

As Introduced

**129th General Assembly
Regular Session
2011-2012**

S. B. No. 339

Senator Schaffer

Cosponsors: Senators Jones, LaRose, Lehner, Jordan, Patton

—

A B I L L

To amend sections 305.03, 319.04, 319.26, 321.37, 1
321.38, 321.46, 2921.44, 3314.011, and 3314.023; 2
to enact sections 9.831, 117.411, 507.12, 507.15, 3
733.78, 733.81, 3313.30, 3314.50, 3326.211, 4
3328.16, and 3328.37; and to repeal section 319.25 5
of the Revised Code; to amend Section 267.50.70 of 6
Am. Sub. H.B. 153 of the 129th General Assembly; 7
and to amend Section 267.50.70 of Am. Sub. H.B. 8
153 of the 129th General Assembly for the purpose 9
of changing its number to section 3314.51 of the 10
Revised Code to establish education programs and 11
continuing education requirements for the fiscal 12
officers of townships and municipal corporations, 13
to establish procedures for removing those fiscal 14
officers, county treasurers, and county auditors 15
from office, and to create fiscal accountability 16
requirements for public schools, counties, 17
municipal corporations, and townships. 18

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

Section 1. That sections 305.03, 319.04, 319.26, 321.37, 19
321.38, 321.46, 2921.44, 3314.011, and 3314.023 be amended; 20

sections 9.831, 117.411, 507.12, 507.15, 733.78, 733.81, 3313.30, 21
3314.50, 3326.211, 3328.16, and 3328.37 of the Revised Code be 22
enacted; and Section 267.50.70 of Am. Sub. H.B. 153 of the 129th 23
General Assembly be amended and renumbered as section 3314.51 of 24
the Revised Code to read as follows: 25

Sec. 9.831. (A) As used in this section: 26

(1) "Political subdivision" means a county, municipal 27
corporation, or township. 28

(2) "Fiscal officer" means a county auditor, county 29
treasurer, township fiscal officer, village fiscal officer, 30
village clerk-treasurer, auditor of a municipal corporation, or 31
treasurer of a municipal corporation. 32

(B) The legislative authority of a political subdivision may 33
purchase a policy or policies of professional indemnity insurance 34
to protect the political subdivision against claims not otherwise 35
covered under general liability insurance policies that are 36
related to the performance of the fiscal officer's duties. 37

Sec. 117.411. (A) As used in this section, "legislative 38
authority" means, for a county, the board of county commissioners; 39
for a municipal corporation, the legislative authority of the 40
municipal corporation; and for a township, the board of township 41
trustees. 42

(B) If the public office of a county, municipal corporation, 43
or township has been declared unauditible under section 117.41 of 44
the Revised Code, the auditor of state shall provide written 45
notice of that declaration to the legislative authority of the 46
county, municipal corporation, or township. The auditor of state 47
also shall post the notice on the auditor of state's web site. 48

(C) Not later than forty-five days after receiving the 49

notice, the legislative authority shall provide a written response 50
to the auditor of state. The response shall include all of the 51
following: 52

(1) An overview of the process the legislative authority will 53
use to review and understand the circumstances that led to the 54
county, municipal corporation, or township becoming unauditable; 55

(2) A plan for providing to the auditor of state 56
documentation necessary to complete an audit of the county, 57
municipal corporation, or township and for ensuring that all 58
financial documents are available in the future; and 59

(3) The actions the legislative authority will take to ensure 60
that the plan described in division (C)(2) of this section is 61
implemented. 62

(D)(1) If the public office of a county, municipal 63
corporation, or township fails to make reasonable efforts and 64
continuing progress to bring its accounts, records, files, or 65
reports into an auditable condition within ninety days after being 66
declared unauditable, the auditor of state, in addition to 67
requesting legal action under sections 117.41 and 117.42 of the 68
Revised Code, shall notify the office of budget and management and 69
any other state agency from which the public office receives state 70
funding of the failure. 71

(2) If the auditor of state or a public accountant 72
subsequently is able to complete a financial audit of the public 73
office, the auditor of state shall notify the office of budget and 74
management and any other state agency from which the public office 75
receives state funding that the audit has been completed. 76

(E) Notwithstanding any provision to the contrary in the 77
Revised Code, upon notification by the auditor of state under 78
division (D)(1) of this section that the public office of a 79
county, municipal corporation, or township has failed to make 80

reasonable efforts and continuing progress to bring its accounts, records, files, or reports into an auditable condition following a declaration that the public office is unauditabile, the office of budget and management and any other state agency that received the notice shall immediately cease all state funding for that public office, other than benefit assistance to individuals, and shall withhold the state funding until receiving subsequent notification from the auditor of state under division (D)(2) of this section that the auditor of state or a public accountant was able to complete a financial audit of the public office.

Sec. 305.03. (A)(1) Whenever any county officer, except the county auditor or county treasurer, fails to perform the duties of office for ninety consecutive days, except in case of sickness or injury as provided in divisions (B) and (C) of this section, the office shall be deemed vacant.

