

John R. Kasich, Governor
Dr. Richard A. Ross, Superintendent of Public Instruction

November 18, 2015

Stefan Huh
Director
Charter Schools Program
U.S. Department of Education
400 Maryland Ave. S.W.
Washington, D.C. 20202

Dear Director Huh:

Thank you for the opportunity to update and clarify material in our Charter Schools Grant Award of Sept. 28, 2015. We greatly appreciate the United States Department of Education's commitment to improving educational opportunities for all Ohio students and your willingness to let us explain the goals and accountability systems that will be used to implement the grant.

As was stated in our telephone call last month, significant legislative, operational and policy changes have taken place since the grant was submitted in July. Together, these developments will bolster the grant's purpose of creating high-quality public charter schools, especially for our most vulnerable students.

Last month, the Ohio General Assembly overwhelmingly passed House Bill 2, a landmark revision to the state's charter school oversight system. The law gives the department greater authority to ensure that only high-quality sponsors can oversee schools and provides incentives to sponsors that have track records of success.

Key to both the new legislation and the grant are constructive evaluations of sponsors. In light of issues raised this summer concerning Ohio's new charter school authorizer evaluation system, the department rescinded five of its first evaluations, as they were improper, and changed leadership within the charter school office. An independent three-member panel is reviewing the evaluation process and is making recommendations to revise the system. We expect this work to be done in the near future.

The department has updated the grant application to:

- Better define which kind of charter schools are the focus of the grant;
- Revise definitions to align with recent legislation and agency guidelines;
- Clarify and strengthen the goals of the grant;
- Account for internal department changes that provide for enhanced review of all data and upcoming recommendations from the independent advisory panel.

Because these revisions are so extensive, the timeline for implementing elements of our earlier grant proposal have been revised. The CSP application process for new schools will begin in October 2016, by which time new, high-quality evaluations of all sponsors will be completed.

In the Ohio Department of Education's enclosed response, the U.S. Department of Education will find the clarifications, definitions and legislative changes that impact the implementation of the CSP SEA grant award. As requested, I certify that all information provided in the approved grant application, with the changes noted in this letter, are true, accurate and complete to the best of my knowledge and belief.

To ensure that each of your questions is addressed in detail, we drafted appendices that cover each of the areas you asked us to review. Those materials are attached to this correspondence, and we stand ready to provide any additional information that may be needed. Our team looks forward to continuing to collaborate with the U.S. Department of Education for the benefit of Ohio's students.

Sincerely,

A handwritten signature in cursive script that reads "Richard A. Ross". The signature is written in black ink and is positioned below the word "Sincerely,".

Dr. Richard A. Ross
Superintendent of Public Instruction

Enclosures

1. Request for Review and Certification of Accuracy of Information in Application (within 14 days of the date of receipt of this letter)

- a. After a review of its CSP SEA grant application, the Ohio Department of Education will notify the department of the extent to which any information in the application is out-of-date, inaccurate, incomplete or misleading with a written explanation of how the information is out-of-date, inaccurate, incomplete or misleading, and the Ohio Department of Education will provide the correct and complete information.

Appendix A

- b. The department will provide a written certification from the Ohio superintendent of public instruction that all information in the approved grant application, with the changes noted under (1a), is accurate.

2. Request for Report on Audits (within 30 days of the date of receipt of this letter)

- a. The Ohio Department of Education will provide a report summarizing the findings in all audits performed by state auditors related to Ohio charter schools for the past seven years and whether any of the findings or recommendations remain open or unresolved.
- b. The department will provide copies of all of the relevant audits and the responses or copies of documents describing any actions taken by state officials.

3. Requests for Additional Information, Including Charter School Accountability (within 14 days of the date of receipt of this letter)

- a. The Ohio Department of Education will describe what, if any, changes have been made since the competition's close on July 16, 2015, to the proposed process for reviewing and assessing charter school authorizers as described in its CSP SEA grant application.

Appendix B

Additionally, the department will include in this response:

- i. Any additional systems to review and to verify the charter school authorizer evaluation process;
 - ii. Any additional systems to ensure the integrity of charter school and charter school authorizer data and evaluations;
 - iii. Any additional reporting procedures that will facilitate a transparent charter school authorizer and charter school review process;
 - iv. Any deletions or revisions to systems or processes relevant to Ohio's charter school authorizer review process as described in its CSP SEA grant application;
and
 - v. An updated timeline for the department's charter school authorizer review process.
- b. The Ohio Department of Education will provide a copy of the department's ethics and conflict of interest guidelines and policies.

Appendix C

- c. The Ohio Department of Education will describe any changes made to its internal controls that affect officials responsible for oversight of Ohio's charter school sector.

Appendix D

- d. The Ohio Department of Education will describe any changes to the timeline for the charter schools planning and implementation subgrants described in its CSP SEA grant application.

Appendix E

- e. The Ohio Department of Education will describe how the charter school legislation recently signed into law in Ohio, will impact the operation of the project described in its CSP SEA grant application.

Appendix F

- f. The Ohio Department of Education will describe how personnel changes that have occurred within the department's Office of Quality School Choice affect the capacity of the department to implement the project described in its CSP SEA grant application.

Appendix G

- g. The Ohio Department of Education will describe any current or anticipated problems or challenges in the implementation of the project described in its CSP SEA grant application that are not addressed in the preceding requests.

Appendix H

Appendix A

Grant Application Page Number	Clarification	Submitted Grant Language	Revised language	Law Change
Throughout	Definition		<p>Ohio has different classifications of charter schools. For the purposes of this grant, when the application refers to charter schools¹, please refer to the revised language below.</p> <p>The Ohio Department of Education's focus for the purpose of this grant is on high-performing, site-based general education schools and site-based dropout prevention and recovery schools. For the purposes of this grant, the department defines a site-based school as a school where students primarily receive their instruction under the supervision of teachers in classroom settings. For the purposes of this grant, the department defines general education schools as charter schools serving any of grades kindergarten through 12 that also may include schools primarily serving students with disabilities. A dropout prevention and recovery charter school is a school in which a majority of the students are between the ages of 16 and 22</p>	

¹ Under Ohio law, charter schools are known as community schools.

Grant Application Page Number	Clarification	Submitted Grant Language	Revised language	Law Change
2	Definition	<p>An effective school is defined as a school where a year's learning growth occurs annually or, if students are behind grade in proficiency, where more than a year's worth of learning growth occurs. Per the federal definition of "high-quality" and "poor-performing" schools, Ohio has 93 high-quality charters and six poor-performing.</p>	<p>and enrolled in a dropout prevention and recovery program.</p> <p>The department is no longer using a category called <i>effective schools</i>. To align with recent legislative changes in state law, the department is using the labels <i>high-performing</i> and <i>poor-performing</i>. For the purposes of this grant, the department is using the same definition for a high-performing charter school that it is using as part of the state's charter classroom facilities grant program, offered through the Ohio Facilities Construction Commission. Further, Ohio law now defines a poor-performing charter school (Ohio Revised Code 3314.034). See Appendix F for copies of both definitions.</p> <p>The criteria for Ohio's definition of high-performing are more rigorous than the USDOE criteria for high-quality charter schools. The rigor of Ohio's accountability system has increased annually for the past three years. In the original application, the department reported the number of schools identified using the federal definitions of <i>high-quality</i> and <i>academically poor-performing</i>; these numbers are based upon</p>	<p>Reference Appendix F for HB 64.</p> <p>High-performing definition is as follows:</p> <ol style="list-style-type: none"> 1. If the charter school is a dropout prevention and recovery model, its rating should be "Overall Exceeds Standards" rating. 2. If the charter school serves any combination of ninth through 12th grades, the Four-Year Graduation Rate must meet the equivalent of A or B and the Performance Index must meet either the equivalent of A, B or C or must have increased for the previous three years of operation. 3. If the charter school serves any combination of fourth through eighth grades, the overall value-added measure must meet the equivalent of A or B and the Performance Index must meet either the equivalent of A, B or C or must have increased for the previous three years of operation. 4. If the charter school serves only a combination of kindergarten through third grades, the K-3

Grant Application Page Number	Clarification	Submitted Grant Language	Revised language	Law Change
			<p>255 general education charter schools with ratings in 2013-2014 (including those primarily serving students with disabilities) and excluding online or virtual schools and dropout prevention and recovery schools. Using the new definition of high-performing and poor-performing, 60 general education schools are identified as high-performing and 57 general education schools are identified as poor-performing.</p> <p>Since the CSP grant is for site-based charter schools, the department did not include online schools in the calculation of high- and poor-performing schools. Furthermore, dropout prevention and recovery schools were excluded from the calculation of high- and poor-performing schools because they have a separate accountability system, which is not yet fully implemented. However, using the definitions of high-performing and poor-performing above, dropout prevention and recovery schools will be identified based on the results of the 2014-2015 school year report card, which will be available in spring 2016.</p>	<p>Literacy measure must meet the equivalent of A or B.</p> <p>*Please note, this language parallels the definition in the Ohio School Facilities Commission-approved guidelines for high-performing newly established charter schools.</p> <p>Also in HB 64, poor-performing is defined as follows:</p> <ol style="list-style-type: none"> 1. The charter school has received a grade of "D" or "F" for the Performance Index score, under division (C)(1)(b) of section <u>3302.03</u> of the Ohio Revised Code, and an overall grade of "D" or "F" for the value-added progress dimension or another measure of student academic progress if adopted by the State Board of Education, under division (C)(1)(e) of that section, on the most recent report card issued for the school pursuant to that section. 2. The charter school is one in which a majority of the students are enrolled in a dropout prevention and recovery program, and it has received a rating of

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			Ohio's goal is to increase the number of new high-performing, site-based general education and dropout prevention and recovery schools while increasing the percentage of students enrolled in these high-performing, site-based schools.	"does not meet standards" for the annual student growth measure and combined graduation rates on the most recent report card issued for the school under section <u>3314.017</u> of the Ohio Revised Code.
2 and 29	Goals	Our ultimate goal is for 70 percent of charter school students to be attending "effective" schools by 2021. It is expected that by 2021, the state charter sector will total nearly 100,000 seats and have about 400 schools. By leveraging new planning and implementation subgrants through Ohio's CSP program, the state will generate nearly 25,000 new charter school seats over the next five years.	The goals of the CSP grant remain the same; however, in light of recent legislation and to align with definitions used in this grant proposal, they have been clarified and strengthened. Specifically, "high-performing" is now used in place of "effective" and "students" is now used in place of "seats." In addition, the goals around high-performing and poor-performing schools have been formalized. With these clarifications in mind, the goals to be achieved by 2021 for the CSP grant are as follows: <ol style="list-style-type: none"> 1. Increase the percentage of students enrolled in high-performing charter schools to 70 percent. 2. Create up to 115 new, high-performing charter schools, 	

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			<p>serving approximately 25,000 students.</p> <p>3. By 2021, including both existing and new charter schools, the department envisions 400 high-performing charter schools across the state.</p> <p>4. Improve the academic performance of existing charter schools by holding authorizers² accountable for the academic performance of their charter schools through the authorizer evaluation process.</p> <p>5. Decrease the number of existing poor-performing charter schools by holding authorizers accountable for the academic performance of their charter schools through the authorizer evaluation process.</p> <p>The Ohio Department of Education will monitor progress toward these goals on an annual basis.</p>	
2	Goals	In addition to meeting this state-based goal, Ohio also aspires to increase the percentage of high-quality schools,	Please note, dropout prevention and recovery schools were excluded from the calculation of high-quality charter schools noted in the original grant because they	

² Under Ohio law, authorizers are known as sponsors.

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		<p>per the USDOE definition, from 32 percent of charter schools in 2013-2014 to 50 percent of all charter schools by 2021.</p> <p>Each charter school in the state is [sic] conducts annual, timely and independent audits of the school's financial statements that are filed with the school's authorizer.</p>	<p>have a separate accountability system, which is not yet fully implemented.</p>	
6/No. 2	Audits	<p>Whether by authorizer action or as a result of Ohio's automatic closure law, charter schools in the state are closed for failing to demonstrate improved academic achievement. As Local Report Cards and their measures were phased in for Ohio schools from years 2012-2013 through 2014-2015, so too were elements evaluated for school closure that are found in the report cards. Closure laws differ slightly based on grade levels offered by a school, but essentially a school is forced to close under</p>	<p>Each charter school receives an annual, timely and independent audit by the Auditor of State of the school's financial statements. Charter schools do not conduct audits themselves.</p>	
6 to 7, and 30	Closure Law		<p>Due to the complexity of Ohio's closure law, please see the full citation for an accurate description of Ohio's closure laws. In addition, recent legislation has added "safe harbor" provisions, which will impact school closure.</p>	Reference Appendix F for Safe Harbor.

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		<p>Ohio Revised Code 3314.35 when it has ratings of “D” or “F” in two of three consecutive years and fails to meet expected value-added measure gains.</p> <p>Annual reporting by authorizers to each of their authorized charter schools that summarizes the schools performance and compliance.</p>		
9 and 38/No. 5	Annual reports		<p>The deadline for annual reports for the 2014-2015 school year has been extended in law by three months to accommodate delayed release of Ohio’s School Report Cards.</p>	Reference Appendix F for HB 2 changes.
9/Sec. B	Authorizer Evaluation Process Changes	<p>Clear and specific standards and formalized processes that measure and benchmark the performance of authorizers.</p>	<p>The state superintendent has commissioned an Independent Advisory Panel to recommend a comprehensive evaluation system for charter school authorizers to assist the department in its oversight of charter school authorizers and to improve the quality of charter school authorizer practices. The authorizer evaluation system shall assess an authorizer’s performance based upon three components: academic performance of students enrolled in community schools sponsored by the same entity; adherence to quality sponsoring practices prescribed by the department; and compliance with applicable laws and administrative rules.</p> <p>To ensure integrity, relevance and accuracy of data that the Ohio</p>	<p>Reference Appendix F for HB 2 changes. Reference Appendix B for further details.</p>

Grant Application Page Number	Clarification	Submitted Grant Language	Revised language	Law Change
10 and 28	Authorizer Evaluation	Seven authorizers have been through the	<p>Department of Education utilizes, the department established a Data Governance Committee. The Data Governance Committee is a cross-divisional working group comprised of members of the department's senior leadership team. The Data Governance Committee promotes the release of high-quality, actionable information to Ohio's education stakeholders by ensuring alignment between the department's data use and state and federal law and rule; ensures alignment with Ohio's preK-12 strategic plan; verifies accuracy and completeness of data reported by Ohio's public educating entities; validates the integrity, relevance and accuracy of calculations and reports generated by the department; and coordinates data release and communications processes.</p> <p>On a quarterly basis, the Data Governance Committee will review the status of the authorizer evaluation process. Prior to the public release of charter school authorizer evaluation ratings, the Data Governance Committee will review and verify the results of the authorizer evaluation process.</p>	Reference Appendix F for HB 2 changes.

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	Process Changes	process to date and, by Jan. 1, 2016, authorizers overseeing 90 percent of the state's charter schools will have been through the process.	authorizer evaluation process. The authorizer evaluation process will be updated as a result of the recommendations of the Independent Advisory Panel. The department also will work with the State Board of Education in updating Ohio's administrative rules governing charter school authorizing and the compliance component of the authorizer evaluation system. Additionally, the department will provide training on the revised evaluation system as required now in state statute with all training resources posted on the department's website. The department hopes to begin the authorizer evaluation process for the 2015-2016 academic year following the Feb. 1, 2016, effective date of HB 2.	Reference Appendix B for further details.
12	State-level Strategies	This strategy is well documented in the state's successful federal Race to the Top grant application and implementation plan, and the key strategies are codified in state statute and regulation (see citations listed throughout).	The strategies included in the grant application can be found not only in the Race to the Top grant application but also throughout Ohio law and rule. The correct citation for (a) the Straight A Fund is Sec. 263.350 of Am. Sub. HB 2 of the 131 st General Assembly; and (b) charter schools payments is Ohio Revised Code 3314.08.	
15	Collaboration	The Ohio Community Collaboration Model for	The Ohio Community Collaboration Model for School Improvement	Reference Appendix F, HB 64, HB 2.

