

EXHIBIT A

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION**

STATE EX REL. WOODRIDGE)
LOCAL SCHOOLS, *et al.*,)
)
Plaintiffs,)
)
)
v.)
)
FACEBOOK PAYMENTS INC.,)
)
Defendant.)

Case No.)
Judge)
)
DEFENDANT FACEBOOK PAYMENTS)
INC.'S NOTICE OF REMOVAL)

Pursuant to 28 U.S.C. §§ 1332, 1441 and 1446, Defendant Facebook Payments Inc. (“Facebook Payments”) hereby removes this action bearing civil action number CV-2019-04-1369, from the Court of Common Pleas for Summit County, Ohio to the United States District Court for the Northern District of Ohio. Pursuant to 28 U.S.C. § 1446(a), Defendant states as follows:

BACKGROUND

1. State Court Action. On April 9, 2019, an action was commenced in the Court of Common Pleas for Summit County, Ohio, captioned *State ex rel. Woodridge Local Schools et al. v. Facebook Payment Inc.*, Case No. CV-2019-04-1369. Copies of the Complaint and Summons with which Facebook Payments has been served are attached as Exhibit A. A copy of the Common Pleas Docket is attached as Exhibit B.

2. Timeliness. Facebook Payments was served with the Complaint on April 11, 2019. Therefore, removal is timely under 28 U.S.C. § 1446(b).

3. Diversity. There is complete diversity of citizenship in this case because Plaintiffs are all citizens of Ohio and Facebook Payments is a citizen of Florida and California. A corporation is “a citizen of every State . . . by which it has been incorporated and of the State...where it has its principal place of business.” 28 U.S.C. § 1332(c)(1). Facebook Payments is incorporated in Florida and its principal place of business is in California. Therefore, there is complete diversity between Plaintiffs and Facebook Payments.

4. Amount in Controversy. Plaintiffs allege actual damages in an amount exceeding \$200,000 for their first claim and in an amount exceeding \$150,000 for their second claim. Plaintiffs also seek punitive damages and attorneys’ fees. Accordingly, this Court has original jurisdiction under 28 U.S.C. § 1332, making removal proper under 28 U.S.C. § 1441(b).

5. Venue. Plaintiffs brought this action in the Court of Common Pleas for Summit County, Ohio, and under 28 U.S.C. §§ 115(a)(1) and 1446(a), venue is proper in this Court.

6. Notice of Filing. As required by 28 U.S.C. § 1446(d), written notice of the filing of this Notice of Removal will promptly be served on Plaintiff, and a copy will be filed with the Clerk of the Court of Common Pleas for Summit County, Ohio.

7. Non-Waiver of Defenses. Nothing in this Notice of Removal shall be interpreted as a waiver or relinquishment of Facebook Payments’ right to assert any defense. Facebook Payments reserves the right to assert all applicable claims and defenses, including jurisdictional and venue defenses, in response to the Complaint.

CONCLUSION

WHEREFORE, Defendant Facebook Payments Inc. hereby removes this action from the Court of Common Pleas for Summit County, Ohio, to this Court pursuant to 28 U.S.C. §§ 1332, 1441, and 1446.

Dated: May 9, 2019

Respectfully submitted,

/s/ Kip T. Bollin

Kip T. Bollin (0065275)

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Telephone: (216) 566-5500

Facsimile: (216) 566-5800

*Attorneys for Defendant Facebook Payments
Inc.*

CERTIFICATE OF SERVICE

A copy of the foregoing *Notice of Removal* has been served by electronic mail pursuant to Fed. R. Civ. Pro. 4(e)(1) and Ohio Civ.R. 5(B)(2)(f), this 9th day of May, 2019, upon:

Ellen M. Kramer, Esq.
Joshua R. Cohen, Esq.
James B. Rosenthal, Esq.
Cohen Rosenthal & Kramer LLP
3208 Clinton Avenue
Cleveland, OH 44113
emk@crklaw.com
jcohen@crklaw.com
jbr@crklaw.com

Attorneys for Plaintiffs

/s/ Kip T. Bollin
Attorneys for Defendant Facebook Payments Inc.

