## As Introduced

# 129th General Assembly Regular Session 2011-2012

H. B. No. 430

## Representatives Boose, Hackett

Cosponsors: Representatives Grossman, Brenner, Beck, Blessing,
Adams, J., Henne, Gardner, Uecker, Stebelton, McGregor, Combs, Blair, Hill,
Thompson

## ABILL

To amend sections 307.12, 307.86, 307.861, 307.88,
and 5705.41 and to enact section 307.863 of the
Revised Code to increase the county competitive
bidding and other procurement thresholds, to make
other changes to the county competitive bidding
law, and to eliminate the annual adoption of
certain resolutions.

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

<b>Section 1.</b> That sections 307.12, 307.86, 307.861, 307.88, and	8
5705.41 be amended and section 307.863 of the Revised Code be	9
enacted to read as follows:	10
Sec. 307.12. (A) Except as otherwise provided in divisions	11
(D), (E), and (G) of this section, when the board of county	12
commissioners finds, by resolution, that the county has personal	13
property, including motor vehicles acquired for the use of county	14
officers and departments, and road machinery, equipment, tools, or	15
supplies, that is not needed for public use, is obsolete, or is	16
unfit for the use for which it was acquired, and when the fair	17

market value of the property to be sold or donated under this	18
division is, in the opinion of the board, in excess of two	19
thousand five hundred dollars, the board may do either of the	20
following:	21

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(1) Sell the property at public auction or by sealed bid to the highest bidder. Notice of the time, place, and manner of the sale shall be published in a newspaper of general circulation in the county at least ten days prior to the sale, and a typewritten or printed notice of the time, place, and manner of the sale shall be posted at least ten days before the sale in the offices of the county auditor and the board of county commissioners.

If a board conducts a sale of property by sealed bid, the

form of the bid shall be as prescribed by the board, and each bid

shall contain the name of the person submitting it. Bids received

shall be opened and tabulated at the time stated in the notice.

The property shall be sold to the highest bidder, except that the

board may reject all bids and hold another sale, by public auction

or sealed bid, in the manner prescribed by this section.

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- (2) Donate any motor vehicle that does not exceed four 36 thousand five hundred dollars in value to a nonprofit organization 37 exempt from federal income taxation pursuant to 26 U.S.C. 501(a) 38 and (c)(3) for the purpose of meeting the transportation needs of 39 participants in the Ohio works first program established under 40 Chapter 5107. of the Revised Code and participants in the 41 prevention, retention, and contingency program established under 42 Chapter 5108. of the Revised Code. 43
- (B) When the board of county commissioners finds, by

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  resolution, that the county has personal property, including motor

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  vehicles acquired for the use of county officers and departments,

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  and road machinery, equipment, tools, or supplies, that is not

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  needed for public use, is obsolete, or is unfit for the use for

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  which it was acquired, and when the fair market value of the

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property to be sold or donated under this division is, in the	50
opinion of the board, two thousand five hundred dollars or less,	51
the board may do either of the following:	52

- (1) Sell the property by private sale, without advertisement 53
  or public notification; 54
- 55 (2) Donate the property to an eligible nonprofit organization that is located in this state and is exempt from federal income 56 taxation pursuant to 26 U.S.C. 501(a) and (c)(3). Before donating 57 any property under this division, the board shall adopt a 58 resolution expressing its intent to make unneeded, obsolete, or 59 unfit-for-use county personal property available to these 60 organizations. The resolution shall include guidelines and 61 procedures the board considers necessary to implement a donation 62 program under this division and shall indicate whether the county 63 will conduct the donation program or the board will contract with 64 a representative to conduct it. If a representative is known when 65 the resolution is adopted, the resolution shall provide contact 66 information such as the representative's name, address, and 67 telephone number. 68