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		<p>School Improvement (OCCMSI) is an ODE led initiative that was created to provoke collaboration between charter schools and other public schools in an effort to enhance school quality and academic achievement for all students. OCCMSI is a multi-faceted school improvement model, with specifically designed programs and services that feature strategies for academic improvement, youth development, parent/family engagement, health and social services, and community partnerships.</p>	<p>(OCCMSI) was a department-led initiative created to facilitate collaboration between schools and the community in an effort to enhance school quality and academic achievement for all students. The tools created are readily available on the department's website.</p> <p>Other examples of coordination between traditional school districts and public charter schools include district sponsorship of charter schools, collaborative grants such as the Straight A Fund and Community Connectors, the ability of schools to seek levies through the local school district for schools with exemplary rated authorizers, and a requirement that school districts first offer unused facilities to high-performing charter schools.</p>	
17	Community Engagement	<p>CEDOs, as previously noted, are located in Ohio's major cities. The department's partnerships with CEDOs link the department to school, business and government leaders in metropolitan areas to form mutually beneficial relationships that strive</p>	<p>Although CEDOs are not defined elsewhere, entities fitting the criteria in the application are currently operating or commencing operations in three of Ohio's major cities such as Accelerate Great Schools in Cincinnati, the Transformation Alliance in Cleveland and the Columbus Partnership in Columbus.</p>	

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17	Definition	<p>to combine efforts and resources to improve school quality thereby creating more quality school options across the State.</p> <p>The creation of high-quality charter schools will support newly designated "recovery districts" in providing quality options for students who would otherwise attend the state's worst district schools.</p>	<p>"Recovery district" is not defined in Ohio law. For the purposes of this grant application, "recovery district" means a school district that is subject to an academic distress commission under Ohio Revised Code 3302.10 or a municipal school district as defined in Ohio Revised Code 3311.71(A)(1). Cleveland Municipal School District, Youngstown City School District and Lorain City School District currently qualify as "recovery districts" for the purpose of this grant application.</p>	Reference Appendix F, HB 70.
27	Report Cards	<p>...Charter schools are given a letter grade (A-F)...</p>	<p>Because of recent legislative changes creating a three-year "safe harbor," no overall letter grades will be issued on the A-F report cards for the 2014-2015, 2015-2016 and 2016-2017 school years. Dropout prevention and recovery charter schools will receive overall ratings (Exceeds Standards, Meets Standards, Does Not Meet Standards) beginning with the 2014-2015 report cards. "Safe harbor" does not affect the charter school authorizer evaluation process.</p>	Reference Appendix F, Safe Harbor.

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44 and 49	Timeline	Objective 4 and Strategy 4: Data Collection	See Appendix E for changes in timeline.	

Appendix B

3. Requests for Additional Information, Including Charter School Accountability (within 14 days of the date of receipt of this letter)

- a. ODE will describe what, if any, changes have been made since the competition's close on July 16, 2015, to the proposed process for reviewing and assessing charter school authorizers as described in its CSP SEA grant application.

Upon examination of the authorizer evaluation process, it was determined that the evaluation process was not implemented correctly. As a result, the authorizer evaluations were immediately rescinded and the state superintendent commissioned an Independent Advisory Panel to recommend a comprehensive evaluation system for charter school¹ authorizers² to assist ODE in its oversight of charter school authorizers and to improve the quality of charter school authorizer practices. The authorizer evaluation system shall assess an authorizer's performance based upon three components: academic performance of students enrolled in community schools sponsored by the same entity; adherence to quality sponsoring practices prescribed by the department; and compliance with applicable laws and administrative rules.

In conducting their comprehensive review, the Independent Advisory Panel is considering recent legislative changes to Ohio's authorizer evaluation law. See Appendix F for more information regarding the HB 2 changes to the authorizer evaluation law.

The Independent Advisory Panel members began meeting in September 2015 and are tentatively planning on concluding their review and making recommendations to the state superintendent. To make the authorizer evaluation system fully transparent, the Independent Advisory Panel's initial recommendations will be posted for public feedback prior to being finalized. Once the Independent Advisory Panel makes its recommendations, the state superintendent will make necessary updates to the authorizer evaluation system and will communicate the recommendations to the State Board of Education.

In addition to making updates to the authorizer evaluation process as a result of the Independent Advisory Panel, the department will work with the State Board of Education in updating Ohio's administrative rules governing charter school authorizing and the compliance component of the authorizer evaluation system. Additionally, the department will provide training to staff, peer reviewers, authorizers and other stakeholders on the revised evaluation system as required now in state statute with all training resources posted on the department's website. The department hopes to begin the authorizer evaluation process for the 2015-2016 academic year following the Feb. 1, 2016 effective date of HB 2.

Additionally, the department will include in this response:

- i. Any additional systems to review and to verify the charter school authorizer evaluation process;

¹Under Ohio law, charter schools are known as community schools.

² Under Ohio law, authorizers are known as sponsors.

As we implement the updated authorizer evaluation system and the provisions of HB 2, we will keep the USDOE informed on the details of any additional systems to review and verify the charter school authorizer evaluation process.

- ii. Any additional systems to ensure the integrity of charter school and charter school authorizer data and evaluations;

To ensure integrity, relevance and accuracy of data that the Ohio Department of Education utilizes, the department established a Data Governance Committee in August 2015 with the first meeting of the committee held on Sept. 1, 2015. The Data Governance Committee is a cross-divisional working group comprised of members of the department's senior leadership team. The Data Governance Committee promotes the release of high-quality, actionable information to Ohio's education stakeholders by ensuring alignment between the department's data use and state and federal law and rule; ensures alignment with Ohio's preK-12 strategic plan; verifies accuracy and completeness of data reported by Ohio's public educating entities; validates the integrity, relevance and accuracy of calculations and reports generated by the department; and coordinates data release and communications processes.

On a quarterly basis, the Data Governance Committee is reviewing the status of the authorizer evaluation process. Prior to the public release of charter school authorizer evaluation ratings, the Data Governance Committee will review and verify the results of the authorizer evaluation process.

- iii. Any additional reporting procedures that will facilitate a transparent charter school authorizer and charter school review process;

As we implement the updated authorizer evaluation system and the provisions of HB 2, we will keep the USDOE informed on the details of any additional systems to review and verify the charter school authorizer evaluation process. We anticipate providing additional details on or before April 1, 2016.

- iv. Any deletions or revisions to systems or processes relevant to Ohio's charter school authorizer review process as described in its CSP SEA grant application; As outlined above, the state superintendent will be making updates to the authorizer evaluation system. The department also is proposing an updated CSP grant timeline as reflected in Appendix E.

- v. An updated timeline for the department's charter school authorizer review process;

As previously mentioned, the charter school authorizer evaluation process was suspended in July 2015. Once the authorizer evaluation process is updated as referenced above, the department will begin the authorizer evaluation process for the 2015-2016 academic year following the Feb. 1, 2016, effective date of HB 2. The department also is proposing an updated CSP grant timeline as reflected in Appendix E.

Appendix C

3. Requests for Additional Information, Including Charter School Accountability (within 14 days of the date of receipt of this letter)
 - b. The Ohio Department of Education will provide a copy of the department's ethics and conflict of interest guidelines and policies.

See attached.

203.0 ETHICS POLICY

I. PURPOSE/REASON

To inform Ohio Department of Education (ODE) employees of the provisions governing the ethical conduct of public employees.

It is the policy of the ODE to carry out its mission in accordance with the strictest ethical guidelines and to ensure that ODE employees conduct themselves in a manner that fosters public confidence in the integrity of the ODE, its processes and its accomplishments.

II. REFERENCES/AUTHORITY

A. REFERENCES

1. Ohio Revised Code (ORC): 102.02, 102.03 and 102.04
2. Ohio Administrative Code (OAC): 102 et.al.
3. ORC: 2921.42 and 2921.43
4. ORC: 3301.13

III. SUPERSEDES

Human Resources Policies and Procedures:

- 210.0 Ethics
- 210.1 Misuse of Official Position
- 210.2 Revolving-door Policy
- 210.3 Sale of Goods and Services
- 210.4 Confidential Information
- 210.5 Licensing and Rate-making
- 210.6 Interest in Public Contract
- 210.7 Soliciting/Receiving Improper Compensation
- 210.8 Clarification of Ethic Issues

and any other previously agency-issued directive, memorandum, policy or procedure on this subject.

IV. SCOPE

This procedure applies to all ODE employees.

V. DEFINITIONS

For the purposes of this policy:

- A. ANYTHING OF VALUE includes anything of monetary value, including, but not limited to, money, gifts, food or beverages, social event tickets and expenses, travel expenses, golf outings, consulting fees, compensation, or employment. "Value" means worth greater than de minimis or nominal.
- B. ANYONE DOING BUSINESS WITH ODE includes, but is not limited to, any person, corporation or other party that is doing or seeking to do business with, that is regulated by or that has interests before the ODE.

VI. GENERAL STANDARDS OF ETHICAL CONDUCT

ODE employees must at all times abide by the protections to the public embodied in Ohio's ethics laws. ODE employees receive a copy of the laws during new employee orientation and acknowledge receipt, as required in ORC 102.09 (D). Employees must conduct themselves in a manner that avoids favoritism, bias and the appearance of impropriety.

A general summary of the restraints upon the conduct of all ODE employees includes, but is not limited to, those listed below:

No ODE employee shall:

- A. Solicit or accept anything of value from anyone doing business with the ODE;
- B. Solicit or accept employment from anyone doing business with the ODE, unless the official or employee completely withdraws from ODE activity regarding the party offering employment, and the ODE approves the withdrawal;
- C. Use his or her public position to obtain benefits for an official or employee, a family member, or anyone with whom the official or employee has a business or employment relationship;
- D. Be paid or accept any form of compensation for personal services rendered on a matter before, or sell goods or services to, the ODE;

- E. Be paid or accept any form of compensation for personal services rendered on a matter before, or sell (except by competitive bid) goods or services to, any state agency other than the ODE, unless the member or employee first discloses the services or sales and withdraws from matters before the ODE that directly affect officials and employees of the other state agency, as directed in ORC 102.04;
- F. Hold or benefit from a contract with, authorized by, or approved by, the ODE (the Ethics Law does except some limited stockholdings, and some contracts objectively shown as the lowest cost services, where all criteria under ORC 2921.42 are met);
- G. Vote, authorize, recommend or in any other way use his or her position to secure approval of a ODE contract (including employment or personal services) in which the official or employee, a family member, or anyone with whom the official or employee has a business or employment relationship, has an interest;
- H. Solicit or accept honoraria [see ORC 102.01(H) and 102.03(H)];
- I. During public service, and for one year after leaving public service, represent any person, in any fashion, before any public agency, with respect to a matter in which the official or employee personally participated while serving with the ODE;
- J. Use or disclose confidential information protected by law, unless appropriately authorized; or
- K. Use, or authorize the use of, his or her title, the name “Ohio Department of Education,” or “ODE” or the ODE logo, in a manner that suggests impropriety, favoritism or bias by the ODE, the official or the employee.

VII. FINANCIAL DISCLOSURE

Every ODE employee required to file a financial disclosure statement must file a complete and accurate statement with the Ethics Commission by April 15 of each year. Any employee appointed or employed to a filing position after February 15 and who is required to file a financial disclosure statement must file a statement within ninety days of appointment or employment.

The ODE Legal Counsel notifies those employees who are required to file of the filing requirements and time frames.

VIII. EMPLOYMENT OUTSIDE ODE

- A. Before embarking on outside employment, ODE employees are required to obtain permission from the Office of Legal Counsel, the Office of Human Resources, their direct supervisors and other ODE leadership. The *Employment Outside of ODE* form must be submitted for approval before accepting any offer of outside work.
- B. In addition to the restrictions listed above, prohibitions that apply to public employees engaged in a private business include:
 - Using any public resources in a private business;
 - Using one's title or uniform while conducting private business activities;
 - Using relationships with other public employees to benefit the private business;
 - Using the authority of one's ODE employment to benefit one's private business;
 - Receiving payment for services on projects one recommended in one's capacity as an employee of ODE;
 - Using one's authority as an ODE employee to affect one's private business competitors; or
 - Otherwise using one's position at ODE to benefit one's private business interests.
- C. It is critical that all employees abide by the conflict-of-interest provisions in Ohio law and ODE policy. The completed form is submitted to the Office of Legal Counsel, who will notify employees of the outcome.

IX. PENALTIES

Failure of any ODE employee to abide by this ethics policy, or to comply with the ethics laws and related statutes, will result in discipline, which may include dismissal, as well as any potential civil or criminal sanctions under the law.

X. ASSISTANCE

The Ethics Commission is available to provide advice and assistance regarding the application of the ethics law and related statutes. The Commission can be contacted at (614) 466-7090. The Commission's Web address is: www.ethics.ohio.gov.

In addition, the Office of Human Resources and the ODE Office of Legal Counsel are available to answer questions involving this policy.

APPENDICES

Appendix A Employment Outside of ODE (issued 10/04)

INSTRUCTIONS: *This form must be completed prior to the start of outside employment. This form must also be completed whenever a significant change in outside employment occurs (e.g., hours of work, wages, duties, etc.) or no less than annually, whichever occurs first.*

GENERAL INFORMATION:

Employee Name: _____ Today's Date: _____

ODE Position/Classification: _____

Center & Office: _____

Name & Phone Number of Outside Employer: _____

Address of Outside Employer: _____

Outside Employment Begin Date (& End Date, if Applicable): _____

Outside Employment Work Schedule (Days & Hours): _____

Duties Being Performed for Outside Employer *(In addition to the brief description here, please also attach your job description from the outside employer.)*

Duties Being Performed for ODE *(In addition to the brief description here, please also attach your official ODE position description. You may obtain a copy of it from the Office of Human Resources.)*

Funding Source of Outside Employment: _____

DISPOSITION: Accepted OR Rejected Initials: _____ Date: _____

INSTRUCTIONS: *Any ODE management member listed below may REJECT this outside employment request. The individual rejecting it must check the "Rejected" box, initial it and date it above. If this outside employment request is approved by all of the parties listed below, the Office of Human Resources (HR) will mark it ACCEPTED, initial it, date it, distribute copies to relevant parties and will retain the original in HR.*

*Immediate Supervisor (signature)*_____
*Date*_____
*Office Director/Executive Director (signature)*_____
*Date*_____
*Senior Executive Director (signature)*_____
*Date*_____
*Associate Superintendent (signature)*_____
*Date*_____
*Office of Legal Counsel (signature)*_____
*Date*_____
*Office of Human Resources (signature)*_____
*Date*_____
*Chief of Staff (signature)*_____
Date

Ohio Ethics Law and Related Statutes



The Ohio Ethics Commission

Merom Brachman, Chairman
Michael A. Flack, Vice Chairman
Bruce E. Bailey
Elizabeth E. Tracy

Paul M. Nick, Executive Director

August 2015

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THE OHIO ETHICS LAW: CHAPTER 102. OF THE REVISED CODE

Section 102.01 As used in this chapter:

(A) “Compensation” means money, thing of value, or financial benefit. “Compensation” does not include reimbursement for actual and necessary expenses incurred in the performance of official duties.

(B) “Public official or employee” means any person who is elected or appointed to an office or is an employee of any public agency. “Public official or employee” does not include a person elected or appointed to the office of precinct, ward, or district committee member under section 3517.03 of the Revised Code, any presidential elector, or any delegate to a national convention. “Public official or employee” does not include a person who is a teacher, instructor, professor, or other kind of educator whose position does not involve the performance of, or authority to perform, administrative or supervisory functions.

(C) “Public agency” means the general assembly, all courts, any department, division, institution, board, commission, authority, bureau or other instrumentality of the state, a county, city, village, or township, the five state retirement systems, or any other governmental entity. “Public agency” does not include a department, division, institution, board, commission, authority, or other instrumentality of the state or a county, municipal corporation, township, or other governmental entity that functions exclusively for cultural, educational, historical, humanitarian, advisory, or research purposes; that does not expend more than ten thousand dollars per calendar year, excluding salaries and wages of employees; and whose members are uncompensated. “Public agency” does not include the nonprofit corporation formed under section 187.01 of the Revised Code.

(D) “Immediate family” means a spouse residing in the person’s household and any dependent child.

(E) “Income” includes gross income as defined and used in the “Internal Revenue Code of 1986,” 100 Stat. 2085, 26 U.S.C. 1, as amended, interest and dividends on obligations or securities of any state or of any political subdivision or authority of any state or political subdivision, and interest or dividends on obligations of any authority, commission, or instrumentality of the United States.

(F) Except as otherwise provided in division (A) of section 102.08 of the Revised Code, “appropriate ethics commission” means:

(1) For matters relating to members of the general assembly, employees of the general assembly, employees of the legislative service commission, and candidates for the office of member of the general assembly, and public members appointed to the Ohio constitutional modernization commission under section 103.63 of the Revised Code, the joint legislative ethics committee;

(2) For matters relating to judicial officers and employees, and candidates for judicial office, the board of commissioners on grievances and discipline of the supreme court;

(3) For matters relating to all other persons, the Ohio ethics commission.

(G) “Anything of value” has the same meaning as provided in section 1.03 of the Revised Code and includes, but is not limited to, a contribution as defined in section 3517.01 of the Revised Code.