(2) Whenever any county auditor or county treasurer fails to perform the duties of office for thirty consecutive days, except in case of sickness or injury as provided in divisions (B) and (C) of this section, the office shall be deemed vacant.

(B) Whenever any county officer is absent because of sickness or injury, the officer shall cause to be filed with the board of county commissioners a physician's certificate of the officer's sickness or injury. If ~~such~~ the certificate is not filed with the board within ten days after the expiration of thirty consecutive days, in the case of a county auditor or county treasurer, or within ten days after the expiration of ninety consecutive days of absence, in the case of all other county officers, the office shall be deemed vacant.

(C) Whenever a county officer files a physician's certificate under division (B) of this section, but continues to be absent for an additional thirty days commencing immediately after the last

day on which this certificate may be filed under division (B) of 112
this section, the office shall be deemed vacant. 113

(D) If at any time two county commissioners in a county are 114
absent and have filed a physician's certificate under division (B) 115
of this section, the county coroner, in addition to performing the 116
duties of coroner, shall serve as county commissioner until at 117
least one of the absent commissioners returns to office or until 118
the office of at least one of the absent commissioners is deemed 119
vacant under this section and the vacancy is filled. If the 120
coroner so requests, the coroner shall be paid a per diem rate for 121
the coroner's service as a commissioner. That per diem rate shall 122
be the annual salary specified by law for a county commissioner of 123
that county whose term of office began in the same year as the 124
coroner's term of office began, divided by the number of days in 125
the year. 126

While the coroner is serving as a county commissioner, the 127
coroner shall be considered an acting county commissioner and 128
shall perform the duties of the office of county commissioner 129
until at least one of the absent commissioners returns to office 130
or until the office of at least one of the absent commissioners is 131
deemed vacant. Before assuming the office of acting county 132
commissioner, the coroner shall take an oath of office as provided 133
in sections 3.22 and 3.23 of the Revised Code. The coroner's 134
service as an acting county commissioner does not constitute the 135
holding of an incompatible public office or employment in 136
violation of any statutory or common law prohibition against the 137
simultaneous holding of more than one public ~~officer~~ office or 138
employment. 139

The coroner shall give a new bond in the same amount and 140
signed and approved as provided in section 305.04 of the Revised 141
Code. The bond shall be conditioned for the faithful discharge of 142
the coroner's duties as acting county commissioner and for the 143

payment of any loss or damage that the county may sustain by 144
reason of the coroner's failure in those duties. The bond, along 145
with the oath of office and approval of the probate judge indorsed 146
on it, shall be deposited and paid for as provided for the bonds 147
in section 305.04 of the Revised Code. 148

(E) Any vacancy declared under this section shall be filled 149
in the manner provided by section 305.02 of the Revised Code. 150

(F) This section shall not apply to a county officer while in 151
the active military service of the United States. 152

Sec. 319.04. (A) Each county auditor who is elected to a full 153
term of office shall attend and successfully complete at least 154
sixteen hours of continuing education courses during the first 155
year of the auditor's term of office, and complete at least 156
another eight hours of such courses by the end of that term. Each 157
such county auditor shall include at least two hours of ethics and 158
substance-abuse training in the total twenty-four hours of 159
required courses. To be counted toward the twenty-four hours 160
required by this section, a course must be approved by the county 161
auditors association of Ohio. Any county auditor who teaches an 162
approved course shall be entitled to credit for the course in the 163
same manner as if the county auditor had attended the course. 164

That association shall record and, upon request, verify the 165
completion of required course work for each county auditor, and 166
issue a statement to each county auditor of the number of hours of 167
continuing education the county auditor has successfully 168
completed. Each year the association shall send a list of the 169
continuing education courses, and the number of hours each county 170
auditor has successfully completed, to the auditor of state and 171
the tax commissioner, and shall provide a copy of this list to any 172
other individual who requests it. 173

The ~~association~~ auditor of state shall issue a certificate of 174

completion to each county auditor who completes the continuing 175
education courses required by this section. The auditor of state 176
shall issue a "notice of failure" to any county auditor required 177
to complete continuing education courses under this section who 178
fails to successfully complete at least sixteen hours of 179
continuing education courses during the first year of the county 180
auditor's term of office or to complete a total of at least 181
twenty-four hours of such courses by the end of that term. This 182
notice is for informational purposes only and does not affect any 183
individual's ability to hold the office of county auditor. If a 184
county auditor does not complete the continuing education courses 185
required by this section, the board of county commissioners may 186
not purchase a policy or policies of professional indemnity 187
insurance for the county auditor under section 9.831 of the 188
Revised Code. 189

(B) Each board of county commissioners shall approve, from 190
money appropriated to the county auditor, a reasonable amount 191
requested by the county auditor of its county to cover the costs 192
the county auditor must incur to meet the requirements of division 193
(A) of this section, including registration fees, lodging and meal 194
expenses, and travel expenses. 195