IN THE COURT OF COMMON PLEAS, SUMMIT COUNTY, OHIO

CASE NUMBER: CV-2019-04-1369

WOODRIDGE LOCAL SCHOOLS
4411 Quick Road
Peninsula, OH, 44264

-VS-

SUMMONS

FACEBOOK PAYMENT INC.
50 W BROAD ST STE1800
c/o CSC - Lawyers Incorporated Service
Columbus, OH 43215

TO the following:

FACEBOOK PAYMENT INC.
50 W BROAD ST STE1800
c/o CSC - Lawyers Incorporated Service
Columbus, OH 43215

You have been named as a defendant(s) in a complaint filed in the Summit County Court of Common Pleas, Summit County Courthouse, 205 S. High St., Akron, Ohio, 44308.

A copy of the COMPLAINT is attached hereto. The name and address of the Plaintiff's attorney is:

ELLEN MAGLICIC KRAMER
3208 Clinton Avenue
Cleveland, OH

You are hereby summoned and required to serve upon the attorney listed above, or upon the party if they have no attorney of record, a copy of an answer to the COMPLAINT within twenty-eight (28) days after service of this summon on you, exclusive of the day of service. Your answer must be filed with the Court within three days after the service of a copy of the answer on the attorney, or upon the party, if there is no attorney of record.

If you fail to appear and defend, judgment may be rendered against you for the relief demanded in the COMPLAINT.

Sandra Kurt
Summit County Clerk of Courts

April 10, 2019

IN THE COURT OF COMMON PLEAS
SUMMIT COUNTY, OHIO

STATE EX REL.
WOODRIDGE LOCAL SCHOOLS
4411 Quick Road
Peninsula, Ohio 44264

and

CUYAHOGA FALLS CITY
SCHOOL DISTRICT
431 Stow Avenue
Cuyahoga Falls, OH 44221

and

CITY OF DAYTON PUBLIC
SCHOOLS
115 S. Ludlow Street
Dayton, OH 45402

and

LOGAN HOCKING LOCAL
SCHOOL DISTRICT
2019 East Front Street
Logan, OH 43138

and

SPRINGFIELD CITY SCHOOL
DISTRICT
1500 W. Jefferson Street
Springfield, OH 45506

and

CASE NO.

COMPLAINT FOR RECOVERY
OF FRAUDULENT TRANSFERS
UNDER O.R.C. §§ 1336.04(A)(2)
AND 1336.05(A)

JURY DEMAND ENDORSED
HEREON

LAKE LOCAL SCHOOL)
DISTRICT)
28090 Lemoyne Road)
Millbury, OH 43447)
)
and)
)
TOLEDO CITY SCHOOL)
DISTRICT)
1609 N. Summit St.)
Toledo, OH 43604)
)
and)
)
NORTHERN LOCAL SCHOOL)
DISTRICT)
8700 Sheridan Road NW)
Thornville, OH 43076)
)
Plaintiffs,)
)
vs.)
)
FACEBOOK PAYMENT INC.)
c/o CSC – Lawyers Incorporated)
Service)
50 West Broad Street, Suite 1800)
Columbus, Ohio 43215)
)
Defendant.)

For their Complaint against Defendant Facebook Payment Inc., Plaintiffs
Woodridge Local Schools, Cuyahoga Falls City School District, City of Dayton Public
Schools, Logan Hocking Local School District, Springfield City School District, Lake
Local School District (Wood County), Toledo City School District and Northern Local
School District (collectively, the “School Districts”) hereby allege and state as follows:

1. Plaintiffs Woodridge Local Schools and Cuyahoga Falls City School District are public school districts located in Summit County, Ohio.
2. Plaintiff City of Dayton Public Schools is a public school district located in Montgomery County, Ohio.
3. Plaintiff Logan Hocking Local School district is a public school district located in Hocking County, Ohio.
4. Plaintiff Springfield City School District is a public school district located in Clark County, Ohio.
5. Plaintiff Lake Local School District is a public school district located in Wood County, Ohio.
6. Plaintiff City of Toledo School District is a public school district located in Lucas County, Ohio.
7. Plaintiff Northern Local School District is a public school district located in Perry County, Ohio.
8. Defendant Facebook Payment Inc. is a Florida corporation which does business in Ohio.
9. This Court has jurisdiction over this action pursuant to O.R.C. §§ 2305.01 and 2307.382.
10. Venue is proper in Summit County pursuant to Ohio Rule of Civil Procedure 3(B)(3) and (6).
11. This is an action for avoidance of transfers under the fraudulent transfer statutes of Ohio. Defendant Facebook received more than \$200,000 in payments from a

community school at the same time the school was experiencing several financial problems. Not only did Facebook did not provide reasonably equivalent value in exchange for these payments, it knew about the significant problems the community school was facing at the time it accepted the payments.