The resolution shall include within its procedures a 69 requirement that any nonprofit organization desiring to obtain 70 donated property under this division shall submit a written notice 71 to the board or its representative. The written notice shall 72 include evidence that the organization is a nonprofit organization 73 that is located in this state and is exempt from federal income 74 taxation pursuant to 26 U.S.C. 501(a) and (c)(3); a description of 75 the organization's primary purpose; a description of the type or 76 types of property the organization needs; and the name, address, 77 and telephone number of a person designated by the organization's 78 governing board to receive donated property and to serve as its 79 agent. 80

After adoption of the resolution, the board shall publish, in

a newspaper of general circulation in the county, notice of its	82
intent to donate unneeded, obsolete, or unfit-for-use county	83
personal property to eligible nonprofit organizations. The notice	84
shall include a summary of the information provided in the	85
resolution and shall be published twice or as provided in section	86
7.16 of the Revised Code. The second and any subsequent notice	87
shall be published not less than ten nor more than twenty days	88
after the previous notice. A similar notice also shall be posted	89
continually in a conspicuous place in the offices of the county	90
auditor and the board of county commissioners. If the county	91
maintains a web site on the internet, the notice shall be posted	92
continually at that web site.	93

The board or its representative shall maintain a list of all
nonprofit organizations that notify the board or its
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representative of their desire to obtain donated property under
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this division and that the board or its representative determines
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to be eligible, in accordance with the requirements set forth in
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this section and in the donation program's guidelines and
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procedures, to receive donated property.

The board or its representatives also shall maintain a list 101 of all county personal property the board finds to be unneeded, 102 obsolete, or unfit for use and to be available for donation under 103 this division. The list shall be posted continually in a 104 conspicuous location in the offices of the county auditor and the 105 board of county commissioners, and, if the county maintains a web 106 site on the internet, the list shall be posted continually at that 107 web site. An item of property on the list shall be donated to the 108 eligible nonprofit organization that first declares to the board 109 or its representative its desire to obtain the item unless the 110 board previously has established, by resolution, a list of 111 eligible nonprofit organizations that shall be given priority with 112 respect to the item's donation. Priority may be given on the basis 113

that the purposes of a nonprofit organization have a direct	114
relationship to specific public purposes of programs provided or	115
administered by the board. A resolution giving priority to certain	116
nonprofit organizations with respect to the donation of an item of	117
property shall specify the reasons why the organizations are given	118
that priority.	119

- (C) Members of the board of county commissioners shall 120 consult with the Ohio ethics commission, and comply with the 121 provisions of Chapters 102. and 2921. of the Revised Code, with 122 respect to any sale or donation under division (A) or (B) of this 123 section to a nonprofit organization of which a county 124 commissioner, any member of the county commissioner's family, or 125 any business associate of the county commissioner is a trustee, 126 officer, board member, or employee. 127
- (D) Notwithstanding anything to the contrary in division (A), 128
  (B), or (E) of this section and regardless of the property's 129
  value, the board of county commissioners may sell or donate county 130
  personal property, including motor vehicles, to the federal 131
  government, the state, any political subdivision of the state, or 132
  a county land reutilization corporation without advertisement or 133
  public notification.
- (E) Notwithstanding anything to the contrary in division (A), 135 (B), or (G) of this section and regardless of the property's 136 value, the board of county commissioners may sell personal 137 property, including motor vehicles acquired for the use of county 138 officers and departments, and road machinery, equipment, tools, or 139 supplies, that is not needed for public use, is obsolete, or is 140 unfit for the use for which it was acquired, by internet auction. 141 The board shall adopt, during each calendar year, a resolution 142 expressing its intent to sell that property by internet auction. 143 The resolution shall include a description of how the internet 144 auctions will be conducted and shall specify the number of days 145

for bidding on the property, which shall be no less than ten days,	146
including Saturdays, Sundays, and legal holidays. The resolution	147
shall indicate whether the county will conduct the auction	148
internet auctions or the board will contract with a representative	149
to conduct the auction internet auctions and shall establish the	150
general terms and conditions of sale. If a representative is known	151
when the resolution is adopted, the resolution shall provide	152
contact information such as the representative's name, address,	153
and telephone number.	154