~~Sec. 319.26. When the board of county commissioners suspends~~ 196
~~(A)(1) If a county auditor from the performance of his duties, as~~ 197
~~provided in section 319.25 of the Revised Code, it shall~~ 198
~~immediately cause a prosecution to be instituted against him. If~~ 199
~~the grand jury within four months of the date of the suspension~~ 200
~~fails to find and present an indictment against such auditor, or~~ 201
~~if an indictment is found and upon trial he is acquitted, such~~ 202
~~auditor shall be restored to the possession of his office and of~~ 203
~~the rights, duties, and obligations of such office. The person~~ 204
~~appointed as provided in section 319.25 of the Revised Code to~~ 205
~~perform the duties of the auditor shall vacate and cease to have~~ 206

any rights in such office, through misfeasance, malfeasance, or 207
nonfeasance, fails to make a settlement or to pay over money as 208
prescribed by law, the county treasurer or board of county 209
commissioners shall cause suit to be instituted against the county 210
auditor and against the auditor's surety or sureties for the 211
amount due, with a ten per cent penalty on that amount. The suit 212
shall be instituted by the filing of a complaint for the removal 213
of the county auditor with the court of common pleas of the county 214
in which the county auditor against whom the complaint is filed 215
resides. The suit shall have precedence over all civil business. 216
The judge or clerk of the court of common pleas shall cause to be 217
served upon the county auditor the complaint and a notice of 218
hearing, at least ten days before the hearing upon the complaint. 219
The hearing shall be held not later than thirty days after the 220
date of the filing of the complaint. The judge may suspend the 221
county auditor pending the hearing. 222

(2) The county auditor is entitled, with or without counsel, 223
to appear and introduce evidence at the hearing. The county 224
auditor is not entitled to representation by the prosecuting 225
attorney and is personally and solely responsible for payment of 226
attorney's fees and expenses incurred, notwithstanding any other 227
provision of the Revised Code. But if a judge or jury rules 228
against removal from office and the complaint is dismissed, the 229
court shall award reasonable attorney's fees to the county 230
auditor. 231

(B) Removal proceedings shall be tried by the judge, unless a 232
jury trial is demanded in writing by the county auditor against 233
whom the complaint was filed. If a jury trial is so demanded, the 234
jury shall be composed of twelve individuals who satisfy the 235
qualifications of a juror specified in section 2313.42 of the 236
Revised Code. If nine or more jurors find one or more of the 237
charges in the complaint are true, the jury shall return a finding 238

for the removal of the county auditor. If less than nine jurors 239
find that the charges in the complaint are true, the jury shall 240
return a finding that the complaint be dismissed. Any finding of 241
the jury shall be filed with the clerk of the court and shall be 242
made a matter of public record. Removal proceedings tried by a 243
judge shall be a matter of public record, and a full detailed 244
statement of the reason for removal shall be filed with the clerk 245
of the court and also shall be made a matter of public record. 246

(C)(1) The decision of the court of common pleas for the 247
removal of a county auditor may be reviewed on appeal by the court 248
of appeals on questions of law. The transcript of the record and 249
the notice of appeal shall be filed in the court of appeals not 250
more than thirty days after the decision is rendered and the 251
journal entry is made by the court of common pleas. The notice of 252
appeal may be filed only after leave has been granted by the court 253
of appeals for good cause shown at a hearing of which the 254
attorneys for both the county auditor and the board of county 255
commissioners or county treasurer that filed the complaint have 256
been notified. The decision of the court of appeals in refusing to 257
allow a notice of appeal to be filed, or in passing upon the 258
merits of the case in the appellate proceedings, is final. 259

(2) The court of appeals has jurisdiction to hear the case at 260
any place in the judicial district in which the court of appeals 261
may be sitting. The court of appeals shall hear the case not more 262
than thirty court days after the filing of the notice of appeal. 263
If the court of appeals hears the case in any county within its 264
judicial district other than the county in which the county 265
auditor against whom the complaint was filed resides, the court of 266
appeals shall transmit its findings with the reasons therefor to 267
the clerk of the court of common pleas of the county in which the 268
county auditor resides, with instructions to the clerk to make the 269
findings of the court a matter of record upon the journal of the 270

court in that county. 271

(3) In all cases before the court of appeals involving the 272
removal of a county auditor under this section, the county auditor 273
has the right of review or appeal to the supreme court on leave 274
first obtained, and the supreme court shall hear the case not more 275
than thirty court days after leave has been granted. In all other 276
respects, the hearing shall follow the regular procedure in 277
appealable cases that originate in the court of appeals. 278

(D) In removal proceedings instituted under this section, the 279
court of common pleas and the court of appeals may subpoena 280
witnesses and compel their attendance in the same manner as in 281
civil cases. Process shall be served by the sheriff of the county 282
in which a witness resides. Witness fees and other fees in 283
connection with the removal proceedings shall be the same as in 284
civil cases, and the expenses incurred in removal proceedings 285
shall be paid out of the county general revenue fund. 286

