

As Introduced

**124th General Assembly
Regular Session
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H. B. No. 21

**REPRESENTATIVES Core, Seitz, Aslanides, Willamowski, Hartnett, Peterson,
Calvert, Kearns, Allen, Latell**

A B I L L

To amend section 5705.41 of the Revised Code to enable 1
super blanket certificates to be used by 2
subdivisions and local taxing units for qualified 3
purchases amounting to \$5,000 or less, not just 4
those amounting to more than \$5,000. 5

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 5705.41 of the Revised Code be 6
amended to read as follows: 7

Sec. 5705.41. No subdivision or taxing unit shall: 8

(A) Make any appropriation of money except as provided in 9
Chapter 5705. of the Revised Code; provided, that the 10
authorization of a bond issue shall be deemed to be an 11
appropriation of the proceeds of the bond issue for the purpose 12
for which such bonds were issued, but no expenditure shall be made 13
from any bond fund until first authorized by the taxing authority; 14

(B) Make any expenditure of money unless it has been 15
appropriated as provided in such chapter; 16

(C) Make any expenditure of money except by a proper warrant 17
drawn against an appropriate fund; 18

(D)(1) Except as otherwise provided in division (D)(2) of 19
this section, make any contract or give any order involving the 20
expenditure of money unless there is attached thereto a 21
certificate of the fiscal officer of the subdivision that the 22
amount required to meet the obligation or, in the case of a 23
continuing contract to be performed in whole or in part in an 24
ensuing fiscal year, the amount required to meet the obligation in 25
the fiscal year in which the contract is made, has been lawfully 26
appropriated for such purpose and is in the treasury or in process 27
of collection to the credit of an appropriate fund free from any 28
previous encumbrances. This certificate need be signed only by the 29
subdivision's fiscal officer. Every such contract made without 30
such a certificate shall be void, and no warrant shall be issued 31
in payment of any amount due thereon. If no certificate is 32
furnished as required, upon receipt by the taxing authority of the 33
subdivision or taxing unit of a certificate of the fiscal officer 34
stating that there was at the time of the making of such contract 35
or order and at the time of the execution of such certificate a 36
sufficient sum appropriated for the purpose of such contract and 37
in the treasury or in process of collection to the credit of an 38
appropriate fund free from any previous encumbrances, such taxing 39
authority may authorize the drawing of a warrant in payment of 40
amounts due upon such contract, but such resolution or ordinance 41
shall be passed within thirty days from the receipt of such 42
certificate; provided that, if the amount involved is less than 43
one hundred dollars in the case of counties or one thousand 44
dollars in the case of all other subdivisions or taxing units, the 45
fiscal officer may authorize it to be paid without such 46
affirmation of the taxing authority of the subdivision or taxing 47
unit, if such expenditure is otherwise valid. 48

(2) Annually, the board of county commissioners may adopt a 49
resolution exempting for the current fiscal year county purchases 50

of seven hundred fifty dollars or less from the requirement of
division (D)(1) of this section that a certificate be attached to
any contract or order involving the expenditure of money. The
resolution shall state the dollar amount that is exempted from the
certificate requirement and whether the exemption applies to all
purchases, to one or more specific classes of purchases, or to the
purchase of one or more specific items. Prior to the adoption of
the resolution, the board shall give written notice to the county
auditor that it intends to adopt the resolution. The notice shall
state the dollar amount that is proposed to be exempted and
whether the exemption would apply to all purchases, to one or more
specific classes of purchases, or to the purchase of one or more
specific items. The county auditor may review and comment on the
proposal, and shall send any comments to the board within fifteen
days after receiving the notice. The board shall wait at least
fifteen days after giving the notice to the auditor before
adopting the resolution. A person authorized to make a county
purchase in a county that has adopted such a resolution shall
prepare and file with the county auditor, within three business
days after incurring an obligation not requiring a certificate, a
written document specifying the purpose and amount of the
expenditure, the date of the purchase, the name of the vendor, and
such additional information as the auditor of state may prescribe.