12. A "community school" is a school created by a contract between a "governing authority and a supervisory entity known as a "sponsor" and is commonly referred to in Ohio as a charter school. O.R.C. Chapter 3314.
13. The Electronic Classroom of Tomorrow ("ECOT") was an Ohio community school which operated from 2000 until its operations were suspended in January 2018.
14. ECOT was a kindergarten through 12th grade community school which functioned fully online. ECOT had students in all of Ohio's 88 counties.
15. Ohio's community schools are funded with two types of public monies: a) State operating funds; and b) Federal grant funds.
16. The state operating funds which community schools receive are transferred from the traditional school districts where the community schools' students reside.
17. Every dollar of state funding which ECOT received came from other Ohio School Districts, including the Plaintiffs.
18. ECOT received a set amount of state operating funds for each 920 hours of instruction in which its students participate. Each unit of 920 hours is known as a "full time equivalency," or FTE. A community school obtains those funds by

submitting monthly enrollment reports to the Ohio Department of Education ("ODE").

19. ODE periodically reviewed ECOT's records in order to document ECOT's entitlement to the amount of state operating funds transferred to ECOT. This review process is referred to as an FTE review.
20. In 2016 ODE conducted an FTE review of ECOT for the 2015-2016 school year, and determined that ECOT could not document any basis for 58.8% of the payments ECOT had requested and received from ODE pursuant to O.R.C. § 3314.08. ODE determined that ECOT must return those funds.
21. ODE also conducted a FTE Review of ECOT for the 2016-17 school year and determined that ECOT could not document any basis for 18.5% of the payments it had requested and received from ODE pursuant to O.R.C. § 3314.08. ODE determined that ECOT must return those funds.
22. ECOT appealed ODE's 2015-16 and 2016-17 FTE reviews. These appeals were exhaustively litigated.
23. On May 10, 2017 a state hearing officer issued a report and recommendation concluding that ECOT was unable to document bases for between \$60,054,630 and \$64,054,630 of state funds it had received in 2015-16.
24. The State Board of Education subsequently determined that ECOT must return \$60,350,791 of the state operating funds ECOT had received during the 2015-16 school year. See Exh. 1, attached hereto.

25. In January of 2018 a state hearing officer issued a report and recommendation concluding that ECOT was unable to document bases for between \$19,295,957.70 of state funds it had received in 2016-17.
26. The State Board of Education subsequently determined that ECOT must return \$19,234,109.11 of the state operating funds ECOT received during the 2016-17 school year. *See* Exh. 2, attached hereto.
27. ODE began enforcing the State Board of Education's findings against ECOT in July of 2017 by reducing state operating funds otherwise payable to ECOT and ECOT began experiencing financial difficulties.
28. ECOT's monthly state funding was reduced by approximately \$2.5 million starting in July of 2017.
29. ECOT's state sponsor, the Educational Service Center of Lake Erie West, suspended ECOT's operations pursuant to O.R.C. § 3314.072, effective January 19, 2018.
30. On January 11, 2018, ECOT's sponsor filed an action for appointment of a receiver to protect ECOT's assets. In response to this motion a special master was appointed for ECOT on January 24, 2018.
31. For the fiscal year ending June 30, 2017, ECOT's liabilities far exceeded its assets.
32. Between 2012 and ECOT's January of 2018 suspension of operations, \$1,484,453 in monies that otherwise should have gone to the Logan Hocking Schools were sent to ECOT.

33. Between 2012 and ECOT's January of 2018 suspension of operations, more than \$20,000,000 in monies that otherwise should have gone to the Dayton Public Schools were sent to ECOT.
34. Between 2012 and ECOT's January of 2018 suspension of operations, more than \$3,655,897.98 in monies that otherwise should have gone to the Springfield Public Schools were sent to ECOT.
35. Between 2004 and ECOT's January of 2018 suspension of operations, more than \$440,000 in monies that otherwise should have gone to the Lake Local Schools were sent to ECOT.
36. Between 2012 and ECOT's January of 2018 suspension of operations, more than \$9,123,797.36 in monies that otherwise should have gone to the Toledo Public Schools were sent to ECOT.
37. Between 2002 and ECOT's January of 2018 suspension of operations, more than \$3,367,668 in monies that otherwise should have gone to the Northern Local Schools were sent to ECOT.
38. Cuyahoga Falls City Schools also lost money from state operating funds that were sent to ECOT instead.
39. Between 2003 and ECOT's January of 2018 suspension of operations, more than \$660,557.04 in monies that otherwise should have gone to the Woodridge Local Schools were sent to ECOT instead.
40. O.R.C. § 3314.074(A) governs the distributions of assets of a closed community school and provides that the assets be distributed first to retirement funds to

employees of the school, then to school employees, then to private creditors, and then to ODE for “redistribution to school districts in which the students who were enrolled in the school at the time it ceased operation were entitled to attend school” in an amount proportional to the district’s share of the total enrollment in the community school.