After adoption of the resolution, the board shall publish, in 155 a newspaper of general circulation in the county, notice of its 156 intent to sell unneeded, obsolete, or unfit-for-use county 157 personal property by internet auction. The notice shall include a 158 summary of the information provided in the resolution and shall be 159 published twice or as provided in section 7.16 of the Revised 160 Code. The second and any subsequent notice shall be published not 161 less than ten nor more than twenty days after the previous notice. 162 A similar notice also shall be posted continually throughout the 163 calendar year in a conspicuous place in the offices of the county 164 auditor and the board of county commissioners. If the county 165 maintains a web site on the internet, the notice shall be posted 166 continually throughout the calendar year at that web site. 167

When property is to be sold by internet auction, the board or 168 its representative may establish a minimum price that will be 169 accepted for specific items and may establish any other terms and 170 conditions for the a particular sale, including requirements for 171 pick-up or delivery, method of payment, and sales tax. This type 172 of information shall be provided on the internet at the time of 173 the auction and may be provided before that time upon request 174 after the terms and conditions have been determined by the board 175 or its representative. 176

(F) When a county officer or department head determines that

county-owned personal property under the jurisdiction of the	178
officer or department head, including motor vehicles, road	179
machinery, equipment, tools, or supplies, is not of immediate	180
need, the county officer or department head may notify the board	181
of county commissioners, and the board may lease that personal	182
property to any municipal corporation, township, other political	183
subdivision of the state, or to a county land reutilization	184
corporation. The lease shall require the county to be reimbursed	185
under terms, conditions, and fees established by the board, or	186
under contracts executed by the board.	187

- (G) If the board of county commissioners finds, by 188 resolution, that the county has vehicles, equipment, or machinery 189 that is not needed, or is unfit for public use, and the board 190 desires to sell the vehicles, equipment, or machinery to the 191 person or firm from which it proposes to purchase other vehicles, 192 equipment, or machinery, the board may offer to sell the vehicles, 193 equipment, or machinery to that person or firm, and to have the 194 selling price credited to the person or firm against the purchase 195 price of other vehicles, equipment, or machinery. 196
- (H) If the board of county commissioners advertises for bids 197 for the sale of new vehicles, equipment, or machinery to the 198 county, it may include in the same advertisement a notice of the 199 willingness of the board to accept bids for the purchase of 200 county-owned vehicles, equipment, or machinery that is obsolete or 201 not needed for public use, and to have the amount of those bids 202 subtracted from the selling price of the other vehicles, 203 equipment, or machinery as a means of determining the lowest 204 responsible bidder. 205
- (I) If a board of county commissioners determines that county 206 personal property is not needed for public use, or is obsolete or 207 unfit for the use for which it was acquired, and that the property 208 has no value, the board may discard or salvage that property. 209

(J) A county engineer, in the engineer's discretion, may	210
dispose of scrap construction materials on such terms as the	211
engineer determines reasonable, including disposal without	212
recovery of costs, if the total value of the materials does not	213
exceed twenty-five thousand dollars. The engineer shall maintain	214
records of all dispositions made under this division, including	215
identification of the origin of the materials, the final	216
disposition, and copies of all receipts resulting from the	217
dispositions.	218

As used in division (I) of this section, "scrap construction 219 materials" means construction materials that result from a road or 220 bridge improvement, remain after the improvement is completed, and 221 are not reusable. Construction material that is metal and that 222 results from a road or bridge improvement and remains after the 223 improvement is completed is scrap construction material only if it 224 cannot be used in any other road or bridge improvement or other 225 project in its current state. 226