(E) Immediately following a final decision that the county 287
auditor shall be removed from office, the vacancy shall be filled 288
as provided in section 305.02 of the Revised Code. 289

(F) Any individual removed from office under this section is 290
not entitled to hold another public office for at least four years 291
following the date of the final decision, and is not entitled to 292
hold another public office until the settlement is made or the 293
money is paid over that was the cause of the suit being instituted 294
under this section. 295

Sec. 321.37. If the county treasurer, through misfeasance, 296
malfeasance, or nonfeasance, fails to make a settlement or to pay 297
over money as prescribed by law, the county auditor or board of 298
county commissioners shall cause suit to be instituted against 299
such treasurer and ~~his~~ the treasurer's surety or sureties for the 300
amount due, with a ten per cent penalty on such amount, which suit 301

shall have precedence ~~of~~ over all civil business. The suit shall 302
be instituted by the filing of a complaint for removal of the 303
county treasurer with the court of common pleas of the county in 304
which the county treasurer against whom the complaint is filed 305
resides. 306

Sec. 321.38. ~~Immediately on (A)(1) On the institution of the~~ 307
~~a suit mentioned in under~~ section 321.37 of the Revised Code, the 308
~~board of county commissioners may remove such county treasurer and~~ 309
~~appoint some person to fill the vacancy created. The person so~~ 310
~~appointed shall give bond and take the oath of office prescribed~~ 311
~~for treasurers~~ judge or clerk of the court of common pleas shall 312
cause to be served upon the county treasurer the complaint and a 313
notice of hearing, at least ten days before the hearing upon the 314
complaint. The hearing shall be held not later than thirty days 315
after the date of the filing of the complaint. The judge may 316
suspend the county treasurer pending the hearing. 317

(2) The county treasurer is entitled, with or without 318
counsel, to appear and introduce evidence at the hearing. The 319
county treasurer is not entitled to representation by the 320
prosecuting attorney and is personally and solely responsible for 321
payment of attorney's fees and expenses incurred, notwithstanding 322
any other provision of the Revised Code. But if a judge or jury 323
rules against removal from office and the complaint is dismissed, 324
the court shall award reasonable attorney's fees to the county 325
treasurer. 326

(B) Removal proceedings shall be tried by the judge, unless a 327
jury trial is demanded in writing by the county treasurer against 328
whom the complaint was filed. If a jury trial is so demanded, the 329
jury shall be composed of twelve individuals who satisfy the 330
qualifications of a juror specified in section 2313.42 of the 331
Revised Code. If nine or more jurors find one or more of the 332

charges in the complaint are true, the jury shall return a finding 333
for the removal of the county treasurer. If less than nine jurors 334
find that the charges in the complaint are true, the jury shall 335
return a finding that the complaint be dismissed. Any finding of 336
the jury shall be filed with the clerk of the court and be made a 337
matter of public record. Removal proceedings tried by a judge 338
shall be a matter of public record, and a full detailed statement 339
of the reason for removal shall be filed with the clerk of the 340
court and also shall be made a matter of public record. 341

(C)(1) The decision of the court of common pleas for the 342
removal of a county treasurer may be reviewed on appeal by the 343
court of appeals on questions of law. The transcript of the record 344
and the notice of appeal shall be filed in the court of appeals 345
not more than thirty days after the decision is rendered and the 346
journal entry is made by the court of common pleas. The notice of 347
appeal may be filed only after leave has been granted by the court 348
of appeals for good cause shown at a hearing of which the 349
attorneys for both the county treasurer and the county auditor or 350
board of county commissioners that filed the complaint have been 351
notified. The decision of the court of appeals in refusing to 352
allow a notice of appeal to be filed, or in passing upon the 353
merits of the case in the appellate proceedings, is final. 354

(2) The court of appeals has jurisdiction to hear the case at 355
any place in the judicial district in which the court of appeals 356
may be sitting. The court of appeals shall hear the case not more 357
than thirty court days after the filing of the notice of appeal. 358
If the court of appeals hears the case in any county within its 359
judicial district other than the county in which the county 360
treasurer against whom the complaint was filed resides, the court 361
of appeals shall transmit its findings with the reasons therefor 362
to the clerk of the court of common pleas of the county in which 363
the county treasurer resides, with instructions to the clerk to 364

make the findings of the court a matter of record upon the journal 365
of the court in that county. 366

(3) In all cases before the court of appeals involving the 367
removal of a county treasurer under this section, the county 368
treasurer has the right of review or appeal to the supreme court 369
on leave first obtained, and the supreme court shall hear the case 370
not more than thirty court days after leave has been granted. In 371
all other respects, the hearing shall follow the regular procedure 372
in appealable cases that originate in the court of appeals. 373