41. This action is brought in order to have ODE redistribute monies, pursuant to O.R.C. § 3314.074(A), to school districts which had students enrolled in ECOT at the time it closed, including the Plaintiffs.
42. This is an action for avoidance of payments made to Facebook Payment Inc. pursuant to the fraudulent transfer statutes of Ohio.
43. In 2016 Facebook was paid at least \$92,903.61 by ECOT.
44. In 2017 Facebook was paid at least \$150,000 by ECOT.
45. In making these payments to Facebook, ECOT transferred an interest in its property in return for which it did not receive reasonably equivalent value. At the time that these payments to Facebook were made, ECOT was insolvent. Consequently, Plaintiffs seek avoidance of the payments made to Facebook in 2016 and 2017.
46. Absent relief from this Court, the Plaintiffs will be unable to recover monies owed.
47. On March 28, 2019, the Plaintiffs verbally asked the Attorney General to pursue these claims, and the Attorney General’s office requested that the Plaintiff make this request in writing. On March 29, 2019, the Plaintiffs complied with this

request and made a written request to the Attorney General that these fraudulent transfer claims be pursued.

48. The Attorney General has not pursued any fraudulent transfer claims against Facebook.

COUNT ONE
(FRAUDULENT TRANSFER UNDER O.R.C. § 1336.04(A)(2))

49. The Plaintiffs incorporate by reference the contents of all preceding paragraphs in this Complaint.

50. The transfers to Facebook described above were made without receiving a reasonably equivalent value in exchange for the transfer.

51. In making the transfers to Facebook ECOT was engaged in business or transactions for which its remaining assets were unreasonably small in relation to the business or transaction or ECOT believed or reasonably should have believed that it would incur debts beyond its ability to pay as they became due.

52. The transfers to Facebook were fraudulent under O.R.C. § 1336.04(A)(2).

53. As a direct and proximate result of these fraudulent transfers, pursuant to O.R.C. § 3314.074, ODE, and therefore the Plaintiffs, have been damaged in an amount exceeding \$200,000 and are entitled to a judgment against Facebook in that amount, and any other relief that the circumstances may require.

54. The fraudulent transfers to Facebook were willful, malicious, and done in conscious disregard of the rights of public school districts in Ohio, making an award of punitive damages against Facebook appropriate.

COUNT TWO
(FRAUDULENT TRANSFER UNDER O.R.C. § 1336.05(A))

55. The Plaintiffs incorporate by reference the contents of all preceding paragraphs in this Complaint.
56. Plaintiffs' claims arose before the transfers to Facebook described above.
57. ECOT made the transfers to Facebook described above without receiving a reasonably equivalent value in exchange for the transfer.
58. ECOT was insolvent at the time of the transfers to Facebook described above.
59. The transfers to Facebook were fraudulent pursuant to O.R.C. § 1336.05(A).
60. As a direct and proximate result of these fraudulent transfers, pursuant to O.R.C. § 3314.074, ODE, and therefore the Plaintiffs, have been damaged in an amount exceeding \$150,000 and are entitled to a judgment against Facebook in that amount and any other relief that the circumstances may require.
61. The fraudulent transfers to Facebook were willful, malicious, and done in conscious disregard of the rights of public school districts, making an award of punitive damages appropriate.

WHEREFORE, the Plaintiffs, on behalf of ODE and pursuant to O.R.C. § 3314.074, respectfully request the following relief:

- A. An award of compensatory damages against Facebook in an amount to be determined at trial;
- B. An award of punitive damages against Facebook in an amount to be determined at trial;

- C. Avoidance of the transfers to the extent necessary to satisfy the judgment;
- D. Post-judgment interest at the statutory rate;
- E. Attorney's fees and costs; and
- F. Any other relief the Court determines the circumstances require.

Respectfully submitted,
COHEN ROSENTHAL & KRAMER LLP

/s/ Ellen M. Kramer
Ellen M. Kramer (0055552)
emk@crklaw.com
Joshua R. Cohen (0032368)
jcohen@crklaw.com
James B. Rosenthal (0062872)
jbr@crklaw.com
3208 Clinton Avenue
Cleveland, Ohio 44113
216-815-9500 [Telephone and Facsimile]

Counsel for Plaintiffs

JURY DEMAND

The Plaintiffs demand a trial by jury of all eligible claims and issues.