(H) “Honorarium” means any payment made in consideration for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or similar gathering. “Honorarium” does not include ceremonial gifts or awards that have insignificant monetary value; unsolicited gifts of nominal value or trivial items of informational value; or earned income from any person, other than a legislative agent, for personal services that are customarily provided in connection with the practice of a bona fide business, if that business initially began before the public official or employee conducting that business was elected or appointed to the public official’s or employee’s office or position of employment.

(I) “Employer” means any person who, directly or indirectly, engages an executive agency lobbyist or legislative agent.

(J) “Executive agency decision,” “executive agency lobbyist,” and “executive agency lobbying activity” have the same meanings as in section 121.60 of the Revised Code.

(K) “Legislation,” “legislative agent,” “financial transaction,” and “actively advocate” have the same meanings as in section 101.70 of the Revised Code.

(L) “Expenditure” has the same meaning as in section 101.70 of the Revised Code when used in relation to activities of a legislative agent, and the same meaning as in section 121.60 of the Revised Code when used in relation to activities of an executive agency lobbyist.

Section 102.02

(A) Except as otherwise provided in division (H) of this section, all of the following shall file with the appropriate ethics commission the disclosure statement described in this division on a form prescribed by the appropriate commission: every person who is elected to or is a candidate for a state, county, or city office and every person who is appointed to fill a vacancy for an unexpired term in such an elective office; all members of the state board of education; the director, assistant directors, deputy directors, division chiefs, or persons of equivalent rank of any administrative department of the state; the president or other chief administrative officer of every state institution of higher education as defined in section 3345.011 of the Revised Code; the executive director and the members of the capitol square review and advisory board appointed or employed pursuant to section 105.41 of the Revised Code; all members of the Ohio casino control commission, the executive director of the commission, all professional employees of the commission, and all technical employees of the commission who perform an internal audit function; the individuals set forth in division (B)(2) of section 187.03 of the Revised Code; the chief executive officer and the members of the board of each state retirement system; each employee of a state retirement board who is a state retirement system investment officer licensed pursuant to section 1707.163 of the Revised Code; the members of the Ohio retirement study council appointed pursuant to division (C) of section 171.01 of the Revised Code; employees of the Ohio retirement study council, other than employees who perform purely administrative or clerical functions; the administrator of workers' compensation and each member of the bureau of workers' compensation board of directors; the bureau of workers' compensation director of investments; the chief investment officer of the bureau of workers' compensation; all members of the board of commissioners on grievances and discipline of the supreme court and the ethics commission created under section 102.05 of the Revised Code; every business manager, treasurer, or superintendent of a city, local, exempted village, joint vocational, or cooperative education school district or an educational service center; every person who is elected to or is a candidate for the office of member of a board of education of a city, local, exempted village, joint vocational, or cooperative education school district or of a governing board of an educational service center that has a total student count of twelve thousand or more as most recently determined by the department of education pursuant to section 3317.03 of the Revised Code; every person who is appointed to the board of education of a municipal school district pursuant to division (B) or (F) of section 3311.71 of the Revised Code; all members of the board of directors of a sanitary district that is established under Chapter 6115. of the Revised Code and organized wholly for the purpose of providing a water supply for domestic, municipal, and public use, and that includes two municipal corporations in two counties; every public official or employee who is paid a salary or wage in accordance with schedule C of section 124.15 or schedule E-2 of section 124.152 of the Revised Code; members of the board of trustees and the executive director of the southern Ohio agricultural and community development foundation; all members appointed to the Ohio livestock care standards board under section 904.02 of the Revised Code; and every other public official or employee who is designated by the appropriate ethics commission pursuant to division (B) of this section.

The disclosure statement shall include all of the following:

(1) The name of the person filing the statement and each member of the person's immediate family and all names under which the person or members of the person's immediate family do business;

(2)(a) Subject to divisions (A)(2)(b), and (c) of this section and except as otherwise provided in section 102.022 of the Revised Code, identification of every source of income, other than income from a legislative agent identified in division (A)(2)(b) of this section, received during the preceding calendar year, in the person's own name or by any other person for the person's use or benefit, by the person filing the statement, and a brief description of the nature of the services for which the income was received. If the person filing the statement is a member of the general assembly, the statement shall identify the amount of every source of income received in accordance with the following ranges of amounts: zero or more, but less than one thousand dollars; one thousand dollars or more, but less than ten thousand dollars; ten thousand dollars or more, but less than twenty-five thousand dollars; twenty-five thousand dollars or more, but less than fifty thousand dollars; fifty thousand dollars or more, but less than one hundred thousand dollars; and one hundred thousand dollars or more. Division (A)(2)(a) of this section shall not be construed to require a person filing the statement who derives income from a business or profession to disclose the individual items of income that constitute the gross income of that business or profession, except for those individual items of income that are attributable to the person's or, if the income is shared with the person, the partner's, solicitation of services or goods or performance, arrangement, or facilitation of services or provision of goods on behalf of the business or profession of clients,

including corporate clients, who are legislative agents. A person who files the statement under this section shall disclose the identity of and the amount of income received from a person who the public official or employee knows or has reason to know is doing or seeking to do business of any kind with the public official's or employee's agency.

(b) If the person filing the statement is a member of the general assembly, the statement shall identify every source of income and the amount of that income that was received from a legislative agent during the preceding calendar year, in the person's own name or by any other person for the person's use or benefit, by the person filing the statement, and a brief description of the nature of the services for which the income was received. Division (A)(2)(b) of this section requires the disclosure of clients of attorneys or persons licensed under section 4732.12 of the Revised Code, or patients of persons certified under section 4731.14 of the Revised Code, if those clients or patients are legislative agents. Division (A)(2)(b) of this section requires a person filing the statement who derives income from a business or profession to disclose those individual items of income that constitute the gross income of that business or profession that are received from legislative agents.

(c) Except as otherwise provided in division (A)(2)(c) of this section, division (A)(2)(a) of this section applies to attorneys, physicians, and other persons who engage in the practice of a profession and who, pursuant to a section of the Revised Code, the common law of this state, a code of ethics applicable to the profession, or otherwise, generally are required not to reveal, disclose, or use confidences of clients, patients, or other recipients of professional services except under specified circumstances or generally are required to maintain those types of confidences as privileged communications except under specified circumstances. Division (A)(2)(a) of this section does not require an attorney, physician, or other professional subject to a confidentiality requirement as described in division (A)(2)(c) of this section to disclose the name, other identity, or address of a client, patient, or other recipient of professional services if the disclosure would threaten the client, patient, or other recipient of professional services, would reveal details of the subject matter for which legal, medical, or professional advice or other services were sought, or would reveal an otherwise privileged communication involving the client, patient, or other recipient of professional services. Division (A)(2)(a) of this section does not require an attorney, physician, or other professional subject to a confidentiality requirement as described in division (A)(2)(c) of this section to disclose in the brief description of the nature of services required by division (A)(2)(a) of this section any information pertaining to specific professional services rendered for a client, patient, or other recipient of professional services that would reveal details of the subject matter for which legal, medical, or professional advice was sought or would reveal an otherwise privileged communication involving the client, patient, or other recipient of professional services.

(3) The name of every corporation on file with the secretary of state that is incorporated in this state or holds a certificate of compliance authorizing it to do business in this state, trust, business trust, partnership, or association that transacts business in this state in which the person filing the statement or any other person for the person's use and benefit had during the preceding calendar year an investment of over one thousand dollars at fair market value as of the thirty-first day of December of the preceding calendar year, or the date of disposition, whichever is earlier, or in which the person holds any office or has a fiduciary relationship, and a description of the nature of the investment, office, or relationship. Division (A)(3) of this section does not require disclosure of the name of any bank, savings and loan association, credit union, or building and loan association with which the person filing the statement has a deposit or a withdrawable share account.

(4) All fee simple and leasehold interests to which the person filing the statement holds legal title to or a beneficial interest in real property located within the state, excluding the person's residence and property used primarily for personal recreation;

(5) The names of all persons residing or transacting business in the state to whom the person filing the statement owes, in the person's own name or in the name of any other person, more than one thousand dollars. Division (A)(5) of this section shall not be construed to require the disclosure of debts owed by the person resulting from the ordinary conduct of a business or profession or debts on the person's residence or real property used primarily for personal recreation, except that the superintendent of financial institutions shall disclose the names of all state-chartered savings and loan associations and of all service corporations subject to regulation under division (E)(2) of section 1151.34 of the Revised Code to whom the superintendent in the superintendent's own name or in the name of any other person owes any money, and that the superintendent and any deputy superintendent of banks shall disclose the names of all state-chartered banks and all bank subsidiary corporations subject to regulation under section 1109.44 of the Revised Code to whom the superintendent or deputy superintendent owes any money.

(6) The names of all persons residing or transacting business in the state, other than a depository excluded under division (A)(3) of this section, who owe more than one thousand dollars to the person filing the statement, either in the person's own name or to any person for the person's use or benefit. Division (A)(6) of this section shall not be construed to require the disclosure of clients of attorneys or persons licensed under section 4732.12 or 4732.15 of the Revised Code, or patients of persons certified under section 4731.14 of the Revised Code, nor the disclosure of debts owed to the person resulting from the ordinary conduct of a business or profession.

(7) Except as otherwise provided in section 102.022 of the Revised Code, the source of each gift of over seventy-five dollars, or of each gift of over twenty-five dollars received by a member of the general assembly from a legislative agent, received by the person in the person's own name or by any other person for the person's use or benefit during the preceding calendar year, except gifts received by will or by virtue of section 2105.06 of the Revised Code, or received from spouses, parents, grandparents, children, grandchildren, siblings, nephews, nieces, uncles, aunts, brothers-in-law, sisters-in-law, sons-in-law, daughters-in-law, fathers-in-law, mothers-in-law, or any person to whom the person filing the statement stands in loco parentis, or received by way of distribution from any inter vivos or testamentary trust established by a spouse or by an ancestor;

(8) Except as otherwise provided in section 102.022 of the Revised Code, identification of the source and amount of every payment of expenses incurred for travel to destinations inside or outside this state that is received by the person in the person's own name or by any other person for the person's use or benefit and that is incurred in connection with the person's official duties, except for expenses for travel to meetings or conventions of a national or state organization to which any state agency, including, but not limited to, any legislative agency or state institution of higher education as defined in section 3345.011 of the Revised Code, pays membership dues, or any political subdivision or any office or agency of a political subdivision pays membership dues;

(9) Except as otherwise provided in section 102.022 of the Revised Code, identification of the source of payment of expenses for meals and other food and beverages, other than for meals and other food and beverages provided at a meeting at which the person participated in a panel, seminar, or speaking engagement or at a meeting or convention of a national or state organization to which any state agency, including, but not limited to, any legislative agency or state institution of higher education as defined in section 3345.011 of the Revised Code, pays membership dues, or any political subdivision or any office or agency of a political subdivision pays membership dues, that are incurred in connection with the person's official duties and that exceed one hundred dollars aggregated per calendar year;

(10) If the disclosure statement is filed by a public official or employee described in division (B)(2) of section 101.73 of the Revised Code or division (B)(2) of section 121.63 of the Revised Code who receives a statement from a legislative agent, executive agency lobbyist, or employer that contains the information described in division (F)(2) of section 101.73 of the Revised Code or division (G)(2) of section 121.63 of the Revised Code, all of the nondisputed information contained in the statement delivered to that public official or employee by the legislative agent, executive agency lobbyist, or employer under division (F)(2) of section 101.73 or (G)(2) of section 121.63 of the Revised Code.

A person may file a statement required by this section in person or by mail. A person who is a candidate for elective office shall file the statement no later than the thirtieth day before the primary, special, or general election at which the candidacy is to be voted on, whichever election occurs soonest, except that a person who is a write-in candidate shall file the statement no later than the twentieth day before the earliest election at which the person's candidacy is to be voted on. A person who holds elective office shall file the statement on or before the fifteenth day of April of each year unless the person is a candidate for office. A person who is appointed to fill a vacancy for an unexpired term in an elective office shall file the statement within fifteen days after the person qualifies for office. Other persons shall file an annual statement on or before the fifteenth day of April or, if appointed or employed after that date, within ninety days after appointment or employment. No person shall be required to file with the appropriate ethics commission more than one statement or pay more than one filing fee for any one calendar year.

The appropriate ethics commission, for good cause, may extend for a reasonable time the deadline for filing a statement under this section.

A statement filed under this section is subject to public inspection at locations designated by the appropriate ethics commission except as otherwise provided in this section.

(B) The Ohio ethics commission, the joint legislative ethics committee, and the board of commissioners on grievances and discipline of the supreme court, using the rule-making procedures of Chapter 119. of the Revised Code, may require any class of public officials or employees under its jurisdiction and not specifically excluded by this section whose positions involve a substantial and material exercise of administrative discretion in the formulation of public policy, expenditure of public funds, enforcement of laws and rules of the state or a county or city, or the execution of other public trusts, to file an annual statement on or before the fifteenth day of April under division (A) of this section. The appropriate ethics commission shall send the public officials or employees written notice of the requirement by the fifteenth day of February of each year the filing is required unless the public official or employee is appointed after that date, in which case the notice shall be sent within thirty days after appointment, and the filing shall be made not later than ninety days after appointment.

Except for disclosure statements filed by members of the board of trustees and the executive director of the southern Ohio agricultural and community development foundation, disclosure statements filed under this division with the Ohio ethics commission by members of boards, commissions, or bureaus of the state for which no compensation is received other than reasonable and necessary expenses shall be kept confidential. Disclosure statements filed with the Ohio ethics commission under division (A) of this section by business managers, treasurers, and superintendents of city, local, exempted village, joint vocational, or cooperative education school districts or educational service centers shall be kept confidential, except that any person conducting an audit of any such school district or educational service center pursuant to section 115.56 or Chapter 117. of the Revised Code may examine the disclosure statement of any business manager, treasurer, or superintendent of that school district or educational service center. Disclosure statements filed with the Ohio ethics commission under division (A) of this section by the individuals set forth in division (B)(2) of section 187.03 of the Revised Code shall be kept confidential. The Ohio ethics commission shall examine each disclosure statement required to be kept confidential to determine whether a potential conflict of interest exists for the person who filed the disclosure statement. A potential conflict of interest exists if the private interests of the person, as indicated by the person's disclosure statement, might interfere with the public interests the person is required to serve in the exercise of the person's authority and duties in the person's office or position of employment. If the commission determines that a potential conflict of interest exists, it shall notify the person who filed the disclosure statement and shall make the portions of the disclosure statement that indicate a potential conflict of interest subject to public inspection in the same manner as is provided for other disclosure statements. Any portion of the disclosure statement that the commission determines does not indicate a potential conflict of interest shall be kept confidential by the commission and shall not be made subject to public inspection, except as is necessary for the enforcement of Chapters 102. and 2921. of the Revised Code and except as otherwise provided in this division.

(C) No person shall knowingly fail to file, on or before the applicable filing deadline established under this section, a statement that is required by this section.

(D) No person shall knowingly file a false statement that is required to be filed under this section.

(E)(1) Except as provided in divisions (E)(2) and (3) of this section, the statement required by division (A) or (B) of this section shall be accompanied by a filing fee of sixty dollars.

(2) The statement required by division (A) of this section shall be accompanied by the following filing fee to be paid by the person who is elected or appointed to, or is a candidate for, any of the following offices:

For state office, except member of the state board of education.....	\$95
For office of member of general assembly.....	\$40
For county office	\$60
For city office.....	\$35
For office of member of the state board of education	\$35
For office of member of a city, local, exempted village, or cooperative education board of education or educational service center governing board.....	\$30
For position of business manager, treasurer, or superintendent of a city, local, exempted village, joint vocational, or cooperative education school district or educational service center.....	\$30

(3) No judge of a court of record or candidate for judge of a court of record, and no referee or magistrate serving a court of record, shall be required to pay the fee required under division (E)(1) or (2) or (F) of this section.

(4) For any public official who is appointed to a nonelective office of the state and for any employee who holds a nonelective position in a public agency of the state, the state agency that is the primary employer of the state official or employee shall pay the fee required under division (E)(1) or (F) of this section.

(F) If a statement required to be filed under this section is not filed by the date on which it is required to be filed, the appropriate ethics commission shall assess the person required to file the statement a late filing fee of ten dollars for each day the statement is not filed, except that the total amount of the late filing fee shall not exceed two hundred fifty dollars.

(G)(1) The appropriate ethics commission other than the Ohio ethics commission and the joint legislative ethics committee shall deposit all fees it receives under divisions (E) and (F) of this section into the general revenue fund of the state.

(2) The Ohio ethics commission shall deposit all receipts, including, but not limited to, fees it receives under divisions (E) and (F) of this section, investigative or other fees, costs or other funds it receives as a result of court orders, and all moneys it receives from settlements under division (G) of section 102.06 of the Revised Code, into the Ohio ethics commission fund, which is hereby created in the state treasury. All moneys credited to the fund shall be used solely for expenses related to the operation and statutory functions of the commission.

