.