/s/ Ellen M. Kramer
Ellen M. Kramer

NOW, THEREFORE, BE IT RESOLVED that the State Board of Education hereby denies the student's right to participate in the program as a result of the student's failure to notify the district of her intention to participate by April 3, 2017, finding that the delay should prevent the student from participating, and that questions concerning the student's prospective participation in college credit plus program based upon failure to comply with the April 3, 2017 deadline should be resolved in favor of the school district; and Be It

FURTHER RESOLVED that the Superintendent of Public Instruction be, and he hereby is, directed to notify the principal of North Royalton High School, and the student of this action.

It was Moved by Ms. Fowler and Seconded by Mrs. McGuire that the above recommendation (Item 4) be approved.

President Elshoff called for a roll call vote.

YES VOTES

Pat Bruns
Joe Farmer
Sarah Fowler
Nancy Hollister
Laura Kohler
Charlotte McGuire
Kara Morgan
Lisa Woods

Stephanie Dodd
Cathye Flory
Linda Haycock
Meryl Johnson
Martha Manchester
Antoinette Miranda
Eric Poklar

NO VOTES

Nick Owens

Tess Elshoff

ABSTAIN

Rebecca Vazquez-Skillings

Motion carried.

President Elshoff presented the following recommendation (Item 5):

5. **RESOLUTION TO ACCEPT THE DECISION OF THE HEARING OFFICER IN ELECTRONIC CLASSROOM OF TOMORROW'S APPEAL PURSUANT TO O.R.C. 3314.08(K)(2).**

RECOMMEND that the State Board of Education **ADOPT** the following Resolution:

WHEREAS, Section 3314.08(H) of the Ohio Revised Code sets forth a process for the Department to review the full-time equivalent (FTE) student funding that a community school has claimed and received for a given academic year; and



Section 3314.08(K) provides that the Department shall complete such an FTE review of a community school and issue its findings within ninety days of the end of the community school's fiscal year; and

Section 3314.08(K)(2) provides that if the Department determined that an overpayment was made to the community school, the community school may appeal the Department's FTE determination; and

On September 26, 2016, the Department issued its FTE determination to Electronic Classroom of Tomorrow ("ECOT") finding that overpayment was made to ECOT for the 2015-2016 school year; and

Electronic Classroom of Tomorrow (ECOT) timely appealed the Department's FTE determination on October 11, 2016; and

The matter was referred to a hearing officer on October 18, 2016 for an informal hearing; and

The informal hearing occurred on December 5, 6, 7, 8, 9, 13 and 23, 2016 and January 12 and 19, 2017 and February 1, 2017; and

The hearing officer heard testimony and received exhibits introduced during the hearing; and

The hearing officer issued his decision on May 10, 2017 based on the testimony and exhibits introduced at the hearing; and

ECOT timely submitted objections to the hearing officer's decision on May 22, 2017; and

ECOT timely submitted an executive summary of its objections on May 30, 2017; and

The Department timely responded to ECOT's objections on May 30, 2017; and

The State Board of Education has reviewed the hearing officer's decision, the objections submitted by ECOT, and the Department's response to ECOT's objections.

NOW, THEREFORE, BE IT RESOLVED that the State Board of Education, based on its review of the hearing officer's decision and ECOT's objections thereto, hereby accepts the hearing officer's decision and finds that ECOT received an overpayment of \$64,054,630 and directs the Department to take such measures as are necessary to collect the overpayment from ECOT; and Be It

FURTHER RESOLVED that the Superintendent of Public Instruction be, and he hereby is, directed to notify ECOT and its sponsor the Educational Service Center of Lake Erie West of this resolution.

It was Moved by Mrs. Flory and Seconded by Mrs. Kohler that the above recommendation (Item 5) be approved.

Representative Brenner asked why the higher of the two amounts was brought forth. Mrs. Flory responded that she felt the children and taxpayers were cheated and ECOT should pay the amount back.

Ms. Johnson stated that she was under the impression the lesser amount was given after additional information was presented.

Dr. Morgan called the question.

Ms. Fowler Moved to amend the resolution by Substitution. She Moved to change the overpayment amount to 60,350,791. Mrs. Haycock Seconded the motion. Ms. Fowler stated this is the recommendation of the Hearing Officer that she read and supported.