(3) The joint legislative ethics committee shall deposit all receipts it receives from the payment of financial disclosure statement filing fees under divisions (E) and (F) of this section into the joint legislative ethics committee investigative fund.

(H) Division (A) of this section does not apply to a person elected or appointed to the office of precinct, ward, or district committee member under Chapter 3517. of the Revised Code; a presidential elector; a delegate to a national convention; village or township officials and employees; any physician or psychiatrist who is paid a salary or wage in accordance with schedule C of section 124.15 or schedule E-2 of section 124.152 of the Revised Code and whose primary duties do not require the exercise of administrative discretion; or any member of a board, commission, or bureau of any county or city who receives less than one thousand dollars per year for serving in that position.

Sec. 102.021

(A)(1) For the twenty-four month period immediately following the end of the former state elected officer's or staff member's service or public employment, except as provided in division (B) or (D) of this section, each former state elected officer or staff member who filed or was required to file a disclosure statement under section 102.02 of the Revised Code shall file, on or before the deadlines specified in division (D) of this section, with the joint legislative ethics committee a statement that shall include the information described in divisions (A)(2), (3), (4), and (5) of this section, as applicable. The statement shall be filed on a form and in the manner specified by the joint legislative ethics committee. This division does not apply to a state elected officer or staff member who filed or was required to file a disclosure statement under section 102.02 of the Revised Code, who leaves service or public employment, and who takes another position as a state elected officer or staff member who files or is required to file a disclosure statement under that section.

No person shall fail to file, on or before the deadlines specified in division (D) of this section, a statement that is required by this division.

(2) The statement referred to in division (A)(1) of this section shall describe the source of all income received, in the former state elected officer's or staff member's own name or by any other person for the person's use or benefit, and briefly describe the nature of the services for which the income was received if the source of the income was any of the following:

(a) An executive agency lobbyist or a legislative agent;

(b) The employer of an executive agency lobbyist or legislative agent, except that this division does not apply if the employer is any state agency or political subdivision of the state;

(c) Any entity, association, or business that, at any time during the two immediately preceding calendar years, was awarded one or more contracts by one or more state agencies that in the aggregate had a value of one hundred thousand dollars or more, or bid on one or more contracts to be awarded by one or more state agencies that in the aggregate had a value of one hundred thousand dollars or more.

(3) If the former state elected officer or staff member received no income as described in division (A)(2) of this section, the statement referred to in division (A)(1) of this section shall indicate that fact.

(4) If the former state elected officer or staff member directly or indirectly made, either separately or in combination with another, any expenditure or gift for transportation, lodging, or food or beverages to, at the request of, for the benefit of, or on behalf of any public officer or employee, and if the former state elected officer or staff member would be required to report the expenditure or gift in a statement under sections 101.70 to 101.79 or sections 121.60 to 121.69 of the Revised Code, whichever is applicable, if the former state elected officer or staff member was a legislative agent or executive agency lobbyist at the time the expenditure or gift was made, the statement referred to in division (A)(1) of this section shall include all information relative to that gift or expenditure that would be required in a statement under sections 101.70 to 101.79 or sections 121.60 to 121.69 of the Revised Code if the former state elected officer or staff member was a legislative agent or executive agency lobbyist at the time the expenditure or gift was made.

(5) If the former state elected officer or staff member made no expenditure or gift as described in division (A)(4) of this section, the statement referred to in division (A)(1) of this section shall indicate that fact.

(B) If, at any time during the twenty-four month period immediately following the end of the former state elected officer's or staff member's service or public employment, a former state elected officer or staff member who filed or was required to file a disclosure statement under section 102.02 of the Revised Code becomes a legislative agent or an executive agency lobbyist, the former state elected officer or staff member shall comply with all registration and filing requirements set forth in sections 101.70 to 101.79 or sections 121.60 to 121.69 of the Revised Code, whichever is applicable, and, the former state elected officer or staff member also shall file a statement under division (A)(1) of this section except that the statement filed under division (A)(1) of this section does not need to include information regarding any income source, expenditure, or gift to the extent that that information was included in any registration or statement filed under sections 101.70 to 101.79 or sections 121.60 to 121.69 of the Revised Code.

(C) Except as otherwise provided in this division, division (A)(2) of this section applies to attorneys, physicians, and other persons who engage in the practice of a profession and who, pursuant to a section of the Revised Code, the common law of this state, a code of ethics applicable to the profession, or otherwise, generally are required not to reveal, disclose, or use confidences of clients, patients, or other recipients of professional services except under specified circumstances or generally are required to maintain those types of confidences as privileged communications except under specified circumstances. Division (A)(2) of this section does not require an attorney, physician, or other professional subject to a confidentiality requirement as described in this division to disclose the name, other identity, or address of a client, patient, or other recipient of professional services if the disclosure would threaten the client, patient, or other recipient of professional services, would reveal details of the subject matter for which legal, medical, or professional advice or other services were sought, or would reveal an otherwise privileged communication involving the client, patient, or other recipient of professional services. Division (A)(2) of this section does not require an attorney, physician, or other professional subject to a confidentiality requirement as described in this division to disclose in the brief description of the nature of services required by division (A)(2) of this section any information pertaining to specific professional services rendered for a client, patient, or other recipient of professional services that would reveal details of the subject matter for which legal, medical, or professional advice was sought or would reveal an otherwise privileged communication involving the client, patient, or other recipient of professional services.

(D)(1) Each state elected officer or staff member who filed or was required to file a disclosure statement under section 102.02 of the Revised Code and who leaves public service or public employment shall file an initial statement under division (A)(1) of this section not later than the day on which the former state elected officer or staff member leaves public service or public employment. The initial statement shall specify whether the person will, or will not, receive any income from a source described in division (A)(2)(a), (b), or (c) of this section.

If a person files an initial statement under this division that states that the person will receive income from a source described in division (A)(2)(a), (b), or (c) of this section, the person is required to file statements under division (A)(2), (3), (4), or (5) of this section at the times specified in division (D)(2) of this section.

If a person files an initial statement under this division that states that the person will not receive income from a source described in division (A)(2)(a), (b), or (c) of this section, except as otherwise provided in this division, the person is not required to file statements under division (A)(2), (4), or (5) of this section or to file subsequent statements under division (A)(3) of this section. If a person files an initial statement under this

division that states that the person will not receive income from a source described in division (A)(2)(a), (b), or (c) of this section, and, subsequent to the filing of that initial statement, the person receives any income from a source described in division (A)(2)(a), (b), or (c) of this section, the person within ten days shall file a statement under division (A)(2) of this section that contains the information described in that division, and the person thereafter shall file statements under division (A)(2), (3), (4), or (5) of this section at the times specified in division (D)(2) of this section.

(2) After the filing of the initial statement under division (D)(1) of this section, each person required to file a statement under division (A)(2), (3), (4), or (5) of this section shall file it on or before the last calendar day of January, May, and September. The statements described in divisions (A)(2), (3), and (5) of this section shall relate to the sources of income the person received in the immediately preceding filing period from each source of income in each of the categories listed in division (A)(2) of this section. The statement described in division (A)(4) of this section shall include any information required to be reported regarding expenditures and gifts of the type described in division (A)(4) of this section occurring since the filing of the immediately preceding statement.

If, pursuant to this division, a person files a statement under division (A)(2) of this section, the person is required to file statements under division (A)(4) of this section, and subsequent statements under division (A)(2), (3), or (5) of this section, at the times specified in this division. In addition, if, subsequent to the filing of the statement under division (A)(2) of this section, the person receives any income from a source described in division (A)(2)(a), (b), or (c) of this section that was not listed on the statement filed under division (A)(2) of this section, the person within ten days shall file a statement under division (A)(2) of this section that contains the information described in that division regarding the new income source.

If, pursuant to this division, a person files a statement under division (A)(3) of this section, except as otherwise provided in this division, the person thereafter is not required to file statements under division (A)(2), (4), or (5) of this section, or to file subsequent statements under division (A)(3) of this section. If, subsequent to the filing of the statement under division (A)(3) of this section, the person receives any income from a source described in division (A)(2)(a), (b), or (c) of this section, the person within ten days shall file a statement under division (A)(2) of this section that contains the information described in that division regarding the new income source, and the person thereafter shall file statements under division (A)(4) of this section, and subsequent statements under division (A)(2) or (3) of this section, at the times specified in this division.

(3) No fee shall be required for filing an initial statement under division (D)(1) of this section. The person filing a statement under division (D)(2) of this section that is required to be filed on or before the last calendar day of January, May, and September shall pay a ten dollar filing fee with each such statement not to exceed thirty dollars in any calendar year. The joint legislative ethics committee may charge late fees in the same manner as specified in division (G) of section 101.72 of the Revised Code.

(E) Any state elected officer or staff member who filed or was required to file a disclosure statement under section 102.02 of the Revised Code and who leaves public service or public employment shall provide a forwarding address to the officer's or staff member's last employer, and the employer shall provide the person's name and address to the joint legislative ethics committee. The former elected state officer or staff member shall provide updated forwarding addresses as necessary to the joint legislative ethics committee during the twenty-four month period during which division (A)(1) of this section applies. The public agency or appointing authority that was the last employer of a person required to file a statement under division (A)(2) of this section shall furnish to the person a copy of the form needed to complete the initial statement required under division (D)(1) of this section.

(F) During the twenty-four month period immediately following the end of the former state elected officer's or staff member's service or public employment, no person required to file a statement under this section shall receive from a source described in division (A)(2)(a), (b), or (c) of this section, and no source described in division (A)(2)(a), (b), or (c) of this section shall pay to that person, any compensation that is contingent in any way upon the introduction, modification, passage, or defeat of any legislation or the outcome of any executive agency decision.

(G) As used in this section "state elected officer or staff member" means any elected officer of this state, any staff, as defined in section 101.70 of the Revised Code, or any staff, as defined in section 121.60 of the Revised Code.

Sec. 102.022

Each person who is an officer or employee of a political subdivision, who receives compensation of less than sixteen thousand dollars a year for holding an office or position of employment with that political subdivision, and who is required to file a statement under section 102.02 of the Revised Code; each member of the board of trustees of a state institution of higher education as defined in section 3345.011 of the Revised Code who is required to file a statement under section 102.02 of the Revised Code; and each individual set forth in division (B)(2) of section 187.03 of the Revised Code who is required to file a statement under section 102.02 of the Revised Code, shall include in that statement, in place of the information required by divisions (A)(2), (7), (8), and (9) of that section, the following information:

(A) Exclusive of reasonable expenses, identification of every source of income over five hundred dollars received during the preceding calendar year, in the officer's or employee's own name or by any other person for the officer's or employee's use or benefit, by the person filing the statement, and a brief description of the nature of the services for which the income was received. This division shall not be construed to require the disclosure of clients of attorneys or persons licensed under section 4732.12 or 4732.15 of the Revised Code or patients of persons certified under section 4731.14 of the Revised Code. This division shall not be construed to require a person filing the statement who derives income from a business or profession to disclose the individual items of income that constitute the gross income of the business or profession.

(B) The source of each gift of over five hundred dollars received by the person in the officer's or employee's own name or by any other person for the officer's or employee's use or benefit during the preceding calendar year, except gifts received by will or by virtue of section 2105.06 of the Revised Code, received from parents, grandparents, children, grandchildren, siblings, nephews, nieces, uncles, aunts, brothers-in-law, sisters-in-law, sons-in-law, daughters-in-law, fathers-in-law, mothers-in-law, or any person to whom the person filing the statement stands in loco parentis, or received by way of distribution from any inter vivos or testamentary trust established by a spouse or by an ancestor.

Section 102.03

(A)(1) No present or former public official or employee shall, during public employment or service or for twelve months thereafter, represent a client or act in a representative capacity for any person on any matter in which the public official or employee personally participated as a public official or employee through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or other substantial exercise of administrative discretion.

(2) For twenty-four months after the conclusion of service, no former commissioner or attorney examiner of the public utilities commission shall represent a public utility, as defined in section 4905.02 of the Revised Code, or act in a representative capacity on behalf of such a utility before any state board, commission, or agency.

(3) For twenty-four months after the conclusion of employment or service, no former public official or employee who personally participated as a public official or employee through decision, approval, disapproval, recommendation, the rendering of advice, the development or adoption of solid waste management plans, investigation, inspection, or other substantial exercise of administrative discretion under Chapter 343. or 3734. of the Revised Code shall represent a person who is the owner or operator of a facility, as defined in section 3734.01 of the Revised Code, or who is an applicant for a permit or license for a facility under that chapter, on any matter in which the public official or employee personally participated as a public official or employee.

(4) For a period of one year after the conclusion of employment or service as a member or employee of the general assembly, no former member or employee of the general assembly shall represent, or act in a representative capacity for, any person on any matter before the general assembly, any committee of the general assembly, or the controlling board. Division (A)(4) of this section does not apply to or affect a person who separates from service with the general assembly on or before December 31, 1995. As used in division (A)(4) of this section "person" does not include any state agency or political subdivision of the state.

(5) As used in divisions (A)(1), (2), and (3) of this section, "matter" includes any case, proceeding, application, determination, issue, or question, but does not include the proposal, consideration, or enactment of statutes, rules, ordinances, resolutions, or charter or constitutional amendments. As used in division (A)(4) of this section, "matter" includes the proposal, consideration, or enactment of statutes, resolutions, or constitutional

amendments. As used in division (A) of this section, "represent" includes any formal or informal appearance before, or any written or oral communication with, any public agency on behalf of any person.

(6) Nothing contained in division (A) of this section shall prohibit, during such period, a former public official or employee from being retained or employed to represent, assist, or act in a representative capacity for the public agency by which the public official or employee was employed or on which the public official or employee served.

(7) Division (A) of this section shall not be construed to prohibit the performance of ministerial functions, including, but not limited to, the filing or amendment of tax returns, applications for permits and licenses, incorporation papers, and other similar documents.

(8) Division (A) of this section does not prohibit a nonelected public official or employee of a state agency, as defined in section 1.60 of the Revised Code, from becoming a public official or employee of another state agency. Division (A) of this section does not prohibit such an official or employee from representing or acting in a representative capacity for the official's or employee's new state agency on any matter in which the public official or employee personally participated as a public official or employee at the official's or employee's former state agency. However, no public official or employee of a state agency shall, during public employment or for twelve months thereafter, represent or act in a representative capacity for the official's or employee's new state agency on any audit or investigation pertaining to the official's or employee's new state agency in which the public official or employee personally participated at the official's or employee's former state agency through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or other substantial exercise of administrative discretion.

(9) Division (A) of this section does not prohibit a nonelected public official or employee of a political subdivision from becoming a public official or employee of a different department, division, agency, office, or unit of the same political subdivision. Division (A) of this section does not prohibit such an official or employee from representing or acting in a representative capacity for the official's or employee's new department, division, agency, office, or unit on any matter in which the public official or employee personally participated as a public official or employee at the official's or employee's former department, division, agency, office, or unit of the same political subdivision. As used in this division, "political subdivision" means a county, township, municipal corporation, or any other body corporate and politic that is responsible for government activities in a geographic area smaller than that of the state.

(10) No present or former Ohio casino control commission official shall, during public service or for two years thereafter, represent a client, be employed or compensated by a person regulated by the commission, or act in a representative capacity for any person on any matter before or concerning the commission.

No present or former commission employee shall, during public employment or for two years thereafter, represent a client or act in a representative capacity on any matter in which the employee personally participated as a commission employee through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or other substantial exercise of administrative discretion.

(B) No present or former public official or employee shall disclose or use, without appropriate authorization, any information acquired by the public official or employee in the course of the public official's or employee's official duties that is confidential because of statutory provisions, or that has been clearly designated to the public official or employee as confidential when that confidential designation is warranted because of the status of the proceedings or the circumstances under which the information was received and preserving its confidentiality is necessary to the proper conduct of government business.

(C) No public official or employee shall participate within the scope of duties as a public official or employee, except through ministerial functions as defined in division (A) of this section, in any license or rate-making proceeding that directly affects the license or rates of any person, partnership, trust, business trust, corporation, or association in which the public official or employee or immediate family owns or controls more than five per cent. No public official or employee shall participate within the scope of duties as a public official or employee, except through ministerial functions as defined in division (A) of this section, in any license or rate-making proceeding that directly affects the license or rates of any person to whom the public official or employee or immediate family, or a partnership, trust, business trust, corporation, or association of which the public official or employee or the public official's or employee's immediate family owns or controls more than five per cent, has sold goods or services totaling more than one thousand dollars during the preceding year, unless the public official or employee has filed a written statement acknowledging that sale with the clerk or secretary of the public agency and the statement is entered in any public record of the agency's proceedings.