(D) In removal proceedings under this section, the court of 374
common pleas and the court of appeals may subpoena witnesses and 375
compel their attendance in the same manner as in civil cases. 376
Process shall be served by the sheriff of the county in which a 377
witness resides. Witness fees and other fees in connection with 378
the removal proceedings shall be the same as in civil cases, and 379
the expenses incurred in removal proceedings shall be paid out of 380
the general revenue fund of the county. 381

(E) Immediately following a final decision that the county 382
treasurer shall be removed from office, the vacancy shall be 383
filled as provided in section 305.02 of the Revised Code. 384

(F) Any individual removed from office under this section is 385
not entitled to hold another public office for at least four years 386
following the date of the final decision and is not entitled to 387
hold another public office until the settlement is made or the 388
money is paid over that was the cause of the suit being instituted 389
under section 321.37 of the Revised Code. 390

Sec. 321.46. (A) To enhance the background and working 391
knowledge of county treasurers in governmental accounting, 392
portfolio reporting and compliance, investments, and cash 393
management, the auditor of state and the treasurer of state shall 394
conduct education programs for persons elected for the first time 395

to the office of county treasurer and shall hold biennial 396
continuing education programs for persons who continue to hold the 397
office of county treasurer. Education programs for newly elected 398
county treasurers shall be held between the first day of December 399
and the first Monday of September next following that person's 400
election to the office of county treasurer. Similar initial 401
training may also be provided to any county treasurer who is 402
appointed to fill a vacancy or who is elected at a special 403
election. 404

(B)(1) The auditor of state shall determine the manner and 405
content of the education programs in the subject areas of 406
governmental accounting and portfolio reporting and compliance. In 407
those areas, newly elected county treasurers shall take at least 408
thirteen hours of education before taking office. 409

(2) The treasurer of state shall determine the manner and 410
content of the education programs in the subject areas of 411
investments and cash management. In those areas, newly elected 412
county treasurers shall take at least thirteen hours of education 413
before taking office. 414

(3)(a) After completing one year in office, a county 415
treasurer shall take not less than twenty-four hours of continuing 416
education during each biennial cycle. For purposes of division 417
(B)(3)(a) of this section, a biennial cycle for continuing 418
education shall be every two calendar years after the treasurer's 419
first year in office. The treasurer of state shall determine the 420
manner and content of the education programs in the subject areas 421
of investments, cash management, the collection of taxes, ethics, 422
and any other subject area that the treasurer of state determines 423
is reasonably related to the duties of the office of the county 424
treasurer. The auditor of state shall determine the manner and 425
content of the education programs in the subject areas of 426
governmental accounting, portfolio reporting and compliance, 427

office management, and any other subject area that the auditor of 428
state determines is reasonably related to the duties of the office 429
of the county treasurer. 430

(b) A county treasurer who accumulates more than twenty-four 431
hours of continuing education in a biennial cycle described in 432
division (B)(3)(a) of this section may credit the hours in excess 433
of twenty-four hours to the next biennial cycle. However, 434
regardless of the total number of hours earned, no more than six 435
hours in the education programs determined by the treasurer of 436
state pursuant to division (B)(3)(a) of this section and six hours 437
in the education programs determined by the auditor of state 438
pursuant to that division shall be carried over to the next 439
biennial cycle. 440

(c) A county treasurer who participates in a training program 441
or seminar established under section 109.43 of the Revised Code 442
may apply the three hours of training to the twenty-four hours of 443
continuing education required in a biennial cycle under division 444
(B)(3)(a) of this section. 445

(C) The auditor of state and the treasurer of state may each 446
charge counties a registration fee that will meet actual and 447
necessary expenses of the training of county treasurers, including 448
instructor fees, site acquisition costs, and the cost of course 449
materials. The necessary personal expenses of county treasurers as 450
a result of attending the training programs shall be borne by the 451
counties the treasurers represent. 452

(D) The auditor of state and the treasurer of state may allow 453
any other interested person to attend any of the education 454
programs that are held pursuant to this section, provided that 455
before attending any such education program, the interested person 456
shall pay to either the auditor of state or the treasurer of 457
state, as appropriate, the full registration fee set for the 458
education program. 459

(E)(1) If a county treasurer fails to complete the initial 460
education programs required by this section before taking office, 461
the treasurer's authority to invest county funds and to manage the 462
county portfolio immediately is suspended, and this authority is 463
transferred to the county's investment advisory committee until 464
full compliance with the initial education programs is determined 465
by the treasurer of state. 466

(2) If a county treasurer fails to complete continuing 467
education programs as required by this section, the county 468
treasurer is subject to divisions (B) to (E) of section 321.47 of 469
the Revised Code, including possible suspension of the treasurer's 470
authority to invest county funds and to manage the county 471
portfolio and transfer of this authority to the county's 472
investment advisory committee. 473

(3) If a county treasurer fails to complete the initial 474
education programs and continuing education programs required by 475
this section, the board of county commissioners may not purchase a 476
policy or policies of professional indemnity insurance for the 477
county treasurer under section 9.831 of the Revised Code. 478

