The state board of education shall exercise under the acts of the general assembly general supervision of the system of public education in the state. In addition to the powers otherwise imposed on the state board under the provisions of law, the board shall have the powers described in this section.

(A) The state board shall exercise policy forming, planning, and evaluative functions for the public schools of the state except as otherwise provided by law.

(B)(1) The state board shall exercise leadership in the improvement of public education in this state, and administer the educational policies of this state relating to public schools, and relating to instruction and instructional material, building and equipment, transportation of pupils, administrative responsibilities of school officials and personnel, and finance and organization of school districts, educational service centers, and territory. Consultative and advisory services in such matters shall be provided by the board to school districts and educational service centers of this state.

(2) The state board also shall develop a standard of financial reporting which shall be used by each school district board of education and each governing board of an educational service center, each governing authority of a community school established under Chapter 3314., each governing body of a STEM school established under Chapter 3328., and each board of trustees of a college-preparatory boarding school established under Chapter 3328. of the Revised Code to make its financial information and annual budgets for each school building under its control available to the public in a format understandable by the average citizen. The format shall show, both at the district and at the school building level, revenue by source; expenditures for salaries, wages, and benefits of employees, showing such amounts separately for classroom teachers, other employees required to hold licenses issued pursuant to sections 3319.22 to 3319.31 of the Revised Code, and all other employees; expenditures other than for personnel, by category, including utilities, textbooks and other educational materials, equipment, permanent improvements, pupil transportation,
extracurricular athletics, and other extracurricular activities; and per pupil expenditures. The format shall also include information on total revenue and expenditures, per pupil revenue, and expenditures for both classroom and nonclassroom purposes, as defined by the standards adopted under section 3302.20 of the Revised Code in the aggregate and for each subgroup of students, as defined by section 3317.40 of the Revised Code, that receives services provided for by state or federal funding.

(3) Each school district board, governing authority, governing body, or board of trustees, or its respective designee, shall annually report, to the department of education, all financial information required by the standards for financial reporting, as prescribed by division (B)(2) of this section and adopted by the state board. The department shall make all reports submitted pursuant to this division available in such a way that allows for comparison between financial information included in these reports and financial information included in reports produced prior to July 1, 2013. The department shall post these reports in a prominent location on its web site and shall notify each school when reports are made available.

(C) The state board shall administer and supervise the allocation and distribution of all state and federal funds for public school education under the provisions of law, and may prescribe such systems of accounting as are necessary and proper to this function. It may require county auditors and treasurers, boards of education, educational service center governing boards, treasurers of such boards, teachers, and other school officers and employees, or other public officers or employees, to file with it such reports as it may prescribe relating to such funds, or to the management and condition of such funds.

(D)(1) Wherever in Titles IX, XXIII, XXIX, XXXIII, XXXVII, XLVII, and LI of the Revised Code a reference is made to standards prescribed under this section or division (D) of this section, that reference shall be construed to refer to the standards prescribed under division (D)(2) of this section, unless the context specifically indicates a different meaning or intent.

(2) The state board shall formulate and prescribe minimum standards to be applied to all elementary and secondary schools in this state for the purpose of providing children access to a general education of high quality according to the learning needs of each individual, including students with disabilities, economically disadvantaged students, English learners, and students identified as gifted. Such standards shall provide adequately for: the licensing of teachers, administrators, and other
professional personnel and their assignment according to training and qualifications; efficient and
effective instructional materials and equipment, including library facilities; the proper organization,
administration, and supervision of each school, including regulations for preparing all necessary
records and reports and the preparation of a statement of policies and objectives for each school; the
provision of safe buildings, grounds, health and sanitary facilities and services; admission of pupils,
and such requirements for their promotion from grade to grade as will assure that they are capable
and prepared for the level of study to which they are certified; requirements for graduation; and such
other factors as the board finds necessary.

The state board shall base any standards governing the promotion of students or requirements for
graduation on the ability of students, at any grade level, to earn credits or advance upon
demonstration of mastery of knowledge and skills through competency-based learning models.
Credits of grade level advancement shall not require a minimum number of days or hours in a
classroom.

The state board shall base any standards governing the assignment of staff on ensuring each school
has a sufficient number of teachers to ensure a student has an appropriate level of interaction to meet
each student's personal learning goals.

In the formulation and administration of such standards for nonpublic schools the board shall also
consider the particular needs, methods and objectives of those schools, provided they do not conflict
with the provision of a general education of a high quality and provided that regular procedures shall
be followed for promotion from grade to grade of pupils who have met the educational requirements
prescribed.