This division shall not be construed to require the disclosure of clients of attorneys or persons licensed under section 4732.12 or 4732.15 of the Revised Code, or patients of persons certified under section 4731.14 of the Revised Code.

(D) No public official or employee shall use or authorize the use of the authority or influence of office or employment to secure anything of value or the promise or offer of anything of value that is of such a character as to manifest a substantial and improper influence upon the public official or employee with respect to that person's duties.

(E) No public official or employee shall solicit or accept anything of value that is of such a character as to manifest a substantial and improper influence upon the public official or employee with respect to that person's duties.

(F) No person shall promise or give to a public official or employee anything of value that is of such a character as to manifest a substantial and improper influence upon the public official or employee with respect to that person's duties.

(G) In the absence of bribery or another offense under the Revised Code or a purpose to defraud, contributions made to a campaign committee, political party, legislative campaign fund, political action committee, or political contributing entity on behalf of an elected public officer or other public official or employee who seeks elective office shall be considered to accrue ordinarily to the public official or employee for the purposes of divisions (D), (E), and (F) of this section.

As used in this division, "contributions," "campaign committee," "political party," "legislative campaign fund," "political action committee," and "political contributing entity" have the same meanings as in section 3517.01 of the Revised Code.

(H)(1) No public official or employee, except for the president or other chief administrative officer of or a member of a board of trustees of a state institution of higher education as defined in section 3345.011 of the Revised Code, who is required to file a financial disclosure statement under section 102.02 of the Revised Code shall solicit or accept, and no person shall give to that public official or employee, an honorarium. Except as provided in division (H)(2) of this section, this division and divisions (D), (E), and (F) of this section do not prohibit a public official or employee who is required to file a financial disclosure statement under section 102.02 of the Revised Code from accepting and do not prohibit a person from giving to that public official or employee the payment of actual travel expenses, including any expenses incurred in connection with the travel for lodging, and meals, food, and beverages provided to the public official or employee at a meeting at which the public official or employee participates in a panel, seminar, or speaking engagement or provided to the public official or employee at a meeting or convention of a national organization to which any state agency, including, but not limited to, any state legislative agency or state institution of higher education as defined in section 3345.011 of the Revised Code, pays membership dues. Except as provided in division (H)(2) of this section, this division and divisions (D), (E), and (F) of this section do not prohibit a public official or employee who is not required to file a financial disclosure statement under section 102.02 of the Revised Code from accepting and do not prohibit a person from promising or giving to that public official or employee an honorarium or the payment of travel, meal, and lodging expenses if the honorarium, expenses, or both were paid in recognition of demonstrable business, professional, or esthetic interests of the public official or employee that exist apart from public office or employment, including, but not limited to, such a demonstrable interest in public speaking and were not paid by any person or other entity, or by any representative or association of those persons or entities, that is regulated by, doing business with, or seeking to do business with the department, division, institution, board, commission, authority, bureau, or other instrumentality of the governmental entity with which the public official or employee serves.

(2) No person who is a member of the board of a state retirement system, a state retirement system investment officer, or an employee of a state retirement system whose position involves substantial and material exercise of discretion in the investment of retirement system funds shall solicit or accept, and no person shall give to that board member, officer, or employee, payment of actual travel expenses, including expenses incurred with the travel for lodging, meals, food, and beverages.

(I) A public official or employee may accept travel, meals, and lodging or expenses or reimbursement of expenses for travel, meals, and lodging in connection with conferences, seminars, and similar events related to official duties if the travel, meals, and lodging, expenses, or reimbursement is not of such a character as to manifest a substantial and improper influence upon the public official or employee with respect to that person's duties. The house of representatives and senate, in their code of ethics, and the Ohio ethics commission, under

section 111.15 of the Revised Code, may adopt rules setting standards and conditions for the furnishing and acceptance of such travel, meals, and lodging, expenses, or reimbursement.

A person who acts in compliance with this division and any applicable rules adopted under it, or any applicable, similar rules adopted by the supreme court governing judicial officers and employees, does not violate division (D), (E), or (F) of this section. This division does not preclude any person from seeking an advisory opinion from the appropriate ethics commission under section 102.08 of the Revised Code.

(J) For purposes of divisions (D), (E), and (F) of this section, the membership of a public official or employee in an organization shall not be considered, in and of itself, to be of such a character as to manifest a substantial and improper influence on the public official or employee with respect to that person's duties. As used in this division, "organization" means a church or a religious, benevolent, fraternal, or professional organization that is tax exempt under subsection 501(a) and described in subsection 501(c) (3), (4), (8), (10), or (19) of the "Internal Revenue Code of 1986." This division does not apply to a public official or employee who is an employee of an organization, serves as a trustee, director, or officer of an organization, or otherwise holds a fiduciary relationship with an organization. This division does not allow a public official or employee who is a member of an organization to participate, formally or informally, in deliberations, discussions, or voting on a matter or to use the public official's or employee's official position with regard to the interests of the organization on the matter if the public official or employee has assumed a particular responsibility in the organization with respect to the matter or if the matter would affect that person's personal, pecuniary interests.

(K) It is not a violation of this section for a prosecuting attorney to appoint assistants and employees in accordance with division (B) of section 309.06 and section 2921.421 of the Revised Code, for a chief legal officer of a municipal corporation or an official designated as prosecutor in a municipal corporation to appoint assistants and employees in accordance with sections 733.621 and 2921.421 of the Revised Code, for a township law director appointed under section 504.15 of the Revised Code to appoint assistants and employees in accordance with sections 504.151 and 2921.421 of the Revised Code, or for a coroner to appoint assistants and employees in accordance with division (B) of section 313.05 of the Revised Code.

As used in this division, "chief legal officer" has the same meaning as in section 733.621 of the Revised Code.

(L) No present public official or employee with a casino gaming regulatory function shall indirectly invest, by way of an entity the public official or employee has an ownership interest or control in, or directly invest in a casino operator, management company, holding company, casino facility, or gaming-related vendor. No present public official or employee with a casino gaming regulatory function shall directly or indirectly have a financial interest in, have an ownership interest in, be the creditor or hold a debt instrument issued by, or have an interest in a contractual or service relationship with a casino operator, management company, holding company, casino facility, or gaming-related vendor. This section does not prohibit or limit permitted passive investing by the public official or employee.

As used in this division, "passive investing" means investment by the public official or employee by means of a mutual fund in which the public official or employee has no control of the investments or investment decisions. "Casino operator," "holding company," "management company," "casino facility," and "gaming-related vendor" have the same meanings as in section 3772.01 of the Revised Code.

(M) A member of the Ohio casino control commission, the executive director of the commission, or an employee of the commission shall not:

(1) Accept anything of value, including but not limited to a gift, gratuity, emolument, or employment from a casino operator, management company, or other person subject to the jurisdiction of the commission, or from an officer, attorney, agent, or employee of a casino operator, management company, or other person subject to the jurisdiction of the commission;

(2) Solicit, suggest, request, or recommend, directly or indirectly, to a casino operator, management company, or other person subject to the jurisdiction of the commission, or to an officer, attorney, agent, or employee of a casino operator, management company, or other person subject to the jurisdiction of the commission, the appointment of a person to an office, place, position, or employment;

(3) Participate in casino gaming or any other amusement or activity at a casino facility in this state or at an affiliate gaming facility of a licensed casino operator, wherever located.

In addition to the penalty provided in section 102.99 of the Revised Code, whoever violates division (M)(1), (2), or (3) of this section forfeits the individual's office or employment.

Sec. 102.031

(A) As used in this section:

(1) “Business associate” means a person with whom a member of the general assembly is conducting or undertaking a financial transaction.

(2) “Contribution” has the same meaning as in section 3517.01 of the Revised Code.

(3) “Employee” does not include a member of the general assembly whose nonlegislative position of employment does not involve the performance of or the authority to perform administrative or supervisory functions; or whose nonlegislative position of employment, if the member is a public employee, does not involve a substantial and material exercise of administrative discretion in the formulation of public policy, expenditure of public funds, enforcement of laws and rules of the state or a county or city, or execution of other public trusts.

(B) No member of the general assembly shall vote on any legislation that the member knows is then being actively advocated if the member is one of the following with respect to a legislative agent or employer that is then actively advocating on that legislation:

(1) An employee;

(2) A business associate;

(3) A person, other than an employee, who is hired under contract to perform certain services, and that position involves a substantial and material exercise of administrative discretion in the formulation of public policy.

(C) No member of the general assembly shall knowingly accept any of the following from a legislative agent or a person required to file a statement described in division (A)(2) of section 102.021 of the Revised Code:

(1) The payment of any expenses for travel or lodging except as otherwise authorized by division (H) of section 102.03 of the Revised Code;

(2) More than seventy-five dollars aggregated per calendar year as payment for meals and other food and beverages, other than for those meals and other food and beverages provided to the member at a meeting at which the member participates in a panel, seminar, or speaking engagement, at a meeting or convention of a national organization to which any state agency, including, but not limited to, any legislative agency or state institution of higher education as defined in section 3345.011 of the Revised Code, pays membership dues, or at a dinner, party, or function to which all members of the general assembly or all members of either house of the general assembly are invited;

(3) A gift of any amount in the form of cash or the equivalent of cash, or a gift of any other thing of value whose value exceeds seventy-five dollars. As used in division (C)(3) of this section, “gift” does not include any contribution or any gifts of meals and other food and beverages or the payment of expenses incurred for travel to destinations either inside or outside this state that is received by a member of the general assembly and that is incurred in connection with the member’s official duties.

(D) It is not a violation of division (C)(2) of this section if, within sixty days after receiving notice from a legislative agent that the legislative agent has provided a member of the general assembly with more than seventy-five dollars aggregated in a calendar year as payment for meals and other food and beverages, the member of the general assembly returns to that legislative agent the amount received that exceeds seventy-five dollars.

(E) The joint legislative ethics committee may impose a fine of not more than one thousand dollars upon a member of the general assembly who violates division (B) of this section.

Section 102.04

(A) Except as provided in division (D) of this section, no person elected or appointed to an office of or employed by the general assembly or any department, division, institution, instrumentality, board, commission, or bureau of the state, excluding the courts, shall receive or agree to receive directly or indirectly compensation other than from the agency with which he serves for any service rendered or to be rendered by him personally in any case, proceeding, application, or other matter that is before the general assembly or any department, division, institution, instrumentality, board, commission, or bureau of the state, excluding the courts.

(B) Except as provided in division (D) of this section, no person elected or appointed to an office of or employed by the general assembly or any department, division, institution, instrumentality, board, commission, or bureau of the state, excluding the courts, shall sell or agree to sell, except through competitive bidding, any goods or services to the general assembly or any department, division, institution, instrumentality, board, commission, or bureau of the state, excluding the courts.

(C) Except as provided in division (D) of this section, no person who is elected or appointed to an office of or employed by a county, township, municipal corporation, or any other governmental entity, excluding the courts, shall receive or agree to receive directly or indirectly compensation other than from the agency with which he serves for any service rendered or to be rendered by him personally in any case, proceeding, application, or other matter which is before any agency, department, board, bureau, commission, or other instrumentality, excluding the courts, of the entity of which he is an officer or employee.

(D) A public official who is appointed to a nonelective office or a public employee shall be exempted from division (A), (B), or (C) of this section if both of the following apply:

(1) The agency to which the official or employee wants to sell the goods or services, or before which the matter that involves the rendering of his services is pending, is an agency other than the one with which he serves;

(2) Prior to rendering the personal services or selling or agreeing to sell the goods or services, he files a statement with the appropriate ethics commission, with the public agency with which he serves, and with the public agency before which the matter is pending or that is purchasing or has agreed to purchase goods or services.

The required statement shall contain the official's or employee's name and home address, the name and mailing address of the public agencies with which he serves and before which the matter is pending or that is purchasing or has agreed to purchase goods or services, and a brief description of the pending matter and of the personal services to be rendered or a brief description of the goods or services to be purchased. The statement shall also contain the public official's or employee's declaration that he disqualifies himself for a period of two years from any participation as such public official or employee in any matter involving any public official or employee of the agency before which the present matter is pending or to which goods or services are to be sold. The two-year period shall run from the date of the most recently filed statement regarding the agency before which the matter was pending or to which the goods or services were to be sold. No person shall be required to file statements under this division with the same public agency regarding a particular matter more than once in a calendar year.

(E) No public official or employee who files a statement or is required to file a statement under division (D) of this section shall knowingly fail to disqualify himself from any participation as a public official or employee of the agency with which he serves in any matter involving any official or employee of an agency before which a matter for which he rendered personal services was pending or of a public agency that purchased or agreed to purchase goods or services.

(F) This section shall not be construed to prohibit the performance of ministerial functions including, but not limited to, the filing, or amendment of tax returns, applications for permits and licenses, incorporation papers, and other documents.

Section 102.05

There is hereby created the Ohio ethics commission consisting of six members, three of whom shall be members of each of the two major political parties, to be appointed by the governor with the advice and consent of the senate. Within thirty days of the effective date of this section, the governor shall make initial appointments to the commission. Of the initial appointments made to the commission, one shall be for a term ending one year after the effective date of this section, and the other appointments shall be for terms ending two, three, four, five, and six years, respectively, after the effective date of this section. Thereafter, terms of office shall be for six years, each term ending on the same day of the same month of the year as did the term that it succeeds. Each member shall hold office from the date of his appointment until the end of the term for which he was appointed. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall hold office for the remainder of that term.

No person shall be appointed to the commission or shall continue to serve as a member of the commission if the person is subject to section 102.02 of the Revised Code other than by reason of his

appointment to the commission or if the person is a legislative agent registered under sections 101.70 to 101.79 of the Revised Code or an executive agency lobbyist registered under sections 121.60 to 121.69 of the Revised Code. Each member shall be paid seventy-five dollars for each meeting held in the discharge of his official duties, except that no member shall be paid more than eighteen hundred dollars in any fiscal year. Each member shall be reimbursed for expenses actually and necessarily incurred in the performance of his official duties.

The commission shall meet within two weeks after all members have been appointed, at a time and place determined by the governor. At its first meeting, the commission shall elect a chairman and other officers that are necessary and shall adopt rules for its procedures. After the first meeting, the commission shall meet at the call of the chairman or upon the written request of a majority of the members. A majority of the members of the commission constitutes a quorum. The commission shall not take any action without the concurrence of a majority of the members of the commission.

The commission may appoint and fix the compensation of an executive director and other technical, professional, and clerical employees that are necessary to carry out the duties of the commission.

The commission may appoint hearing examiners to conduct hearings pursuant to section 102.06 of the Revised Code. The hearing examiners have the same powers and authority in conducting the hearings as is granted to the commission. Within thirty days after the hearing, the hearing examiner shall submit to the commission a written report of his findings of fact and conclusions of law and a recommendation of the action to be taken by the commission. The recommendation of the hearing examiner may be approved, modified, or disapproved by the commission, and no recommendation shall become the findings of the commission until so ordered by the commission. The findings of the commission shall have the same effect as if the hearing had been conducted by the commission. Hearing examiners appointed pursuant to this section shall possess the qualifications the commission requires. Nothing contained in this section shall preclude the commission from appointing a member of the commission to serve as a hearing examiner.

Section 102.06

(A) The appropriate ethics commission shall receive and may initiate complaints against persons subject to this chapter concerning conduct alleged to be in violation of this chapter or section 2921.42 or 2921.43 of the Revised Code. All complaints except those by the commission shall be by affidavit made on personal knowledge, subject to the penalties of perjury. Complaints by the commission shall be by affidavit, based upon reasonable cause to believe that a violation has occurred.

(B) The appropriate ethics commission shall investigate complaints, may investigate charges presented to it, and may request further information, including the specific amount of income from a source, from any person filing with the commission a statement required by section 102.02 or 102.021 of the Revised Code, if the information sought is directly relevant to a complaint or charges received by the commission pursuant to this section. This information is confidential, except that the commission, in its discretion, may share information gathered in the course of any investigation with, or disclose the information to, the inspector general, any appropriate prosecuting authority, any law enforcement agency, or any other appropriate ethics commission. If the accused person is a member of the public employees retirement board, state teachers retirement board, school employees retirement board, board of trustees of the Ohio police and fire pension fund, or state highway patrol retirement board, or is a member of the bureau of workers' compensation board of directors, the appropriate ethics commission, in its discretion, also may share information gathered in the course of an investigation with, or disclose the information to, the attorney general and the auditor of state. The person so requested shall furnish the information to the commission, unless within fifteen days from the date of the request the person files an action for declaratory judgment challenging the legitimacy of the request in the court of common pleas of the county of the person's residence, the person's place of employment, or Franklin county. The requested information need not be furnished to the commission during the pendency of the judicial proceedings. Proceedings of the commission in connection with the declaratory judgment action shall be kept confidential except as otherwise provided by this section. Before the commission proceeds to take any formal action against a person who is the subject of an investigation based on charges presented to the commission, a complaint shall be filed against the person. If the commission finds that a complaint is not frivolous, and there is reasonable cause to believe that the facts alleged in a complaint constitute a violation of section 102.02, 102.021, 102.03, 102.04, 102.07, 2921.42, or 2921.43 of the Revised Code, it shall hold a hearing. If the commission does not so find, it shall dismiss the complaint and notify the accused person in writing of the

dismissal of the complaint. The commission shall not make a report of its finding unless the accused person requests a report. Upon the request of the accused person, the commission shall make a public report of its finding. The person against whom the complaint is directed shall be given reasonable notice by certified mail of the date, time, and place of the hearing and a statement of the charges and the law directly involved and shall be given the opportunity to be represented by counsel, to have counsel appointed for the person if the person is unable to afford counsel without undue hardship, to examine the evidence against the person, to produce evidence and to call and subpoena witnesses in the person's defense, to confront the person's accusers, and to cross-examine witnesses. The commission shall have a stenographic record made of the hearing. The hearing shall be closed to the public.

