Upon approval of the state board of education, the superintendent of public instruction and the chancellor of the Ohio board of regents may enter into a memorandum of understanding under which the department of education, on behalf of the chancellor, will receive and maintain copies of data records containing student information reported to the chancellor for the purpose of combining those records with the data reported to the education management information system established under section 3301.0714 of the Revised Code to establish an education data repository that may be used to conduct longitudinal research and evaluation. The memorandum of understanding shall specify the following:

(A) That, prior to establishing the repository, the superintendent and chancellor shall develop a strategic plan for the repository that outlines the goals to be achieved from its implementation and use. A copy of the strategic plan shall be provided to the governor, the president of the senate, and the speaker of the house of representatives.

(B) That the chancellor shall submit all student data to be included in the repository to the independent contractor engaged by the department to create and maintain the student data verification codes required by division (D)(2) of section 3301.0714 of the Revised Code. For each student included in the data submitted by the chancellor, the independent contractor shall determine whether a data verification code has been assigned to that student. In the case of a student to whom a data verification code has been assigned, the independent contractor shall add the code to the student's data record and remove from the data record any information that would enable the data verification code to be matched to personally identifiable student data. In the case of a student to whom a data verification code has not been assigned, the independent contractor shall assign a data verification code to the student, add the data verification code to the student's data record, and remove from the data record any information that would enable the data verification code to be matched to personally identifiable student data. After making the modifications described in this division, the independent contractor shall transmit the data to the department.
(C) That the superintendent and the chancellor jointly shall develop procedures for the maintenance of the data in the repository and shall designate the types of research that may be conducted using that data. Permitted uses of the data shall include, but are not limited to, the following:

(1) Assisting the department, superintendent, or state board in performing audit and evaluation functions concerning preschool, elementary, and secondary education as required or authorized by any provision of law, including division (C) of section 3301.07 and sections 3301.12, 3301.16, 3301.53, 3301.57, 3301.58, and 3302.03 of the Revised Code;

(2) Assisting the chancellor in performing audit and evaluation functions concerning higher education as required or authorized by any provision of law, including sections 3333.04, 3333.041, 3333.047, 3333.122, 3333.123, 3333.16, 3333.161, 3333.374, 3333.72, and 3333.82 of the Revised Code.

(D) That the superintendent and the chancellor, from time to time, jointly may enter into written agreements with entities for the use of data in the repository to conduct research and analysis designed to evaluate the effectiveness of programs or services, to measure progress against specific strategic planning goals, or for any other purpose permitted by law that the superintendent and chancellor consider necessary for the performance of their duties under the Revised Code. The agreements may permit the disclosure of personally identifiable student information to the entity named in the agreement, provided that disclosure complies with the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232g, as amended, and regulations promulgated under that act prescribing requirements for such agreements. The superintendent shall notify the state board of each agreement entered into under this division.

(E) That the data in the repository submitted by the department shall remain under the direct control of the department and that the data in the repository submitted by the chancellor shall remain under the direct control of the chancellor;

(F) That the data in the repository shall be managed in a manner that complies with the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232g, as amended;

(G) That all costs related to the initial establishment and ongoing maintenance of the repository shall
be paid from funds received from state incentive grants awarded under division (A), Title XIV, section 14006 of the American Recovery and Reinvestment Act of 2009, other federal grant programs, or existing appropriations of the department or chancellor that are designated for a purpose consistent with this section;

(H) That the department annually shall report to the state board and the chancellor all requests for access to or use of the data in the repository and all costs related to the initial establishment and ongoing maintenance of the repository.