(3) In addition to the minimum standards required by division (D)(2) of this section, the state board
may formulate and prescribe the following additional minimum operating standards for school
districts:

(a) Standards for the effective and efficient organization, administration, and supervision of each
school district with a commitment to high expectations for every student based on the learning needs
of each individual, including students with disabilities, economically disadvantaged students, English
learners, and students identified as gifted, and commitment to closing the achievement gap without
suppressing the achievement levels of higher achieving students so that all students achieve core knowledge and skills in accordance with the statewide academic standards adopted under section 3301.079 of the Revised Code;

(b) Standards for the establishment of business advisory councils under section 3313.82 of the Revised Code;

(c) Standards for school district buildings that may require the effective and efficient organization, administration, and supervision of each school district building with a commitment to high expectations for every student based on the learning needs of each individual, including students with disabilities, economically disadvantaged students, English learners, and students identified as gifted, and commitment to closing the achievement gap without suppressing the achievement levels of higher achieving students so that all students achieve core knowledge and skills in accordance with the statewide academic standards adopted under section 3301.079 of the Revised Code.

(E) The state board may require as part of the health curriculum information developed under section 2108.34 of the Revised Code promoting the donation of anatomical gifts pursuant to Chapter 2108. of the Revised Code and may provide the information to high schools, educational service centers, and joint vocational school district boards of education;

(F) The state board shall prepare and submit annually to the governor and the general assembly a report on the status, needs, and major problems of the public schools of the state, with recommendations for necessary legislative action and a ten-year projection of the state's public and nonpublic school enrollment, by year and by grade level.

(G) The state board shall prepare and submit to the director of budget and management the biennial budgetary requests of the state board of education, for its agencies and for the public schools of the state.

(H) The state board shall cooperate with federal, state, and local agencies concerned with the health and welfare of children and youth of the state.

(I) The state board shall require such reports from school districts and educational service centers,
school officers, and employees as are necessary and desirable. The superintendents and treasurers of school districts and educational service centers shall certify as to the accuracy of all reports required by law or state board or state department of education rules to be submitted by the district or educational service center and which contain information necessary for calculation of state funding. Any superintendent who knowingly falsifies such report shall be subject to license revocation pursuant to section 3319.31 of the Revised Code.

(J) In accordance with Chapter 119. of the Revised Code, the state board shall adopt procedures, standards, and guidelines for the education of children with disabilities pursuant to Chapter 3323. of the Revised Code, including procedures, standards, and guidelines governing programs and services operated by county boards of developmental disabilities pursuant to section 3323.09 of the Revised Code.

(K) For the purpose of encouraging the development of special programs of education for academically gifted children, the state board shall employ competent persons to analyze and publish data, promote research, advise and counsel with boards of education, and encourage the training of teachers in the special instruction of gifted children. The board may provide financial assistance out of any funds appropriated for this purpose to boards of education and educational service center governing boards for developing and conducting programs of education for academically gifted children.

(L) The state board shall require that all public schools emphasize and encourage, within existing units of study, the teaching of energy and resource conservation as recommended to each district board of education by leading business persons involved in energy production and conservation, beginning in the primary grades.

(M) The state board shall formulate and prescribe minimum standards requiring the use of phonics as a technique in the teaching of reading in grades kindergarten through three. In addition, the state board shall provide in-service training programs for teachers on the use of phonics as a technique in the teaching of reading in grades kindergarten through three.

(N) The state board may adopt rules necessary for carrying out any function imposed on it by law, and may provide rules as are necessary for its government and the government of its employees, and
may delegate to the superintendent of public instruction the management and administration of any function imposed on it by law. It may provide for the appointment of board members to serve on temporary committees established by the board for such purposes as are necessary. Permanent or standing committees shall not be created.

(O) Upon application from the board of education of a school district, the superintendent of public instruction may issue a waiver exempting the district from compliance with the standards adopted under divisions (B)(2) and (D) of this section, as they relate to the operation of a school operated by the district. The state board shall adopt standards for the approval or disapproval of waivers under this division. The state superintendent shall consider every application for a waiver, and shall determine whether to grant or deny a waiver in accordance with the state board's standards. For each waiver granted, the state superintendent shall specify the period of time during which the waiver is in effect, which shall not exceed five years. A district board may apply to renew a waiver.