(F)(1) Notwithstanding divisions (B) and (E) of this section, 479
a county treasurer who fails to complete the initial or continuing 480
education programs required by this section shall invest only in 481
the Ohio subdivisions fund pursuant to division (A)(6) of section 482
135.35 of the Revised Code, in no load money market mutual funds 483
pursuant to division (A)(5) of section 135.35 of the Revised Code, 484
or in time certificates of deposit or savings or deposit accounts 485
pursuant to division (A)(3) of section 135.35 of the Revised Code. 486

(2) A county treasurer who has failed to complete the initial 487
education programs required by this section and invests in other 488
than the investments permitted by division (F)(1) of this section 489
immediately shall have the county treasurer's authority to invest 490
county funds and to manage the county portfolio suspended, and 491

this authority shall be transferred to the county's investment 492
advisory committee until full compliance with the initial 493
education programs is determined by the treasurer of state. 494

(3) If a county treasurer fails to complete continuing 495
education programs required by this section and invests in other 496
than the investments permitted by division (F)(1) of this section, 497
the county treasurer is subject to divisions (B) to (E) of section 498
321.47 of the Revised Code, including possible suspension of the 499
treasurer's authority to invest county funds and to manage the 500
county portfolio and transfer of this authority to the county's 501
investment advisory committee. 502

(G)(1) There is hereby created in the state treasury the 503
county treasurer education fund, to be used by the treasurer of 504
state for actual and necessary expenses of education programs held 505
pursuant to this section and section 135.22 of the Revised Code. 506
All registration fees collected by the treasurer of state under 507
this section and section 135.22 of the Revised Code shall be paid 508
into that fund. 509

(2) All registration fees collected by the auditor of state 510
under this section shall be paid into the auditor of state 511
training program fund established under section 117.44 of the 512
Revised Code. 513

(H) The treasurer of state, with the advice and consent of 514
the auditor of state, may adopt reasonable rules not inconsistent 515
with this section for the implementation of this section. 516

Sec. 507.12. (A) To enhance the background and working 517
knowledge of township fiscal officers in governmental finance, the 518
auditor of state shall conduct education programs for individuals 519
elected for the first time to the office of township fiscal 520
officer and shall conduct biennial continuing education courses 521
for individuals who continue to hold the office of township fiscal 522

officer. The Ohio township association also may conduct such 523
education programs and biennial continuing education courses. 524
Similar initial training also may be provided to any township 525
fiscal officer who is appointed to fill a vacancy. The auditor of 526
state, in conjunction with the Ohio township association, shall 527
determine the manner and content of the education programs and 528
continuing education courses in governmental finance. 529

(B) Newly elected township fiscal officers shall take at 530
least thirteen hours of education programs before taking office. A 531
township fiscal officer who participates in a training program 532
held under section 117.44 of the Revised Code may apply those 533
hours taken before taking office to the thirteen hours of 534
education programs required under this division. 535

(C)(1) Each township fiscal officer who is newly elected or 536
newly appointed to a full term of office shall attend and 537
successfully complete at least sixteen hours of continuing 538
education courses during the first year of the township fiscal 539
officer's term of office, and complete at least another eight 540
hours of continuing education courses by the end of that term. A 541
township fiscal officer shall include at least two hours of ethics 542
and substance abuse training in the total twenty-four hours of 543
required courses. Each township fiscal officer who is elected or 544
appointed to a subsequent term of office shall attend and 545
successfully complete twenty-four hours of continuing education 546
courses in each subsequent term of office. To be counted toward 547
the twenty-four hours required by this section, a course shall be 548
approved or conducted by the Ohio township association or be 549
conducted by the auditor of state. A township fiscal officer who 550
teaches an approved course is entitled to credit for the course in 551
the same manner as if the township fiscal officer had attended the 552
course. 553

(2) A certified public accountant who serves as a township 554

fiscal officer may apply to the continuing education hours 555
required by division (C)(1) of this section any hours of 556
continuing education completed under section 4701.11 of the 557
Revised Code after being elected or appointed as a township fiscal 558
officer. 559

(3) A township fiscal officer may apply to the continuing 560
education hours required by division (C)(1) of this section any 561
hours of continuing education completed under section 135.22 of 562
the Revised Code after being elected or appointed as a township 563
fiscal officer. 564

(D) The auditor of state, during the regular financial audit 565
of a township, shall verify the completion of education programs 566
required under division (B) of this section and continuing 567
education courses required under division (C) of this section for 568
the township fiscal officer. The auditor of state shall issue a 569
certificate of completion to each township fiscal officer who 570
completes the education programs and continuing education courses 571
required by this section. The auditor of state shall issue a 572
"failure to complete" notice to any township fiscal officer who is 573
required to complete education programs and continuing education 574
courses under this section, but who fails to do so. The notice is 575
for informational purposes only and does not affect any 576
individual's ability to hold the office of township fiscal 577
officer. If a township fiscal officer does not complete the 578
education programs and continuing education courses required by 579
this section, the board of township trustees may not purchase a 580
policy or policies of professional indemnity insurance for the 581
township fiscal officer under section 9.831 of the Revised Code. 582