Sec. 307.86. Anything to be purchased, leased, leased with an 227 option or agreement to purchase, or constructed, including, but 228 not limited to, any product, structure, construction, 229 reconstruction, improvement, maintenance, repair, or service, 230 except the services of an accountant, architect, attorney at law, 231 physician, professional engineer, construction project manager, 232 consultant, surveyor, or appraiser, by or on behalf of the county 233 or contracting authority, as defined in section 307.92 of the 234 Revised Code, at a cost in excess of twenty five fifty thousand 235 dollars adjusted annually by the director of commerce under 236 section 307.863 of the Revised Code, except as otherwise provided 237 in division (D) of section 713.23 and in sections 9.48, 125.04, 238 125.60 to 125.6012, 307.022, 307.041, 307.861, 339.05, 340.03, 239 340.033, 4115.31 to 4115.35, 5119.16, 5513.01, 5543.19, 5713.01, 240 and 6137.05 of the Revised Code, shall be obtained through 241

competitive bidding. However, competitive bidding is not required	242
when any of the following applies:	243
(A) The board of county commissioners, by a unanimous vote of	244
its members, makes a determination that a real and present	245
emergency exists, and that determination and the reasons for it	246
are entered in the minutes of the proceedings of the board, when	247
either of the following applies:	248
(1) The estimated cost is less than fifty one hundred	249
thousand dollars.	250
(2) There is actual physical disaster to structures, radio	251
communications equipment, or computers.	252
For purposes of this division, "unanimous vote" means all	253
three members of a board of county commissioners when all three	254
members are present, or two members of the board if only two	255
members, constituting a quorum, are present.	256
Whenever a contract of purchase, lease, or construction is	257
exempted from competitive bidding under division (A)(1) of this	258
section because the estimated cost is less than fifty one hundred	259
thousand dollars, but the estimated cost is <del>twenty five</del> <u>fifty</u>	260
thousand dollars or more, the county or contracting authority	261
shall solicit informal estimates from no fewer than three persons	262
who could perform the contract, before awarding the contract. With	263
regard to each such contract, the county or contracting authority	264
shall maintain a record of such estimates, including the name of	265
each person from whom an estimate is solicited. The county or	266
contracting authority shall maintain the record for the longer of	267
at least one year after the contract is awarded or the amount of	268
time the federal government requires.	269
(B)(1) The purchase consists of supplies or a replacement or	270
supplemental part or parts for a product or equipment owned or	271

leased by the county, and the only source of supply for the

supplies, part, or parts is limited to a single supplier.	273
(2) The purchase consists of services related to information	274
technology, such as programming services, that are proprietary or	275
limited to a single source.	276
(C) The purchase is from the federal government, the state,	277
another county or contracting authority of another county, or a	278
board of education, educational service center, township, or	279
municipal corporation.	280
(D) The purchase is made by a county department of job and	281
family services under section 329.04 of the Revised Code and	282
consists of family services duties or workforce development	283
activities or is made by a county board of developmental	284
disabilities under section 5126.05 of the Revised Code and	285
consists of program services, such as direct and ancillary client	286
services, child care, case management services, residential	287
services, and family resource services.	288
(E) The purchase consists of criminal justice services,	289
social services programs, family services, or workforce	290
development activities by the board of county commissioners from	291
nonprofit corporations or associations under programs funded by	292
the federal government or by state grants.	293
(F) The purchase consists of any form of an insurance policy	294
or contract authorized to be issued under Title XXXIX of the	295
Revised Code or any form of health care plan authorized to be	296
issued under Chapter 1751. of the Revised Code, or any combination	297
of such policies, contracts, plans, or services that the	298
contracting authority is authorized to purchase, and the	299
contracting authority does all of the following:	300
(1) Determines that compliance with the requirements of this	301
section would increase, rather than decrease, the cost of the	302

purchase;