(C)(1)(a) If, upon the basis of the hearing, the appropriate ethics commission finds by a preponderance of the evidence that the facts alleged in the complaint are true and constitute a violation of section 102.02, 102.021, 102.03, 102.04, 102.07, 2921.42, or 2921.43 of the Revised Code, it shall report its findings to the appropriate prosecuting authority for proceedings in prosecution of the violation and to the appointing or employing authority of the accused. If the accused person is a member of the public employees retirement board, state teachers retirement board, school employees retirement board, board of trustees of the Ohio police and fire pension fund, or state highway patrol retirement board, the commission also shall report its findings to the Ohio retirement study council.

(b) If the Ohio ethics commission reports its findings to the appropriate prosecuting authority under division (C)(1)(a) of this section and the prosecuting authority has not initiated any official action on those findings within ninety days after receiving the commission's report of them, the commission may publicly comment that no official action has been taken on its findings, except that the commission shall make no comment in violation of the Rules of Criminal Procedure or about any indictment that has been sealed pursuant to any law or those rules. The commission shall make no comment regarding the merits of its findings. As used in division (C)(1)(b) of this section, "official action" means prosecution, closure after investigation, or grand jury action resulting in a true bill of indictment or no true bill of indictment.

(2) If the appropriate ethics commission does not find by a preponderance of the evidence that the facts alleged in the complaint are true and constitute a violation of section 102.02, 102.021, 102.03, 102.04, 102.07, 2921.42, or 2921.43 of the Revised Code or if the commission has not scheduled a hearing within ninety days after the complaint is filed or has not finally disposed of the complaint within six months after it has been heard, it shall dismiss the complaint and notify the accused person in writing of the dismissal of the complaint. The commission shall not make a report of its finding unless the accused person requests a report. Upon the request of the accused person, the commission shall make a public report of the finding, but in this case all evidence and the record of the hearing shall remain confidential unless the accused person also requests that the evidence and record be made public. Upon request by the accused person, the commission shall make the evidence and the record available for public inspection.

(D) The appropriate ethics commission, or a member of the commission, may administer oaths, and the commission may issue subpoenas to any person in the state compelling the attendance of witnesses and the production of relevant papers, books, accounts, and records. The commission shall issue subpoenas to compel the attendance of witnesses and the production of documents upon the request of an accused person. Section 101.42 of the Revised Code shall govern the issuance of these subpoenas insofar as applicable. Upon the refusal of any person to obey a subpoena or to be sworn or to answer as a witness, the commission may apply to the court of common pleas of Franklin county under section 2705.03 of the Revised Code. The court shall hold proceedings in accordance with Chapter 2705. of the Revised Code. The commission or the accused person may take the depositions of witnesses residing within or without the state in the same manner as prescribed by law for the taking of depositions in civil actions in the court of common pleas.

(E) At least once each year, the Ohio ethics commission shall report on its activities of the immediately preceding year to the majority and minority leaders of the senate and house of representatives of the general assembly. The report shall indicate the total number of complaints received, initiated, and investigated by the commission, the total number of complaints for which formal hearings were held, and the total number of complaints for which formal prosecution was recommended or requested by the commission. The report also shall indicate the nature of the inappropriate conduct alleged in each complaint and the governmental entity with which any employee or official that is the subject of a complaint was employed at the time of the alleged inappropriate conduct.

(F) All papers, records, affidavits, and documents upon any complaint, inquiry, or investigation relating to the proceedings of the appropriate ethics commission shall be sealed and are private and confidential, except as otherwise provided in this section and section 102.07 of the Revised Code.

(G)(1) When a complaint or charge is before it, the Ohio ethics commission or the appropriate prosecuting authority, in consultation with the person filing the complaint or charge, the accused, and any other person the commission or prosecuting authority considers necessary, may compromise or settle the complaint or charge with the agreement of the accused. The compromise or settlement may include mediation, restitution, rescission of affected contracts, forfeiture of any benefits resulting from a violation or potential violation of law, resignation of a public official or employee, or any other relief that is agreed upon between the commission or prosecuting authority and the accused.

(2) Any settlement agreement entered into under division (G)(1) of this section shall be in writing and be accompanied by a statement of the findings of the commission or prosecuting authority and the reasons for entering into the agreement. The commission or prosecuting authority shall retain the agreement and statement in the commission's or prosecuting authority's office and, in the commission's or prosecuting authority's discretion, may make the agreement, the statement, and any supporting information public, unless the agreement provides otherwise.

(3) If a settlement agreement is breached by the accused, the commission or prosecuting authority, in the commission's or prosecuting authority's discretion, may rescind the agreement and reinstitute any investigation, hearing, or prosecution of the accused. No information obtained from the accused in reaching the settlement that is not otherwise discoverable from the accused shall be used in any proceeding before the commission or by the appropriate prosecuting authority in prosecuting the violation. Notwithstanding any other section of the Revised Code, if a settlement agreement is breached, any statute of limitations for a violation of this chapter or section 2921.42 or 2921.43 of the Revised Code is tolled from the date the complaint or charge is filed until the date the settlement agreement is breached.

Section 102.07

No member, employee, or agent of the Ohio ethics commission, board of commissioners on grievances and discipline of the supreme court, or joint legislative ethics committee shall divulge any information or any books, papers, or documents presented to the commission, joint legislative ethics committee, or board of commissioners on grievances and discipline without the consent, in writing, of the appropriate ethics commission, unless such books, papers, or documents were presented at a public hearing, except as provided in section 102.06 of the Revised Code.

No person shall divulge information that appears on a disclosure statement and is required to be kept confidential under division (B) of section 102.02 of the Revised Code.

Section 102.08*

* *See also following version of this section and explanation after that version.*

(A)(1) Subject to division (A)(2) of this section, the board of commissioners on grievances and discipline of the supreme court and the house and senate legislative ethics committees may recommend legislation relating to ethics, conflicts of interest, and financial disclosure and shall render advisory opinions with regard to questions concerning these matters for persons for whom it is the appropriate ethics commission. When the appropriate ethics commission renders an advisory opinion relating to a special set of circumstances involving ethics, conflict of interest, or financial disclosure under Chapter 102. or section 2921.42 or 2921.43 of the Revised Code, the person to whom the opinion was directed or who was similarly situated may reasonably rely upon the opinion and shall be immune from criminal prosecutions, civil suits, or actions for removal from his office or position of employment for a violation of Chapter 102. or section 2921.42 or 2921.43 of the Revised Code based on facts and circumstances covered by the opinion, if the opinion states there is no violation of Chapter 102. or section 2921.42 or 2921.43 of the Revised Code. Except as otherwise provided in division (A)(2) of this section, the appropriate ethics commission shall include in every advisory opinion it renders a statement as to whether the set of circumstances described in the opinion constitutes a violation of section 2921.42 or 2921.43 of the Revised Code. The appropriate ethics commission shall provide a continuing

program of education and information concerning the provisions of Chapter 102. and sections 2921.42 and 2921.43 of the Revised Code and other provisions of law pertaining to ethics, conflicts of interest, and financial disclosure. As used in division (A) of this section, “appropriate ethics commission” does not include the Ohio ethics commission.

(2) The board of commissioners on grievances and discipline of the supreme court shall issue advisory opinions only in a manner consistent with Rule V of the Supreme Court Rules for the Government of the Bar of Ohio.

(B) The Ohio ethics commission may recommend legislation relating to ethics, conflicts of interest, and financial disclosure and may render advice with regard to questions concerning these matters for persons for whom it is the appropriate ethics commission. When the Ohio ethics commission renders a written formal or staff advisory opinion relating to a special set of circumstances involving ethics, conflict of interest, or financial disclosure under Chapter 102. or section 2921.42 or 2921.43 of the Revised Code, the person to whom the opinion was directed or who was similarly situated may reasonably rely upon the opinion and shall be immune from criminal prosecutions, civil suits, or actions for removal from his office or position of employment for a violation of Chapter 102. or section 2921.42 or 2921.43 of the Revised Code based on facts and circumstances covered by the opinion, if the opinion states there is no violation of Chapter 102. or section 2921.42 or 2921.43 of the Revised Code. The commission shall provide a continuing program of education and information concerning the provisions of Chapter 102. and sections 2921.42 and 2921.43 of the Revised Code and other provisions of law pertaining to ethics, conflicts of interest, and financial disclosure. [Am. Sub. H.B. 285, effective 03-02-94.]

Section 102.08*

* *See also preceding version of this section and explanation below.*

(A) The Ohio ethics commission, the board of commissioners on grievances and discipline of the supreme court, and the joint legislative ethics committee may recommend legislation relating to ethics, conflicts of interest, and financial disclosure, and render advisory opinions with regard to questions concerning these matters for persons for whom it is the appropriate ethics commission.

(B) When the Ohio ethics commission or the board of commissioners on grievances and discipline of the supreme court renders an advisory opinion relating to a special set of circumstances involving ethics, conflict of interest, or financial disclosure under Chapter 102., section 2921.42, or section 2921.43 of the Revised Code, the person to whom the opinion was directed or who was similarly situated may reasonably rely upon such opinion and shall be immune from criminal prosecutions, civil suits, or actions for removal from his office or position of employment for a violation of Chapter 102., section 2921.42, or section 2921.43 of the Revised Code based on facts and circumstances covered by the opinion, if the opinion states there is no violation of Chapter 102., section 2921.42, or section 2921.43 of the Revised Code.

(C) When the joint legislative ethics committee renders an advisory opinion that has been publicly sought and that relates to a special set of circumstances involving ethics, conflicts of interest, or financial disclosure under Chapter 102. or section 2921.42 or 2921.43 of the Revised Code, the person to whom the opinion was directed or who was similarly situated may reasonably rely upon such opinion and shall be immune from criminal prosecutions, civil suits, or actions for removal from his office or position of employment for a violation of Chapter 102. or section 2921.42 or 2921.43 of the Revised Code based on the facts and circumstances covered by the opinion, if the opinion states that there is no violation of Chapter 102. or section 2921.42 or 2921.43 of the Revised Code. When the joint legislative ethics committee renders an advisory opinion that has been publicly sought, the advisory opinion is a public record available under section 149.43 of the Revised Code.

(D) When the joint legislative ethics committee renders a written opinion that has been privately sought and that relates to a special set of circumstances involving ethics, conflicts of interest, or financial disclosure under Chapter 102. or section 2921.42 or 2921.43 of the Revised Code, the written opinion does not have the legal effect of an advisory opinion issued under division (C) of this section. When the joint legislative ethics committee renders a written opinion that has been privately sought, the written opinion is not a public record available under section 149.43 of the Revised Code. The proceedings of the legislative ethics committee

relating to a written opinion that has been privately sought shall be closed to the public and records relating to these proceedings are not public records available under section 149.43 of the Revised Code.

The person to whom a written opinion is issued under this division may request the committee to issue the written opinion as an advisory opinion. Upon receiving such a request and with the approval of a majority of the members of the committee, the committee may issue the written opinion as an advisory opinion. If the committee issues the written opinion as an advisory opinion, the advisory opinion has the same legal effect as an advisory opinion issued under division (C) of this section and is a public record available under section 149.43 of the Revised Code.

(E) The joint legislative ethics committee shall issue an advisory opinion under division (C) of this section or a written opinion under division (D) of this section, whether it is publicly or privately sought, only at a meeting of the committee and only with the approval of a majority of the members of the committee.

(F) The appropriate ethics commission shall provide a continuing program of education and information concerning the provisions of Chapter 102. and sections 2921.42 and 2921.43 of the Revised Code and other provisions of law pertaining to ethics, conflicts of interest, and financial disclosure. [Am. Sub. H.B. 492, effective 05-12-94.]

** R.C. 102.08 was amended by Am. Sub. H.B. 285 (eff. 03-02-94) and Am. Sub. H.B. 492 (eff. 05-12-94). Harmonization pursuant to R.C. 1.52 is in question. Both versions are presented here.*

Section 102.09

(A) The secretary of state and the county board of elections shall furnish, to each candidate for elective office who is required to file a financial disclosure statement by section 102.02 of the Revised Code, a financial disclosure form, and shall notify the appropriate ethics commission, within fifteen days of the name of the candidate, and of the subsequent withdrawal, disqualification, or death of the candidate. The candidate shall acknowledge receipt of the financial disclosure form in writing.

(B) The secretary of state and the county board of elections shall furnish to each person who is appointed to fill a vacancy for an unexpired term in an elective office, and who is required to file a financial disclosure statement by section 102.02 of the Revised Code, a financial disclosure form, and shall notify the appropriate ethics commission within fifteen days of being notified by the appointing authority, of the name and position of the public official and the date of appointment. The person shall acknowledge receipt of the financial disclosure form in writing.

(C) The public agency or appointing authority that employs, appoints, or promotes any public official or employee who, as a result of such employment, appointment, or promotion, is required to file a financial disclosure statement by section 102.02 of the Revised Code, shall, within fifteen days of the employment, appointment, or promotion, furnish the public official or employee with a financial disclosure form, and shall notify the appropriate ethics commission of the name and position of the public official or employee and the date of employment, appointment, or promotion. The public official or employee shall acknowledge receipt of the financial disclosure form in writing.

(D) Within fifteen days after any public official or employee begins the performance of official duties, the public agency with which the official or employee serves or the appointing authority shall furnish the official or employee a copy of Chapter 102. and section 2921.42 of the Revised Code, and may furnish such other materials as the appropriate ethics commission prepares for distribution. The official or employee shall acknowledge their receipt in writing. The requirements of this division do not apply at the time of reappointment or reelection.

Section 102.99

(A) Whoever violates division (C) of section 102.02 or division (C) of section 102.031 of the Revised Code is guilty of a misdemeanor of the fourth degree.

(B) Whoever violates division (D) of section 102.02 or section 102.021, 102.03, 102.04, or 102.07 of the Revised Code is guilty of a misdemeanor of the first degree.

CHAPTER 2921.

Section 2921.01 As used in sections 2921.01 to 2921.45 of the Revised Code:

(A) “Public official” means any elected or appointed officer, or employee, or agent of the state or any political subdivision, whether in a temporary or permanent capacity, and includes, but is not limited to, legislators, judges, and law enforcement officers. “Public official” does not include an employee, officer, or governor-appointed member of the board of directors of the nonprofit corporation formed under section 187.03 of the Revised Code.

(B) “Public servant” means any of the following:

(1) Any public official;

(2) Any person performing ad hoc a governmental function, including, but not limited to, a juror, member of a temporary commission, master, arbitrator, advisor, or consultant;

(3) A person who is a candidate for public office, whether or not the person is elected or appointed to the office for which the person is a candidate. A person is a candidate for purposes of this division if the person has been nominated according to law for election or appointment to public office, or if the person has filed a petition or petitions as required by law to have the person’s name placed on the ballot in a primary, general, or special election, or if the person campaigns as a write-in candidate in any primary, general, or special election. “Public servant” does not include an employee, officer, or governor-appointed member of the board of directors of the nonprofit corporation formed under section 187.03 of the Revised Code.

(C) “Party official” means any person who holds an elective or appointive post in a political party in the United States or this state, by virtue of which the person directs, conducts, or participates in directing or conducting party affairs at any level of responsibility.

(D) “Official proceeding” means any proceeding before a legislative, judicial, administrative, or other governmental agency or official authorized to take evidence under oath and includes any proceeding before a referee, hearing examiner, commissioner, notary, or other person taking testimony or a deposition in connection with an official proceeding.