(E) Each board of township trustees shall approve a 583
reasonable amount requested by the township fiscal officer to 584
cover the costs the township fiscal officer is required to incur 585
to meet the requirements of this section, including registration 586

fees, lodging and meal expenses, and travel expenses. 587

Sec. 507.15. (A)(1) If a township fiscal officer, through 588
misfeasance, malfeasance, or nonfeasance, fails to make a 589
settlement or to pay over money as prescribed by law, the board of 590
township trustees shall cause suit to be instituted against the 591
officer and against the officer's surety or sureties for the 592
amount due, with a ten per cent penalty on that amount. The suit 593
shall be instituted by the filing of a complaint for the removal 594
of the township fiscal officer with the court of common pleas of 595
the county in which the township fiscal officer against whom the 596
complaint is filed resides. The suit shall have precedence over 597
all civil business. The judge or clerk of the court of common 598
pleas shall cause to be served upon the township fiscal officer 599
the complaint and a notice of hearing, at least ten days before 600
the hearing upon the complaint. The hearing shall be held not 601
later than thirty days after the date of the filing of the 602
complaint. The judge may suspend the township fiscal officer 603
pending the hearing. 604

(2) The township fiscal officer is entitled, with or without 605
counsel, to appear and introduce evidence at the hearing. The 606
township fiscal officer is not entitled to representation by the 607
prosecuting attorney and is personally and solely responsible for 608
payment of attorney's fees and expenses incurred, notwithstanding 609
any other provision of the Revised Code. But if a judge or jury 610
rules against removal from office and the complaint is dismissed, 611
the court shall award reasonable attorney's fees to the township 612
fiscal officer. 613

(B) Removal proceedings shall be tried by the judge, unless a 614
jury trial is demanded in writing by the township fiscal officer 615
against whom the complaint was filed. If a jury trial is so 616
demanded, the jury shall be composed of twelve individuals who 617

satisfy the qualifications of a juror specified in section 2313.42 618
of the Revised Code. If nine or more jurors find one or more of 619
the charges in the complaint are true, the jury shall return a 620
finding for the removal of the township fiscal officer. If less 621
than nine jurors find that the charges in the complaint are true, 622
the jury shall return a finding that the complaint be dismissed. 623
Any finding of the jury shall be filed with the clerk of the court 624
and shall be made a matter of public record. Removal proceedings 625
tried by a judge shall be a matter of public record, and a full 626
detailed statement of the reason for removal shall be filed with 627
the clerk of the court and also shall be made a matter of public 628
record. 629

(C)(1) The decision of the court of common pleas for the 630
removal of a township fiscal officer may be reviewed on appeal by 631
the court of appeals on questions of law. The transcript of the 632
record and the notice of appeal shall be filed in the court of 633
appeals not more than thirty days after the decision is rendered 634
and the journal entry is made by the court of common pleas. The 635
notice of appeal may be filed only after leave has been granted by 636
the court of appeals for good cause shown at a hearing of which 637
the attorneys for both the township fiscal officer and the board 638
of township trustees that filed the complaint have been notified. 639
The decision of the court of appeals in refusing to allow a notice 640
of appeal to be filed, or in passing upon the merits of the case 641
in the appellate proceedings, is final. 642

(2) The court of appeals has jurisdiction to hear the case at 643
any place in the judicial district in which the court of appeals 644
may be sitting. The court of appeals shall hear the case not more 645
than thirty court days after the filing of the notice of appeal. 646
If the court of appeals hears the case in any county within its 647
judicial district other than the county in which the township 648
fiscal officer against whom the complaint was filed resides, the 649

court of appeals shall transmit its findings with the reasons 650
therefor to the clerk of the court of common pleas of the county 651
in which the township fiscal officer resides, with instructions to 652
the clerk to make the findings of the court a matter of record 653
upon the journal of the court in that county. 654

(3) In all cases before the court of appeals involving the 655
removal of a township fiscal officer under this section, the 656
township fiscal officer has the right of review or appeal to the 657
supreme court on leave first obtained, and the supreme court shall 658
hear the case not more than thirty court days after leave has been 659
granted. In all other respects, the hearing shall follow the 660
regular procedure in appealable cases that originate in the court 661
of appeals. 662

(D) In removal proceedings instituted under this section, the 663
court of common pleas and the court of appeals may subpoena 664
witnesses and compel their attendance in the same manner as in 665
civil cases. Process shall be served by the sheriff of the county 666
in which a witness resides. Witness fees and other fees in 667
connection with the removal proceedings shall be the same as in 668
civil cases, and the expenses incurred in removal proceedings 669
shall be paid out of the general revenue fund of the township. 670