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(3) Upon certification by the auditor or other chief fiscal
officer that a certain sum of money, not in excess of five
thousand dollars, has been lawfully appropriated, authorized, or
directed for a certain purpose and is in the treasury or in the
process of collection to the credit of a specific line-item
appropriation account in a certain fund free from previous and
then outstanding obligations or certifications, then for such
purpose and from such line-item appropriation account in such
fund, over a period not exceeding three months and not extending

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beyond the end of the fiscal year, expenditures may be made,
orders for payment issued, and contracts or obligations calling
for or requiring the payment of money made and assumed; provided,
that the aggregate sum of money included in and called for by such
expenditures, orders, contracts, and obligations shall not exceed
the sum so certified. Such a certification need be signed only by
the fiscal officer of the subdivision or the taxing district and
may, but need not, be limited to a specific vendor. An itemized
statement of obligations incurred and expenditures made under such
certificate shall be rendered to the auditor or other chief fiscal
officer before another such certificate may be issued, and not
more than one such certificate shall be outstanding at a time.

In addition to providing the certification for expenditures
of five thousand dollars or less as provided in this division, a
subdivision also may make expenditures, issue orders for payment,
and make contracts or obligations calling for or requiring the
payment of money made and assumed for specified permitted purposes
from a specific line-item appropriation account in a specified
fund for a sum of money ~~exceeding five thousand dollars~~ upon the
certification by the fiscal officer of the subdivision that this
sum of money has been lawfully appropriated, authorized, or
directed for a permitted purpose and is in the treasury or in the
process of collection to the credit of the specific line-item
appropriation account in the specified fund free from previous and
then-outstanding obligations or certifications; provided that the
aggregate sum of money included in and called for by the
expenditures, orders, and obligations shall not exceed the
certified sum. The purposes for which a subdivision may lawfully
appropriate, authorize, or issue such a certificate are the
services of an accountant, architect, attorney at law, physician,
professional engineer, construction project manager, consultant,
surveyor, or appraiser by or on behalf of the subdivision or

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contracting authority; fuel oil, gasoline, food items, roadway 115
materials, and utilities; and any purchases exempt from 116
competitive bidding under section 125.04 of the Revised Code and 117
any other specific expenditure that is a recurring and reasonably 118
predictable operating expense. Such a certification shall not 119
extend beyond the end of the fiscal year or, in the case of a 120
board of county commissioners that has established a quarterly 121
spending plan under section 5705.392 of the Revised Code, beyond 122
the quarter to which the plan applies. Such a certificate shall be 123
signed by the fiscal officer and may, but need not, be limited to 124
a specific vendor. An itemized statement of obligations incurred 125
and expenditures made under such a certificate shall be rendered 126
to the fiscal officer for each certificate issued. More than one 127
such certificate may be outstanding at any time. 128

In any case in which a contract is entered into upon a per 129
unit basis, the head of the department, board, or commission for 130
the benefit of which the contract is made shall make an estimate 131
of the total amount to become due upon such contract, which 132
estimate shall be certified in writing to the fiscal officer of 133
the subdivision. Such a contract may be entered into if the 134
appropriation covers such estimate, or so much thereof as may be 135
due during the current year. In such a case the certificate of the 136
fiscal officer based upon the estimate shall be a sufficient 137
compliance with the law requiring a certificate. 138

Any certificate of the fiscal officer attached to a contract 139
shall be binding upon the political subdivision as to the facts 140
set forth therein. Upon request of any person receiving an order 141
or entering into a contract with any political subdivision, the 142
certificate of the fiscal officer shall be attached to such order 143
or contract. "Contract" as used in this section excludes current 144
payrolls of regular employees and officers. 145

Taxes and other revenue in process of collection, or the 146

proceeds to be derived from authorized bonds, notes, or 147
certificates of indebtedness sold and in process of delivery, 148
shall for the purpose of this section be deemed in the treasury or 149
in process of collection and in the appropriate fund. This section 150
applies neither to the investment of sinking funds by the trustees 151
of such funds, nor to investments made under sections 731.56 to 152
731.59 of the Revised Code. 153

No district authority shall, in transacting its own affairs, 154
do any of the things prohibited to a subdivision by this section, 155
but the appropriation referred to shall become the appropriation 156
by the district authority, and the fiscal officer referred to 157
shall mean the fiscal officer of the district authority. 158

Section 2. That existing section 5705.41 of the Revised Code 159
is hereby repealed. 160