(E) “Detention” means arrest; confinement in any vehicle subsequent to an arrest; confinement in any public or private facility for custody of persons charged with or convicted of crime in this state or another state or under the laws of the United States or alleged or found to be a delinquent child or unruly child in this state or another state or under the laws of the United States; hospitalization, institutionalization, or confinement in any public or private facility that is ordered pursuant to or under the authority of section 2945.37, 2945.371, 2945.38, 2945.39, 2945.40, 2945.401, or 2945.402 of the Revised Code; confinement in any vehicle for transportation to or from any facility of any of those natures; detention for extradition or deportation; except as provided in this division, supervision by any employee of any facility of any of those natures that is incidental to hospitalization, institutionalization, or confinement in the facility but that occurs outside the facility; supervision by an employee of the department of rehabilitation and correction of a person on any type of release from a state correctional institution; or confinement in any vehicle, airplane, or place while being returned from outside of this state into this state by a private person or entity, pursuant to a contract entered into under division (E) of section 311.29 of the Revised Code or division (B) of section 5149.03 of the Revised Code. For a person confined in a county jail who participates in a county jail industry program pursuant to section 5147.30 of the Revised Code, “detention” includes time spent at an assigned work site and going to and from the work site.

(F) “Detention facility” means any public or private place used for the confinement of a person charged with or convicted of any crime in this state or another state or under the laws of the United States or alleged or found to be a delinquent child or unruly child in this state or another state or under the laws of the United States.

(G) “Valuable thing or valuable benefit” includes, but is not limited to, a contribution. This inclusion does not indicate or imply that a contribution was not included in those terms before September 17, 1986.

(H) “Campaign committee,” “contribution,” “political action committee,” “legislative campaign fund,” “political party,” and “political contributing entity” have the same meanings as in section 3517.01 of the Revised Code.

(I) “Provider agreement” and “medical assistance program” have the same meanings as in section 2913.40 of the Revised Code.

Sec. 2921.42.

(A) No public official shall knowingly do any of the following:

(1) Authorize, or employ the authority or influence of the public official's office to secure authorization of any public contract in which the public official, a member of the public official's family, or any of the public official's business associates has an interest;

(2) Authorize, or employ the authority or influence of the public official's office to secure the investment of public funds in any share, bond, mortgage, or other security, with respect to which the public official, a member of the public official's family, or any of the public official's business associates either has an interest, is an underwriter, or receives any brokerage, origination, or servicing fees;

(3) During the public official's term of office or within one year thereafter, occupy any position of profit in the prosecution of a public contract authorized by the public official or by a legislative body, commission, or board of which the public official was a member at the time of authorization, unless the contract was let by competitive bidding to the lowest and best bidder;

(4) Have an interest in the profits or benefits of a public contract entered into by or for the use of the political subdivision or governmental agency or instrumentality with which the public official is connected;

(5) Have an interest in the profits or benefits of a public contract that is not let by competitive bidding if required by law and that involves more than one hundred fifty dollars.

(B) In the absence of bribery or a purpose to defraud, a public official, member of a public official's family, or any of a public official's business associates shall not be considered as having an interest in a public contract or the investment of public funds, if all of the following apply:

(1) The interest of that person is limited to owning or controlling shares of the corporation, or being a creditor of the corporation or other organization, that is the contractor on the public contract involved, or that is the issuer of the security in which public funds are invested;

(2) The shares owned or controlled by that person do not exceed five per cent of the outstanding shares of the corporation, and the amount due that person as creditor does not exceed five per cent of the total indebtedness of the corporation or other organization;

(3) That person, prior to the time the public contract is entered into, files with the political subdivision or governmental agency or instrumentality involved, an affidavit giving that person's exact status in connection with the corporation or other organization.

(C) This section does not apply to a public contract in which a public official, member of a public official's family, or one of a public official's business associates has an interest, when all of the following apply:

(1) The subject of the public contract is necessary supplies or services for the political subdivision or governmental agency or instrumentality involved;

(2) The supplies or services are unobtainable elsewhere for the same or lower cost, or are being furnished to the political subdivision or governmental agency or instrumentality as part of a continuing course of dealing established prior to the public official's becoming associated with the political subdivision or governmental agency or instrumentality involved;

(3) The treatment accorded the political subdivision or governmental agency or instrumentality is either preferential to or the same as that accorded other customers or clients in similar transactions;

(4) The entire transaction is conducted at arm's length, with full knowledge by the political subdivision or governmental agency or instrumentality involved, of the interest of the public official, member of the public official's family, or business associate, and the public official takes no part in the deliberations or decision of the political subdivision or governmental agency or instrumentality with respect to the public contract.

(D) Division (A)(4) of this section does not prohibit participation by a public employee in any housing program funded by public moneys if the public employee otherwise qualifies for the program and does not use the authority or influence of the public employee's office or employment to secure benefits from the program and if the moneys are to be used on the primary residence of the public employee. Such participation does not constitute an unlawful interest in a public contract in violation of this section.

(E) Whoever violates this section is guilty of having an unlawful interest in a public contract. Violation of division (A)(1) or (2) of this section is a felony of the fourth degree. Violation of division (A)(3), (4), or (5) of this section is a misdemeanor of the first degree.

(F) It is not a violation of this section for a prosecuting attorney to appoint assistants and employees in accordance with sections 309.06 and 2921.421 of the Revised Code, for a chief legal officer of a municipal

corporation or an official designated as prosecutor in a municipal corporation to appoint assistants and employees in accordance with sections 733.621 and 2921.421 of the Revised Code, or for a township law director appointed under section 504.15 of the Revised Code to appoint assistants and employees in accordance with sections 504.151 and 2921.421 of the Revised Code.

(G) This section does not apply to a public contract in which a township trustee in a township with a population of five thousand or less in its unincorporated area, a member of the township trustee's family, or one of the township trustee's business associates has an interest, if all of the following apply:

(1) The subject of the public contract is necessary supplies or services for the township and the amount of the contract is less than five thousand dollars per year;

(2) The supplies or services are being furnished to the township as part of a continuing course of dealing established before the township trustee held that office with the township;

(3) The treatment accorded the township is either preferential to or the same as that accorded other customers or clients in similar transactions;

(4) The entire transaction is conducted with full knowledge by the township of the interest of the township trustee, member of the township trustee's family, or the township trustee's business associate.

(H) Any public contract in which a public official, a member of the public official's family, or any of the public official's business associates has an interest in violation of this section is void and unenforceable. Any contract securing the investment of public funds in which a public official, a member of the public official's family, or any of the public official's business associates has an interest, is an underwriter, or receives any brokerage, origination, or servicing fees and that was entered into in violation of this section is void and unenforceable.

(I) As used in this section:

(1) "Public contract" means any of the following:

(a) The purchase or acquisition, or a contract for the purchase or acquisition, of property or services by or for the use of the state, any of its political subdivisions, or any agency or instrumentality of either, including the employment of an individual by the state, any of its political subdivisions, or any agency or instrumentality of either;

(b) A contract for the design, construction, alteration, repair, or maintenance of any public property.

(2) "Chief legal officer" has the same meaning as in section 733.621 of the Revised Code.

Sec. 2921.421

(A) As used in this section:

(1) "Chief legal officer" has the same meaning as in section 733.621 of the Revised Code.

(2) "Political subdivision" means a county, a municipal corporation, or a township that adopts a limited home rule government under Chapter 504. of the Revised Code.

(B) A prosecuting attorney may appoint assistants and employees, except a member of the family of the prosecuting attorney, in accordance with division (B) of section 309.06 of the Revised Code, a chief legal officer of a municipal corporation or an official designated as prosecutor in a municipal corporation may appoint assistants and employees, except a member of the family of the chief legal officer or official designated as prosecutor, in accordance with section 733.621 of the Revised Code, and a township law director appointed under section 504.15 of the Revised Code may appoint assistants and employees, except a member of the family of the township law director, in accordance with section 504.151 of the Revised Code, if all of the following apply:

(1) The services to be furnished by the appointee or employee are necessary services for the political subdivision or are authorized by the legislative authority, governing board, or other contracting authority of the political subdivision.

(2) The treatment accorded the political subdivision is either preferential to or the same as that accorded other clients or customers of the appointee or employee in similar transactions, or the legislative authority, governing board, or other contracting authority of the political subdivision, in its sole discretion, determines that the compensation and other terms of appointment or employment of the appointee or employee are fair and reasonable to the political subdivision.

(3) The appointment or employment is made after prior written disclosure to the legislative authority, governing board, or other contracting authority of the political subdivision of the business relationship between

the prosecuting attorney, the chief legal officer or official designated as prosecutor in a municipal corporation, or the township law director and the appointee or employee thereof. In the case of a municipal corporation, the disclosure may be made or evidenced in an ordinance, resolution, or other document that does either or both of the following:

(a) Authorizes the furnishing of services as required under division (B)(1) of this section;

(b) Determines that the compensation and other terms of appointment or employment of the appointee or employee are fair and reasonable to the political subdivision as required under division (B)(2) of this section.

(4) The prosecuting attorney, the elected chief legal officer, or the township law director does not receive any distributive share or other portion, in whole or in part, of the earnings of the business associate, partner, or employee paid by the political subdivision to the business associate, partner, or employee for services rendered for the political subdivision.

(C) It is not a violation of this section or of section 102.03 or 2921.42 of the Revised Code for the legislative authority, the governing board, or other contracting authority of a political subdivision to engage the services of any firm that practices the profession of law upon the terms approved by the legislative authority, the governing board, or the contracting authority, or to designate any partner, officer, or employee of that firm as a nonelected public official or employee of the political subdivision, whether the public office or position of employment is created by statute, charter, ordinance, resolution, or other legislative or administrative action.

Section 2921.43

(A) No public servant shall knowingly solicit or accept, and no person shall knowingly promise or give to a public servant, either of the following:

(1) Any compensation, other than as allowed by divisions (G), (H), and (I) of section 102.03 of the Revised Code or other provisions of law, to perform the public servant's official duties, to perform any other act or service in the public servant's public capacity, for the general performance of the duties of the public servant's public office or public employment, or as a supplement to the public servant's public compensation;

(2) Additional or greater fees or costs than are allowed by law to perform the public servant's official duties.

(B) No public servant for the public servant's own personal or business use, and no person for the person's own personal or business use or for the personal or business use of a public servant or party official, shall solicit or accept anything of value in consideration of either of the following:

(1) Appointing or securing, maintaining, or renewing the appointment of any person to any public office, employment, or agency;

(2) Preferring, or maintaining the status of, any public employee with respect to compensation, duties, placement, location, promotion, or other material aspects of employment.

(C) No person for the benefit of a political party, campaign committee, legislative campaign fund, political action committee, or political contributing entity shall coerce any contribution in consideration of either of the following:

(1) Appointing or securing, maintaining, or renewing the appointment of any person to any public office, employment, or agency;

(2) Preferring, or maintaining the status of, any public employee with respect to compensation, duties, placement, location, promotion, or other material aspects of employment.

(D) Whoever violates this section is guilty of soliciting improper compensation, a misdemeanor of the first degree.

(E) A public servant who is convicted of a violation of this section is disqualified from holding any public office, employment, or position of trust in this state for a period of seven years from the date of conviction.

(F) Divisions (A), (B), and (C) of this section do not prohibit a person from making voluntary contributions to a political party, campaign committee, legislative campaign fund, political action committee, or political contributing entity or prohibit a political party, campaign committee, legislative campaign fund, political action committee, or political contributing entity, from accepting voluntary contributions.

FOR MORE INFORMATION, OR ADDITIONAL MATERIALS ON THE OHIO ETHICS LAW, PLEASE CONTACT:

OHIO ETHICS COMMISSION

**William Green Building
30 West Spring St., L3
Columbus, Ohio 43215-2256
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www.ethics.ohio.gov**

[Rev. 10/14]

Appendix D

3. Requests for Additional Information, Including Charter School Accountability (within 14 days of the date of receipt of this letter)

- c. The Ohio Department of Education will describe any changes made to its internal controls that affect officials responsible for oversight of Ohio's charter school sector.

The Ohio Department of Education revisited controls within the agency to ensure staff follow protocol for making critical decisions across all agency divisions, including the Office of Quality School Choice. With respect to the authorizer¹ evaluation process, implementation of recent legislative changes and the administration of the CSP grant, program office staff will consult with the department's Office of Chief Legal Counsel, Office of Grants Management, Center for Accountability and Continuous Improvement, and Center for Student Support and Education Options to ensure compliance with state and federal law.

Moreover, to ensure the integrity, relevance and accuracy of data that the Ohio Department of Education utilizes, the department recently established a Data Governance Committee. The Data Governance Committee is a cross-divisional working group comprised of members of the department's senior leadership team. The Data Governance Committee promotes the release of high-quality, actionable information to Ohio's education stakeholders by ensuring alignment between the department's data use and state and federal laws and rules; ensures alignment with Ohio's K-12 strategic plan; verifies accuracy and completeness of data reported by Ohio's public educating entities; validates the integrity, relevance and accuracy of calculations and reports generated by the department; and coordinates data release and communications processes. The Ohio Department of Education affirms the importance of data in evaluating and shaping Ohio students' preK-12 educational opportunities and experiences. The Data Governance Committee is built upon the principles that data integrity impacts Ohio students' educational opportunities and experiences; that data integrity is a responsibility shared across centers and offices within the department; and that data integrity is established throughout the data quality life cycle, including during the definition, collection, maintenance, internal use and public reporting of data.

¹ Under Ohio law, authorizers are known as sponsors.

Appendix E

3. Requests for Additional Information, Including Charter School Accountability (within 14 days of the date of receipt of this letter)

- d. The Ohio Department of Education will describe any changes to the timeline for the charter schools planning and implementation of subgrants described in its CSP SEA grant application.

The Ohio Department of Education's CSP Program Work Plan			
Strategy 1: Disseminate information about the CSP grant program to interested parties including potential developers, authorizers, teachers, parents, communities and other stakeholders.			
<i>Activity</i>	<i>Responsible Staff</i>	<i>Timelines</i>	<i>Milestones</i>
Develop a detailed dissemination and engagement plan; identify dissemination opportunities and partners; identify dissemination channels; create informational materials	Program Administrator	End of March 2016 and update as needed	Completion of dissemination plan; first contact with key partners and interested parties; communication calendar showing key dates and information dissemination activities
Initiate dissemination and engagement plan; establish routine communications	Program Administrator	Beginning of April 2016 and then the first part of January thereafter	Completion of regular engagement activity pursuant to the communications plan and calendar
Strategy 2: Conduct subgrantee award rounds for planning, year one implementation and year two implementation grants.			
<i>Activity</i>	<i>Responsible Staff</i>	<i>Timelines</i>	<i>Milestones</i>
Develop detailed written subgrant guidelines explaining grant requirements, competitive preferences, scoring criteria, deadlines, etc.; stakeholder engagement around grant guidelines	Program Administrator	By the end of July 2016 for year 1 and November to January thereafter	Completion of subgrant guidelines and application instructions
Issue Notice of Grant Opportunity	Program Administrator	By the end of August 2016 for year 1 and by the first part of January thereafter	Timely issuance of Notice of Grant Opportunity; targets for dissemination of notice met

Receive applications	Program Administrator	Mid-October to mid-November 2016 for year 1 and beginning of February through the end of April thereafter	Applications received; prepared for distribution to peer reviewers
Conduct peer review process — prepare for peer review process; identify peers; provide training	Program Administrator	End of December for year 1 and by mid-June thereafter	Peer reviewers identified; reviewers conduct and submit reviews; compilation of scores; review session with reviewers
Make grant awards	Program Administrator	By end of January 2017 for year 1 and by the end of June thereafter	Grants awarded; Subgrantee activity begins
Strategy 3: Monitoring and technical assistance/support activity.			
Activity	Responsible Staff	Timelines	Milestones
Develop detailed monitoring and support plan for all aspects of monitoring and technical assistance/support activity provided by both the department and authorizers; engage likely authorizers	Program Administrator	By the end of September 2016 and updated as needed	Complete detailed monitoring and support plan
Identify types of high quality technical assistance/support required by proposed schools and design strategies for providing it	Program Specialists	Annually	Identification of types of needed technical assistance/support and development of strategies for providing technical assistance/support
Ensure authorizers conduct monitoring and technical assistance/support activity pursuant to plan	Program Specialists	Ongoing	Required reviews completed; reviews shared with schools; deficiencies rectified or corrective action plans developed; planned support activities completed per plan

Conduct Ohio Department of Education monitoring review and technical assistance/support activities	Program Specialists	Ongoing	Required reviews completed; reviews shared with schools/authorizers; deficiencies rectified or corrective action plans developed; planned support activities completed per plan
Department review of authorizer compliance with monitoring and technical assistance/support requirements	Program Specialists	Annually	Reviews completed; deficiencies rectified or corrective action plans developed
Strategy 4: Data collection, analysis and synthesis			
Activity	Responsible Staff	Timelines	Milestones
Data Governance Committee Review	Data Manager	Quarterly	Data Governance approval
Develop detailed project data collection and analysis plan	Data Manager	Quarterly	Plan development completed
Collection of relevant data	Data Manager	Ongoing	100 percent of required data collected timely
Prepare data analysis and synthesis reports	Data Manager	As appropriate as data is available, but no less than annually	Data analysis report prepared
Convene stakeholders to review data and discuss strategies to continually improve activities/outcomes	Data Manager	Annually	Completed stakeholder data review meetings; plan for improvements