President Elshoff called for a roll call vote on the proposed amendment.

YES VOTES

Joe Farmer
Linda Haycock
Laura Kohler
Charlotte McGuire
Kara Morgan
Eric Poklar
Lisa Woods

Sarah Fowler
Meryl Johnson
Martha Manchester
Antoinette Miranda
Nick Owens
Rebecca Vazquez-Skillings
Tess Elshoff

NO VOTES

Pat Bruns
Cathy Flory

Stephanie Dodd
Nancy Hollister

Motion carried.

President Elshoff called for a roll call vote on the resolution as amended.

YES VOTES

Stephanie Dodd
Cathy Flory
Linda Haycock
Meryl Johnson
Martha Manchester
Antoinette Miranda
Nick Owens
Rebecca Vazquez-Skillings

Joe Farmer
Sarah Fowler
Nancy Hollister
Laura Kohler
Charlotte McGuire
Kara Morgan
Eric Poklar
Tess Elshoff

NO VOTES

Pat Bruns

ABSTAIN

Lisa Woods

Motion carried.

Charlotte McGuire
Kara Morgan
Eric Poklar
Lisa Woods

Antoinette Miranda
Nick Owens
Jimmy Sheppard
Tess Elshoff

Motion carried.

VOTING ON THE REPORT & RECOMMENDATIONS OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION

President Elshoff called on Superintendent DeMaria for his report and recommendations.

President Elshoff presented the following recommendations (Items 1-2):

1. **RESOLUTION TO ACCEPT THE DECISION OF THE HEARING OFFICER IN ELECTRONIC CLASSROOM OF TOMORROW'S APPEAL PURSUANT TO OHIO REVISED CODE 3314.08(K)(2).**

The State Board of Education hereby **ADOPTS** the following Resolutions:

Section 3314.08(H) of the Ohio Revised Code (ORC) sets forth a process for the Department to review the full-time equivalent (FTE) student funding that a community school has claimed and received for a given academic year;

ORC Section 3314.08(K) provides that the Department shall complete such an FTE review of a community school and issue its findings within ninety days of the end of the community school's fiscal year;

ORC Section 3314.08(K)(2) provides that if the Department determined that an overpayment was made to the community school, the community school may appeal the Department's FTE determination;

On September 28, 2017, the Department issued its FTE determination to Electronic Classroom of Tomorrow ("ECOT") finding that overpayment was made to ECOT for the 2016-2017 school year;

ECOT timely appealed the Department's FTE determination on October 12, 2017;

The matter was referred to a hearing officer on October 18, 2017 for an informal hearing;

The informal hearing occurred on December 4, 5 and 11, 2017 and during that hearing, the hearing officer heard testimony and received exhibits that were introduced;

The hearing officer issued his decision on January 22, 2018 based on the testimony and exhibits introduced at the hearing;

ECOT timely submitted its objections on January 30, 2018 and the Department has responded to such objection; and



The State Board of Education has reviewed the hearing officer's decision, the objections submitted by ECOT, and the Department's response to the objections.

NOW, THEREFORE, BE IT RESOLVED that the State Board of Education, based on its review of the hearing officer's decision, ECOT's objections, and the Department's response to the objections, hereby accepts the hearing officer's decision and finds that ECOT received an overpayment of 18.5 percent but modifies the hearing officer's report and recommendation to reflect the amount of the overpayment of \$19,234,109.11 and directs the Department to take such measures as are necessary to collect the overpayment from ECOT; and

FURTHER RESOLVED that the Superintendent of Public Instruction be, and he hereby is, directed to notify ECOT and its sponsor the Educational Service Center of Lake Erie West of this resolution.

It was Moved by Mr. Owens and Seconded by Ms. Johnson that the above recommendation (Item 1) be approved. Mr. Owens spoke in favor of the resolution.

President Elshoff called for a roll call vote.

YES VOTES

Pat Bruns
Cathye Flory
Nancy Hollister
Laura Kohler
Charlotte McGuire
Kara Morgan
Eric Poklar
Tess Elshoff

Stephanie Dodd
Linda Haycock
Meryl Johnson
Martha Manchester
Antoinette Miranda
Nick Owens
James Sheppard

ABSTAIN

Lisa Woods

Motion carried.