(2) Requests issuers of the policies, contracts, plans, or	304
services to submit proposals to the contracting authority, in a	305
form prescribed by the contracting authority, setting forth the	306
coverage and cost of the policies, contracts, plans, or services	307
as the contracting authority desires to purchase;	308
(3) Negotiates with the issuers for the purpose of purchasing	309
the policies, contracts, plans, or services at the best and lowest	310
price reasonably possible.	311
(G) The purchase consists of computer hardware, software, or	312
consulting services that are necessary to implement a computerized	313
case management automation project administered by the Ohio	314
prosecuting attorneys association and funded by a grant from the	315
federal government.	316
(H) Child care services are purchased for provision to county	317
employees.	318
(I)(1) Property, including land, buildings, and other real	319
property, is leased for offices, storage, parking, or other	320
purposes, and all of the following apply:	321
(a) The contracting authority is authorized by the Revised	322
Code to lease the property.	323
(b) The contracting authority develops requests for proposals	324
for leasing the property, specifying the criteria that will be	325
considered prior to leasing the property, including the desired	326
size and geographic location of the property.	327
(c) The contracting authority receives responses from	328
prospective lessors with property meeting the criteria specified	329
in the requests for proposals by giving notice in a manner	330
substantially similar to the procedures established for giving	331
notice under section 307.87 of the Revised Code.	332
(d) The contracting authority negotiates with the prospective	333

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lessors to obtain a lease at the best and lowest price reasonably	334
possible considering the fair market value of the property and any	335
relocation and operational costs that may be incurred during the	336
period the lease is in effect.	337
(2) The contracting authority may use the services of a real	338
estate appraiser to obtain advice, consultations, or other	339
recommendations regarding the lease of property under this	340
division.	341
(J) The purchase is made pursuant to section 5139.34 or	342
sections 5139.41 to 5139.46 of the Revised Code and is of programs	343
or services that provide case management, treatment, or prevention	344
services to any felony or misdemeanant delinquent, unruly youth,	345
or status offender under the supervision of the juvenile court,	346
including, but not limited to, community residential care, day	347
treatment, services to children in their home, or electronic	348
monitoring.	349
(K) The purchase is made by a public children services agency	350
pursuant to section 307.92 or 5153.16 of the Revised Code and	351
consists of family services, programs, or ancillary services that	352
provide case management, prevention, or treatment services for	353
children at risk of being or alleged to be abused, neglected, or	354
dependent children.	355
(L) The purchase is to obtain the services of emergency	356
medical service organizations under a contract made by the board	357
of county commissioners pursuant to section 307.05 of the Revised	358
Code with a joint emergency medical services district.	359
(M) The county contracting authority determines that the use	360
of competitive sealed proposals would be advantageous to the	361
county and the contracting authority complies with section 307.862	362
of the Revised Code.	363

Any issuer of policies, contracts, plans, or services listed

in division (F) of this section and any prospective lessor under	365
division (I) of this section may have the issuer's or prospective	366
lessor's name and address, or the name and address of an agent,	367
placed on a special notification list to be kept by the	368
contracting authority, by sending the contracting authority that	369
name and address. The contracting authority shall send notice to	370
all persons listed on the special notification list. Notices shall	371
state the deadline and place for submitting proposals. The	372
contracting authority shall mail the notices at least six weeks	373
prior to the deadline set by the contracting authority for	374
submitting proposals. Every five years the contracting authority	375
may review this list and remove any person from the list after	376
mailing the person notification of that action.	377
Any contracting authority that negotiates a contract under	378

Any contracting authority that negotiates a contract under

division (F) of this section shall request proposals and negotiate

with issuers in accordance with that division at least every three

years from the date of the signing of such a contract, unless the

parties agree upon terms for extensions or renewals of the

contract. Such extension or renewal periods shall not exceed six

years from the date the initial contract is signed.

Any real estate appraiser employed pursuant to division (I) 385 of this section shall disclose any fees or compensation received 386 from any source in connection with that employment. 387