Appendix F

3. Requests for Additional Information, Including Charter School Accountability (within 14 days of the date of receipt of this letter)
 - e. The Ohio Department of Education will describe how the charter school legislation recently signed into law in Ohio will impact the operation of the project described in its CSP SEA grant application

1. **House Bill 2, Charter Reform Legislation:** The Ohio General Assembly passed charter reform legislation on Oct. 7, 2015. HB 2 was signed by Ohio Gov. Kasich on Nov. 1, and the legislation becomes effective on Feb. 1, 2016. The bill drastically reforms Ohio's charter school¹ laws by increasing accountability and transparency in the charter sector. HB 2 changes affect charter school governing authorities, authorizers², charter management organizations³ (CMO) and the Ohio Department of Education. The following HB 2 provisions impact the implementation of the CSP SEA grant project (see Appendix A for a crosswalk of legislative impact on the operation of the project):
 - a. **Authorizer evaluations**
 - Requires the Ohio Department of Education to annually rate all authorizers on each of the three evaluation components and assign an overall rating, beginning with the 2015-2016 school year (Ohio Revised Code 3314.016(B)(1) and (6)). The three components are: (1) compliance with rule and law; (2) adherence to quality practices; and (3) academic performance.
 - Permits the department to evaluate an authorizer's adherence to quality practices once every three years, if the authorizer was most recently rated "exemplary" or "effective." In that case, the department must use the authorizer's most recent rating for that component (Ohio Revised Code 3314.016(B)(1)(b)).
 - Requires the academic performance component to: (1) be derived from report card performance measures; (2) be based on the schools' performance for the school year for which the evaluation is done; and (3) include year-to-year changes in the authorizer's portfolio. If a school has no graded performance measures, the department must use measures specified in the school's contract with the authorizer (Ohio Revised Code 3314.016(B)(1)(a)).
 - Retains current law excluding schools that have been in operation for not more than two full school years from the academic performance component. (Ohio Revised Code 3314.016(B)(2)).
 - Retains current law excluding schools primarily serving students with disabilities from the academic performance component but requires the department to report those schools' academic performance (Ohio Revised Code 3314.016(B)(2)).
 - Clarifies that the compliance component of the evaluation system measures compliance with **all** applicable laws and administrative rules by an entity that authorizes charter schools (Ohio Revised Code 3314.016(B)(1)(c)).

¹ Under Ohio law, charter schools are known as community schools.

² Under Ohio law, authorizers are known as sponsors.

³ In Ohio, charter management companies are known as operators or management companies.

- Restricts peer reviewers to employees of authorizers that were rated “exemplary” or “effective” on their most recent rating (Ohio Revised Code 3314.016(B)(4)).
- Adds a fourth rating of “poor” to the evaluation system. Removes the authority for the department to rate a new authorizer as “emerging” for its first two years (Ohio Revised Code 3314.016(B)(6)).
- Beginning with evaluations completed in the 2015-2016 school year, an authorizer will receive one of four overall ratings: “exemplary,” “effective,” “ineffective,” or “poor”:
 - An authorizer rated “ineffective”:
 - Is prohibited from sponsoring any additional schools as long as it keeps that rating;
 - Is subject to a quality improvement plan with timelines and benchmarks established by the department (Ohio Revised Code 3314.016(B)(7)).
 - An authorizer rated “ineffective” for three consecutive years will have its sponsorship authority revoked (Ohio Revised Code 3314.016(B)(7)).
 - An authorizer rated “poor” will have its sponsorship authority revoked (Ohio Revised Code 3314.016(B)(7)).
 - The Ohio Department of Education’s Office of School Sponsorship becomes the authorizer for any charter schools with an authorizer whose authority has been revoked (Ohio Revised Code 3314.016(D)).
- Requires the department to provide annual training on the evaluation system, including its methodology, timelines and the data used. The first training must take place within 30 days after the bill’s effective date (Ohio Revised Code 3314.016(B)(6)).
- For ratings based on the 2015-2016 school year only, permits the department to not assign an overall rating to an authorizer that: (1) is a school district; (2) sponsors at least one conversion school with a dropout prevention and recovery program; and (3) has at least one school that was rated “meets standards” or better for the four- and five-year cohort graduation rate on its 2013-2014 report card. In that case, the department must evaluate the authorizer based on academic performance and legal compliance only but cannot assign an overall rating based on those components (Section 7).

b. Authorizer oversight and monitoring

- Beginning in the 2016-2017 school year, requires the department to establish requirements and procedures for an authorizer to submit to the department and each school’s governing authority an annual report describing the amount and type of expenditures it made to provide monitoring, oversight and technical assistance. The report is due by Aug. 15 of each year (Ohio Revised Code 3314.025(A)).
- Requires the report to be a factor in determining an authorizer’s legal compliance under the evaluation system and allows it to be used as a factor when evaluating the authorizer’s adherence to quality practices (Ohio Revised Code 3314.025(C)).

c. Definition of “poor performing charter school” for purposes of changing authorizers

- Prohibits a school from changing authorizers if the school: (1) received a “D” or “F” for Performance Index and an overall “D” or “F” for the value-added measure on its last report card; or (2) is a dropout prevention and recovery school and was rated “does not meet standards” for the student growth measure and combined graduation rates on its last report card (Ohio Revised Code 3314.034(A)).

d. Requirements that create increased transparency

- Requires the department to publish the following information for each year since the 2010-2011 school year on its website: each charter school that closed during the year and the reason for closing; each entity that applied to be an authorizer, along with the entity’s application and most recent evaluation, whether the application was approved, the documentation used to make a decision on the application, and a brief rationale of the decision; authorizer ratings, a list of the authorizers that are prohibited from sponsoring new schools, and a list of authorizers that have sponsored a school that closed and the reason for closing (Ohio Revised Code 3314.039).
- Requires a charter school authorizer to communicate with the Auditor of State regarding audits of the school or the condition of the school’s financial and enrollment records and to be present at meetings with the Auditor of State (Ohio Revised Code 3314.019).
- Requires an authorizer to annually verify that no finding for recovery has been issued by the Auditor of State against a person who proposes to create a charter school, serves on the governing authority, operates the school or is employed by the school (Ohio Revised Code 3314.02(E)(2)(c)).
- Requires the department to annually publish a list of all CMOs under contract with a charter school board and copies of the contracts the CMOs entered with those charter school boards (Ohio Revised Code 3314.031).
- Requires the department to develop and publish an annual CMO performance report for all CMOs operating in Ohio starting with the 2015-2016 school year (Ohio Revised Code 3314.031).
- Requires charter school boards and CMOs to include a number of additional provisions in contracts to improve accountability and transparency (Ohio Revised Code 3314.032).
- Requires the department’s Office of School Sponsorship to review each application for sponsorship taking into consideration the standards for quality authorizing, capacity requirements, financial constraints and any other criteria it determines appropriate. The department must adopt criteria for evaluating applications within 60 days after the bill’s effective date and post the criteria on its website annually (Ohio Revised Code 3314.029(A)(2)).
- Prohibits a school from changing authorizers if the school: (1) received a “D” or “F” for Performance Index and an overall “D” or “F” for the value-added measure on its last report card; or (2) is a dropout prevention and recovery school and was rated “does not meet standards” for the student growth measure and combined graduation rates on its last report card (Ohio Revised Code 3314.034).
 - Exception: The school may change authorizers if: (1) the proposed authorizer is the Office of School Sponsorship or was rated “effective” or better on its last evaluation; (2) the school submits a request to

change authorizers to the department by Feb. 15 and has not had a prior request granted; and (3) the department approves the request.

- Allows a school whose request is denied to appeal to the State Board of Education, which must hold a hearing and issue a final decision by June 25 and specifies factors to be considered in making the decision.

e. Temporary deadline changes

- Changes the deadlines for the following reports for the 2014-2015 school year only:
 - The Ohio Department of Education's annual charter school report is due by March 31, 2016.
 - Authorizer evaluations of their schools are due to the department and parents by March 1, 2016.

f. Other pertinent changes: There are a number of new requirements for charter schools in HB 2. Compliance with these new requirements will be included when evaluating the compliance component of the evaluation system.

- Requires a school's governing authority, fiscal officer, and administrators and all persons contracted by the school's operator for supervisory or administrative services to complete annual training on the Public Records and Open Meetings Laws (Ohio Revised Code 3314.037).
- Defines what it means for an authorizer to provide "monitoring, oversight, and technical assistance" (Ohio Revised Code 3314.023).
- Requires copies of the school's financial and enrollment records to be provided monthly to the school's authorizer, operator, governing authority and fiscal officer (Ohio Revised Code 3314.023).
- Requires inclusion of a school's policies and procedures for internal financial controls when the school submits its comprehensive plan to the authorizer under existing law (Ohio Revised Code 3314.03(B)).
- Requires governing authority members to annually file a disclosure statement that names immediate relatives or business associates who were employed, within the past three years by (1) the school's authorizer or operator; (2) a district or educational service center under contract with the school; or (3) a vendor that is or was engaged in business with the school (Ohio Revised Code 3314.02(E)(7)).
- Requires each charter school to post on its website the names of governing authority members and requires the school to provide, upon request, the names and addresses of governing authority members to the department of education and the school's authorizer (Ohio Revised Code 3314.035).
- Requires a charter school governing authority to employ an attorney, who must be independent of the school's authorizer and operator, for services related to negotiation of the school's contract with the authorizer or operator (Ohio Revised Code 3314.036).
- Makes changes regarding what must be included in the contract between a school's authorizer and governing authority (Ohio Revised Code 3314.03).
- Generally requires a charter school's fiscal officer to be employed by, or under contract with, the school's governing authority. Allows the governing authority to waive this requirement, for one year at a time, with authorizer approval (Ohio Revised Code 3314.011(A) and (D)(1)).

- Specifies that if the governing authority waives the requirement, the fiscal officer must meet annually with the governing authority to review the school's financial status (Ohio Revised Code 3314.011(D)(2)).
- Requires (rather than permits, as under former law) the Auditor of State to make the fiscal officer execute a bond conditioned on faithful performance of duties (Ohio Revised Code 3314.011(B)).
- Beginning in the 2016-2017 school year, requires the governing authority, with assistance from the fiscal officer, to adopt an annual budget for the school by Oct. 31 each year (Ohio Revised Code 3314.032(C)).
 - Requires the department to develop a format for the budgets within 90 days after the bill's effective date.

2. **[HB 64 \(Biennial Budget Bill\)](#)**: The governor signed the state's FY16-17 budget on June 30, 2015. There are several budget provisions that impact the operation of the CSP SEA grant project. The majority of the provisions affecting the grant became effective on Sept. 29, 2015.

a. **Definition of high-performing charter school for purposes of state charter facilities grant program**

- The budget bill created a charter school classroom facilities grant program for eligible high-performing charter schools ([Section 501.10](#)). The department collaborated with the Ohio Facilities Construction Commission in creating the application guidelines for this state grant program, which were recently approved by the Ohio School Facilities Commission (OSFC) on Oct. 22, 2015. For more information, please refer to the [OSFC-approved grant guidelines](#).
- Under this state grant program, a newly established charter school is eligible to apply if the school is implementing a charter school model that has a track record of high-quality academic performance as determined by the department.
- The grant guidelines include the following performance measures that must be considered in order to determine eligibility of a newly established charter school:

High-performing definition is as follows:

1. If the charter school is a dropout prevention and recovery model, its rating should be "Overall Exceeds Standards" rating.
2. If the charter school serves any combination of ninth through 12th grades, the Four-Year Graduation Rate must meet the equivalent of A or B and the Performance Index must meet either the equivalent of A, B or C or must have increased for the previous three years of operation.
3. If the charter school serves any combination of fourth through eighth grades, the overall value-added measure must meet the equivalent of A or B and the Performance Index must meet either the equivalent of A, B or C or must have increased for the previous three years of operation.
4. If the charter school serves only a combination of kindergarten through third grades, the K-3 Literacy measure must meet the equivalent of A or B.

*Please note, this language parallels the definition in the OSFC approved guidelines for high-performing, newly established charter schools.

b. Safe harbor

- In the budget, the General Assembly created a three-year safe harbor that prohibits the department from using the report card ratings issued for the 2014-2015, 2015-2016 or 2016-2017 school years shall not be considered in determining certain sanctions and penalties. ([Ohio Revised Code 3302.03 and 3302.036](#)).
- The ODE is prohibited from assigning an overall letter grade on the state's A-F Report Card for public school districts and buildings for the 2014-15, 2015-16, or 2016-17 school years.
- The three year safe harbor applies to the automatic charter school law (R.C. 3302.036(B)(6)).
- For more information, please refer to the [ODE Safe Harbor FAQ](#).

c. Charter School Levies

- In the budget, the General Assembly allowed all charter schools with exemplary rated authorizers to petition their resident school district for local levy funding. ([O.R.C. 5705.21](#)).

d. School District Sale of Facilities

- In the budget, the General Assembly required school districts selling facilities to first offer those facilities to high-performing charter schools ([O.R.C. 3313.413](#)).

3. HB 70, Community Learning Centers and Academic Distress Commission Reform:

The Ohio General Assembly passed HB 70 on June 24, 2015. HB 70 was signed by the Governor on July 16, 2015, and the legislation recently became effective on October 15, 2015. The bill focused on supports for poor-performing public schools and reformed the state's academic distress commission law, which applies to the state's poorest performing school districts. The following HB 70 provisions impact the operation of the CSP SEA grant project:

- The state superintendent of public instruction shall establish an academic distress commission for any school district that meets one of the following conditions: (1) the district has received an overall grade of "F" on the A-F report card for three consecutive years; or (2) an academic distress commission established for the district under the former academic distress commission law was still in existence on October 15, 2015 and has been in existence for at least four years. (O.R.C. 3302.10(A).)
- In the absence of an overall letter grade on the A-F Report Card due to safe harbor, a combination of a grade of "F" for the performance index score and a grade of "F" for the value-added progress dimension shall be equivalent to an overall letter grade of "F." (Section 6.)
- An academic distress commission, in consultation with the state superintendent, may create an entity to act as a high-quality school accelerator for schools not operated by the school district. An accelerator shall promote high-quality schools in the district, lead improvement efforts for underperforming schools, recruit high-quality authorizers for charter schools, attract new high-quality schools to the

district, and increase the overall capacity of schools to deliver a high-quality education for students. (O.R.C. 3302.10(D).)

Appendix G

3. Requests for Additional Information, Including Charter School Accountability (within 14 days of the date of receipt of this letter)

- f. The Ohio Department of Education will describe how personnel changes that have occurred within the department's Office of Quality School Choice affect the capacity of the department to implement the project described in its CSP SEA grant application.

Since the submission of the CSP grant on July 16, there have been several changes to staffing in the department's Office of Quality School Choice. One employee resigned, two new employees were hired to facilitate authorizer¹ evaluation and development and one employee was promoted within the Ohio Department of Education. These staff changes have led to several vacancies in the Office of Quality School Choice, including the executive director for the office, which are in the process of being filled or fulfilled by contract. Existing staff members are administering the authorizer evaluation system, a process critical to identifying eligible CSP participants. In addition, the department is in the process of drafting a request for proposal for additional high-quality reviewers for the authorizer evaluation process.

Specific to the CSP grant, the Ohio Department of Education would like to provide additional information about some personnel changes. Education Program Specialist Deneice Cooper has been assigned to serve as the project administrator. Director of Sponsor Evaluation Dr. Joni Hoffman has taken over the responsibilities of the director of Quality Charter² School Development. Dr. Steve Gratz, senior executive director in the Division of Learning, will serve as the authorizing official. The Ohio Department of Education will be hiring additional staff, as outlined in Ohio's CSP grant application, once we receive confirmation from the USDOE that we may incur expenses in connection with the implementation of the CSP grant.

¹ Under Ohio law, authorizers are known as sponsors.

² Under Ohio law, charter schools are known as community schools.

Appendix H

3. Requests for Additional Information, Including Charter School Accountability (within 14 days of the date of receipt of this letter)
 - g. The Ohio Department of Education will describe any current or anticipated problems or challenges in the implementation of the project described in its CSP SEA grant application that are not addressed in the preceding requests.

The department does not anticipate any challenges in project implementation that are not addressed in this response; however, should challenges arise, the department will communicate with USDOE staff in a timely manner.