**2. RESOLUTION TO ACCEPT THE DECISION OF THE HEARING OFFICER
IN CINCINNATI CITY SCHOOL DISTRICT'S APPEAL PURSUANT TO
OHIO REVISED CODE 3314.16**

The State Board of Education hereby **ADOPTS** the following background information and resolutions:

Ohio Revised Code 3314.16(B) sets forth a process for the Department to annually rate and assign an overall rating to entities that sponsor community schools;

ORC 3314.16(B)(7)(c) provides that community school sponsors rated poor have their sponsorship authority revoked as a matter of law, subject to a right to appeal;

ORIGIN ID: CAKA (330) 643-4107
CIVIL DIVISION
SUMMIT COUNTY/COURT CLERK
205 S HIGH ST

AKRON, OH 44308
UNITED STATES.US

SHIP DATE: 10APR19
ACTWGT: 1.00 LB
CAD: 494282/FXRS1607

BILL SENDER

TO **FACEBOOK PAYMENT INC.**

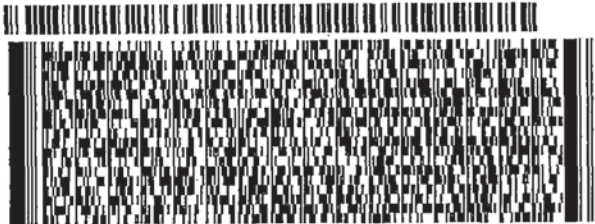
50 W BROAD ST STE1800
C/O CSC - LAWYERS INCORPORATED SERV
COLUMBUS OH 43215

(330) 643-4107

REF: CV2019041369_2644727

INV:
PO:

DEPT: LEGAL DIVISION



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Express



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MON - 15 APR 8:00P

EXPRESS SAVER

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FID 3764276 18APR19 CAKA 553C1/D7E5/0C8A

Extremely Urgent

Summit County Clerk of Courts

WOODRIDGE LOCAL SCHOOLS VS FACEBOOK PAYMENT INC.

Case Number: CV-2019-04-1369
File Date: 04/09/2019
Case Type: OTHER CIVIL
Judge: JILL FLAGG LANZINGER

Filing Date	By Attorney	Docket Text	Document
04/16/2019	SUMMIT COUNTY CLERK OF COURTS	FedEx Service - Served FACEBOOK PAYMENT INC.	No Image
04/09/2019	WOODRIDGE LOCAL SCHOOLS	SUMMONS ISSUED FACEBOOK PAYMENT INC.	View Document
04/09/2019	KRAMER, ELLEN	CIVIL COMPLAINT FILED	View Document
04/09/2019	KRAMER, ELLEN	INSTRUCTIONS TO CLERK FOR SERVICE	View Document

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

State ex rel. Woodridge Local Schools, et al.

(b) County of Residence of First Listed Plaintiff Summit County, Ohio
(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)

See Attached

DEFENDANTS

Facebook Payments Inc.

County of Residence of First Listed Defendant San Mateo County, CA
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

See Attached

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- ☐ 1 U.S. Government Plaintiff
- ☐ 2 U.S. Government Defendant
- ☐ 3 Federal Question (U.S. Government Not a Party)
- ☒ 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- | | PTF | DEF | | PTF | DEF |
|---|---------------------------------------|----------------------------|---|----------------------------|---------------------------------------|
| Citizen of This State | <input checked="" type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated or Principal Place of Business In This State | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Incorporated and Principal Place of Business In Another State | <input type="checkbox"/> 5 | <input checked="" type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

IV. NATURE OF SUIT (Place an "X" in One Box Only)Click here for: [Nature of Suit Code Descriptions.](#)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice	<input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 835 Patent - Abbreviated New Drug Application <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g))	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input checked="" type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education	PRISONER PETITIONS Habeas Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty Other: <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement	FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input checked="" type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act

V. ORIGIN (Place an "X" in One Box Only)

- ☐ 1 Original Proceeding
- ☒ 2 Removed from State Court
- ☐ 3 Remanded from Appellate Court
- ☐ 4 Reinstated or Reopened
- ☐ 5 Transferred from Another District (specify)
- ☐ 6 Multidistrict Litigation - Transfer
- ☐ 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):

28 U.S.C. §§1332

Brief description of cause:

Removal based on diversity jurisdiction.

VII. REQUESTED IN COMPLAINT:

☐ CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.