sec. 307.861. The county or contracting authority, as defined
in section 307.92 of the Revised Code, may renew a lease which has
been entered into for electronic data processing equipment,
services, or systems, or a radio communications system at a cost
in excess of ten fifty thousand dollars as follows:
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(A) The lessor shall submit a written bid to the county or
contracting authority which that is the lessee under the lease,
stating the terms under which the lease would be renewed,
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including the length of the renewal lease, and the cost of the	396
renewal lease to the county or contracting authority. The county	397
or contracting authority may require the lessor to submit a bond	398
with the bid.	399
(B) The county or contracting authority shall advertise for	400
and receive competitive bids, as provided in sections 307.87 to	401
307.90 of the Revised Code, for a lease under the same terms and	402
for the same period as provided in the bid of the lessor submitted	403
under division (A) of this section.	404
(C) The county or contracting authority may renew the lease	405
with the lessor only if the bid submitted by the lessor under	406
division (A) of this section is an amount less than the lowest and	407
best bid submitted pursuant to competitive bidding under division	408
(B) of this section.	409
Sec. 307.863. On January 1, 2012, and on the first day of	410
January of each year thereafter, the director of commerce shall	411
adjust the fifty thousand dollar threshold amount specified in	412
division (A) of section 307.86 of the Revised Code, as adjusted in	413
any previous year under this section. The director shall adjust	414
the amount according to the percentage increase or decrease in the	415
<u>United States department of commerce, bureau of economic analysis</u>	416
implicit price deflator for gross domestic product, state and	417
local governments, from the first day of January of the preceding	418
calendar year to the last day of December of the preceding	419
calendar year, and shall adjust the amount for the current	420
calendar year by multiplying the amount by the percentage increase	421
or decrease in the implicit price deflator, state and local	422
governments, for that period, adding to or subtracting the	423
resulting product from the amount, and rounding the resulting sum	424
upward to the nearest multiple of five dollars. In no case shall	425

the increase or decrease for any calendar year exceed five per

cent of the threshold amount existing at the time of the	427
adjustment.	428
The director of commerce shall post the new threshold amount	429
on the department of commerce's web site immediately after the	430
director adjusts the amount.	431
Sec. 307.88. (A) Bids submitted pursuant to sections 307.86	432
to 307.92 of the Revised Code shall be in a form prescribed by the	433
contracting authority and filed in a sealed envelope at the time	434
and place mentioned in the notice. The bids received shall be	435
opened and tabulated at the time stated in the notice. Each bid	436
shall contain the full name of each person submitting the bid. If	437
the bid is in excess of <del>twenty-five</del> <u>fifty</u> thousand dollars and for	438
a contract for the construction, demolition, alteration, repair,	439
or reconstruction of an improvement, it shall meet the	440
requirements of section 153.54 of the Revised Code. If the bid is	441
in excess of twenty five fifty thousand dollars and for any other	442
contract authorized by sections 307.86 to 307.92 of the Revised	443
Code, it shall may be accompanied by a bond or certified check,	444
cashier's check, or money order on a solvent bank or savings and	445
loan association in a reasonable amount stated in the notice but	446
not to exceed five per cent of the bid, conditioned that the	447
bidder, if the bidder's bid is accepted, shall execute a contract	448
in conformity to the invitation and the bid.	449
(B) The board of county commissioners, by a unanimous vote of	450
the entire board, may permit a contracting authority to exempt a	451
bid from any or all of the requirements of section 153.54 of the	452
Revised Code if the estimated cost is twenty-five two hundred	453
fifty thousand dollars or less. If the board exempts a bid from	454
any but not all of those requirements, the bid notice published in	455
the newspaper pursuant to section 307.87 of the Revised Code shall	456

state the specific bid guaranty requirements that apply. If the

board exempts a bid from all requirements of section 153.54 of the	458
Revised Code, the notice shall state that none of the requirements	459
of that section apply.	460
Sec. 5705.41. No subdivision or taxing unit shall:	461
(A) Make any appropriation of money except as provided in	462
Chapter 5705. of the Revised Code; provided, that the	463
authorization of a bond issue shall be deemed to be an	464
appropriation of the proceeds of the bond issue for the purpose	465
for which such bonds were issued, but no expenditure shall be made	466
from any bond fund until first authorized by the taxing authority;	467
(B) Make any expenditure of money unless it has been	468
appropriated as provided in such chapter;	469
(C) Make any expenditure of money except by a proper warrant	470
drawn against an appropriate fund;	471
(D)(1) Except as otherwise provided in division (D)(2) of	472
this section and section 5705.44 of the Revised Code, make any	473
contract or give any order involving the expenditure of money	474
unless there is attached thereto a certificate of the fiscal	475
officer of the subdivision that the amount required to meet the	476
obligation or, in the case of a continuing contract to be	477
performed in whole or in part in an ensuing fiscal year, the	478
amount required to meet the obligation in the fiscal year in which	479
the contract is made, has been lawfully appropriated for such	480
purpose and is in the treasury or in process of collection to the	481
credit of an appropriate fund free from any previous encumbrances.	482
This certificate need be signed only by the subdivision's fiscal	483
officer. Every such contract made without such a certificate shall	484
be void, and no warrant shall be issued in payment of any amount	485
due thereon. If no certificate is furnished as required, upon	486
receipt by the taxing authority of the subdivision or taxing unit	487

of a certificate of the fiscal officer stating that there was at

the time of the making of such contract or order and at the time 489 of the execution of such certificate a sufficient sum appropriated 490 for the purpose of such contract and in the treasury or in process 491 of collection to the credit of an appropriate fund free from any 492 previous encumbrances, such taxing authority may authorize the 493 drawing of a warrant in payment of amounts due upon such contract, 494 but such resolution or ordinance shall be passed within thirty 495 days after the taxing authority receives such certificate; 496 provided that, if the amount involved is less than one hundred 497 dollars in the case of counties or three thousand dollars in the 498 case of all other subdivisions or taxing units, the fiscal officer 499 may authorize it to be paid without such affirmation of the taxing 500 authority of the subdivision or taxing unit, if such expenditure 501 is otherwise valid. 502

(2) Annually, the The board of county commissioners may adopt 503 a resolution exempting county purchases of one thousand dollars or 504 less from the requirement of division (D)(1) of this section that 505 a certificate be attached to any contract or order involving the 506 expenditure of money. The resolution shall state the dollar amount 507 that is exempted from the certificate requirement and whether the 508 exemption applies to all purchases, to one or more specific 509 classes of purchases, or to the purchase of one or more specific 510 items. Prior to the adoption of the resolution, the board shall 511 give written notice to the county auditor that it intends to adopt 512 the resolution. The notice shall state the dollar amount that is 513 proposed to be exempted and whether the exemption would apply to 514 all purchases, to one or more specific classes of purchases, or to 515 the purchase of one or more specific items. The county auditor may 516 review and comment on the proposal, and shall send any comments to 517 the board within fifteen days after receiving the notice. The 518 board shall wait at least fifteen days after giving the notice to 519 the auditor before adopting the resolution. A person authorized to 520 make a county purchase in a county that has adopted such a 521

resolution shall prepare and file with the county auditor, within 522 three business days after incurring an obligation not requiring a 523 certificate, or within any other period of time the board of 524 county commissioners specifies in the resolution, a written or 525 electronically transferred document specifying the purpose and 526 amount of the expenditure, the date of the purchase, the name of 527 the vendor, the specific appropriation items from which the 528 expenditures are to be made, and any additional information as the 529 auditor of state may prescribe. 530

(3) Upon certification by the auditor or other chief fiscal 531 officer that a certain sum of money, not in excess of an amount 532 established by resolution or ordinance adopted by a majority of 533 the members of the legislative authority of the subdivision or 534 taxing unit, has been lawfully appropriated, authorized, or 535 directed for a certain purpose and is in the treasury or in the 536 process of collection to the credit of a specific line-item 537 appropriation account in a certain fund free from previous and 538 then outstanding obligations or certifications, then for such 539 purpose and from such line-item appropriation account in such 540 fund, over a period not extending beyond the end of the fiscal 541 year, expenditures may be made, orders for payment issued, and 542 contracts or obligations calling for or requiring the payment of 543 money made and assumed; provided, that the aggregate sum of money 544 included in and called for by such expenditures, orders, 545 contracts, and obligations shall not exceed the sum so certified. 546 Such a certification need be signed only by the fiscal officer of 547 the subdivision or the taxing district and may, but need not, be 548 limited to a specific vendor. An itemized statement of obligations 549 incurred and expenditures made under such certificate shall be 550 rendered to the auditor or other chief fiscal officer before 551 another such certificate may be issued, and not more than one such 552 certificate shall be outstanding at a time. 553