DEMAND \$
242,903.61

CHECK YES only if demanded in complaint:

JURY DEMAND: ☒ Yes ☐ No

VIII. RELATED CASE(S) IF ANY

(See instructions):

JUDGE

DOCKET NUMBER

DATE

05/09/2019

SIGNATURE OF ATTORNEY OF RECORD

/s Kip T. Bollin

FOR OFFICE USE ONLY

RECEIPT #

AMOUNT

APPLYING IFP

JUDGE

MAG. JUDGE

Sandra Kurt, Summit County Clerk of Courts

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO**

I. Civil Categories: (Please check one category only).

1. ☒ General Civil
2. ☐ Administrative Review/Social Security
3. ☐ Habeas Corpus Death Penalty

*If under Title 28, §2255, name the SENTENCING JUDGE: _____

CASE NUMBER: _____

II. **RELATED OR REFILED CASES.** See LR 3.1 which provides in pertinent part: "If an action is filed or removed to this Court and assigned to a District Judge after which it is discontinued, dismissed or remanded to a State court, and subsequently refiled, it shall be assigned to the same Judge who received the initial case assignment without regard for the place of holding court in which the case was refiled. Counsel or a party without counsel shall be responsible for bringing such cases to the attention of the Court by responding to the questions included on the Civil Cover Sheet."

This action: ☐ is **RELATED** to another **PENDING** civil case ☐ is a **REFILED** case ☐ was **PREVIOUSLY REMANDED**

If applicable, please indicate on page 1 in section VIII, the name of the Judge and case number.

III. In accordance with Local Civil Rule 3.8, actions involving counties in the Eastern Division shall be filed at any of the divisional offices therein. Actions involving counties in the Western Division shall be filed at the Toledo office. For the purpose of determining the proper division, and for statistical reasons, the following information is requested.

ANSWER ONE PARAGRAPH ONLY. ANSWER PARAGRAPHS 1 THRU 3 IN ORDER. UPON FINDING WHICH PARAGRAPH APPLIES TO YOUR CASE, ANSWER IT AND STOP.

(1) **Resident defendant.** If the defendant resides in a county within this district, please set forth the name of such county

COUNTY:

Corporation For the purpose of answering the above, a corporation is deemed to be a resident of that county in which it has its principal place of business in that district.

(2) **Non-Resident defendant.** If no defendant is a resident of a county in this district, please set forth the county wherein the cause of action arose or the event complained of occurred.

COUNTY: Summit County, OH

(3) **Other Cases.** If no defendant is a resident of this district, or if the defendant is a corporation not having a principle place of business within the district, and the cause of action arose or the event complained of occurred outside this district, please set forth the county of the plaintiff's residence.

COUNTY:

IV. The Counties in the Northern District of Ohio are divided into divisions as shown below. After the county is determined in Section III, please check the appropriate division.

EASTERN DIVISION

☒
☐
☐

AKRON
CLEVELAND
YOUNGSTOWN

(Counties: Carroll, Holmes, Portage, Stark, Summit, Tuscarawas and Wayne)
(Counties: Ashland, Ashtabula, Crawford, Cuyahoga, Geauga, Lake, Lorain, Medina and Richland)
(Counties: Columbiana, Mahoning and Trumbull)

WESTERN DIVISION

☐

TOLEDO

(Counties: Allen, Auglaize, Defiance, Erie, Fulton, Hancock, Hardin, Henry, Huron, Lucas, Marion, Mercer, Ottawa, Paulding, Putnam, Sandusky, Seneca VanWert, Williams, Wood and Wyandot)

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44

Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- I.(a) Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
- (b) County of Residence.** For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)
- (c) Attorneys.** Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".
- II. Jurisdiction.** The basis of jurisdiction is set forth under Rule 8(a), F.R.Cv.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.
United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here.
United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.
Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.
Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)
- III. Residence (citizenship) of Principal Parties.** This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- IV. Nature of Suit.** Place an "X" in the appropriate box. If there are multiple nature of suit codes associated with the case, pick the nature of suit code that is most applicable. Click here for: [Nature of Suit Code Descriptions](#).
- V. Origin.** Place an "X" in one of the seven boxes.
Original Proceedings. (1) Cases which originate in the United States district courts.
Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441. When the petition for removal is granted, check this box.
Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.
Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.
Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.
Multidistrict Litigation – Transfer. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407.
Multidistrict Litigation – Direct File. (8) Check this box when a multidistrict case is filed in the same district as the Master MDL docket.
PLEASE NOTE THAT THERE IS NOT AN ORIGIN CODE 7. Origin Code 7 was used for historical records and is no longer relevant due to changes in statute.
- VI. Cause of Action.** Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC 553 Brief Description: Unauthorized reception of cable service
- VII. Requested in Complaint.** Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.
Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction.
Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. Related Cases.** This section of the JS 44 is used to reference related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.

Date and Attorney Signature. Date and sign the civil cover sheet.