In addition to providing the certification for expenditures	554
as specified in this division, a subdivision also may make	555
expenditures, issue orders for payment, and make contracts or	556
obligations calling for or requiring the payment of money made and	557
assumed for specified permitted purposes from a specific line-item	558
appropriation account in a specified fund for a sum of money upon	559
the certification by the fiscal officer of the subdivision that	560
this sum of money has been lawfully appropriated, authorized, or	561
directed for a permitted purpose and is in the treasury or in the	562
process of collection to the credit of the specific line-item	563
appropriation account in the specified fund free from previous and	564
then-outstanding obligations or certifications; provided that the	565
aggregate sum of money included in and called for by the	566
expenditures, orders, and obligations shall not exceed the	567
certified sum. The purposes for which a subdivision may lawfully	568
appropriate, authorize, or issue such a certificate are the	569
services of an accountant, architect, attorney at law, physician,	570
professional engineer, construction project manager, consultant,	571
surveyor, or appraiser by or on behalf of the subdivision or	572
contracting authority; fuel oil, gasoline, food items, roadway	573
materials, and utilities; and any purchases exempt from	574
competitive bidding under section 125.04 of the Revised Code and	575
any other specific expenditure that is a recurring and reasonably	576
predictable operating expense. Such a certification shall not	577
extend beyond the end of the fiscal year or, in the case of a	578
board of county commissioners that has established a quarterly	579
spending plan under section 5705.392 of the Revised Code, beyond	580
the quarter to which the plan applies. Such a certificate shall be	581
signed by the fiscal officer and may, but need not, be limited to	582
a specific vendor. An itemized statement of obligations incurred	583
and expenditures made under such a certificate shall be rendered	584
to the fiscal officer for each certificate issued. More than one	585
such certificate may be outstanding at any time.	586

In any case in which a contract is entered into upon a per	587
unit basis, the head of the department, board, or commission for	588
the benefit of which the contract is made shall make an estimate	589
of the total amount to become due upon such contract, which	590
estimate shall be certified in writing to the fiscal officer of	591
the subdivision. Such a contract may be entered into if the	592
appropriation covers such estimate, or so much thereof as may be	593
due during the current year. In such a case the certificate of the	594
fiscal officer based upon the estimate shall be a sufficient	595
compliance with the law requiring a certificate.	596

Any certificate of the fiscal officer attached to a contract 597 shall be binding upon the political subdivision as to the facts 598 set forth therein. Upon request of any person receiving an order 599 or entering into a contract with any political subdivision, the 600 certificate of the fiscal officer shall be attached to such order 601 or contract. "Contract" as used in this section excludes current 602 payrolls of regular employees and officers.

(E) Taxes and other revenue in process of collection, or the 604 proceeds to be derived from authorized bonds, notes, or 605 certificates of indebtedness sold and in process of delivery, 606 shall for the purpose of this section be deemed in the treasury or 607 in process of collection and in the appropriate fund. This section 608 applies neither to the investment of sinking funds by the trustees 609 of such funds, nor to investments made under sections 731.56 to 610 731.59 of the Revised Code. 611

No district authority shall, in transacting its own affairs, 612 do any of the things prohibited to a subdivision by this section, 613 but the appropriation referred to shall become the appropriation 614 by the district authority, and the fiscal officer referred to 615 shall mean the fiscal officer of the district authority. 616

**Section 2.** That existing sections 307.12, 307.86, 307.861, 617 307.88, and 5705.41 of the Revised Code are hereby repealed. 618