(E) Immediately following a final decision that the township 671
fiscal officer shall be removed from office, the vacancy shall be 672
filled as provided in section 503.24 of the Revised Code. 673

(F) Any individual removed from office under this section is 674
not entitled to hold another public office for at least four years 675
following the date of the final decision, and is not entitled to 676
hold another public office until the settlement is made or the 677
money is paid over that was the cause of the suit being instituted 678
under this section. 679

Sec. 733.78. (A) As used in this section, "fiscal officer" 680

means a village fiscal officer, a village clerk-treasurer, an 681
auditor of a municipal corporation, or a treasurer of a municipal 682
corporation. 683

(B)(1) If a fiscal officer, through misfeasance, malfeasance, 684
or nonfeasance, fails to make a settlement or to pay over money as 685
prescribed by law, the legislative authority of the municipal 686
corporation shall cause suit to be instituted against the fiscal 687
officer and against the officer's surety or sureties for the 688
amount due, with a ten per cent penalty on that amount. The suit 689
shall be instituted by the filing of a complaint for the removal 690
of the fiscal officer with the court of common pleas of the county 691
in which the fiscal officer against whom the complaint is filed 692
resides. The suit shall have precedence over all civil business. 693
The judge or clerk of the court of common pleas shall cause to be 694
served upon the fiscal officer the complaint and a notice of 695
hearing, at least ten days before the hearing upon the complaint. 696
The hearing shall be held not later than thirty days after the 697
date of the filing of the complaint. The judge may suspend the 698
fiscal officer pending the hearing. 699

(2) The fiscal officer is entitled, with or without counsel, 700
to appear and introduce evidence at the hearing. The fiscal 701
officer is not entitled to representation by the prosecuting 702
attorney and is personally and solely responsible for payment of 703
attorney's fees and expenses incurred, notwithstanding any other 704
provision of the Revised Code. But if a judge or jury rules 705
against removal from office and the complaint is dismissed, the 706
court shall award reasonable attorney's fees to the fiscal 707
officer. 708

(C) Removal proceedings shall be tried by the judge, unless a 709
jury trial is demanded in writing by the fiscal officer against 710
whom the complaint was filed. If a jury trial is so demanded, the 711

jury shall be composed of twelve individuals who satisfy the 712
qualifications of a juror specified in section 2313.42 of the 713
Revised Code. If nine or more jurors find one or more of the 714
charges in the complaint are true, the jury shall return a finding 715
for the removal of the fiscal officer. If less than nine jurors 716
find that the charges in the complaint are true, the jury shall 717
return a finding that the complaint be dismissed. Any finding of 718
the jury shall be filed with the clerk of the court and shall be 719
made a matter of public record. Removal proceedings tried by a 720
judge shall be a matter of public record, and a full detailed 721
statement of the reason for removal shall be filed with the clerk 722
of the court and also shall be made a matter of public record. 723

(D)(1) The decision of the court of common pleas for the 724
removal of a fiscal officer may be reviewed on appeal by the court 725
of appeals on questions of law. The transcript of the record and 726
the notice of appeal shall be filed in the court of appeals not 727
more than thirty days after the decision is rendered and the 728
journal entry is made by the court of common pleas. The notice of 729
appeal may be filed only after leave has been granted by the court 730
of appeals for good cause shown at a hearing of which the 731
attorneys for both the fiscal officer and the legislative 732
authority of the municipal corporation that filed the complaint 733
have been notified. The decision of the court of appeals in 734
refusing to allow a notice of appeal to be filed, or in passing 735
upon the merits of the case in the appellate proceedings, is 736
final. 737

(2) The court of appeals has jurisdiction to hear the case at 738
any place in the judicial district in which the court of appeals 739
may be sitting. The court of appeals shall hear the case not more 740
than thirty court days after the filing of the notice of appeal. 741
If the court of appeals hears the case in any county within its 742
judicial district other than the county in which the fiscal 743

officer against whom the complaint was filed resides, the court of 744
appeals shall transmit its findings with the reasons therefor to 745
the clerk of the court of common pleas of the county in which the 746
fiscal officer resides, with instructions to the clerk to make the 747
findings of the court a matter of record upon the journal of the 748
court in that county. 749

(3) In all cases before the court of appeals involving the 750
removal of a fiscal officer under this section, the fiscal officer 751
has the right of review or appeal to the supreme court on leave 752
first obtained, and the supreme court shall hear the case not more 753
than thirty court days after leave has been granted. In all other 754
respects, the hearing shall follow the regular procedure in 755
appealable cases that originate in the court of appeals. 756

(E) In removal proceedings instituted under this section, the 757
court of common pleas and the court of appeals may subpoena 758
witnesses and compel their attendance in the same manner as in 759
civil cases. Process shall be served by the sheriff of the county 760
in which a witness resides. Witness fees and other fees in 761
connection with the removal proceedings shall be the same as in 762
civil cases, and the expenses incurred in removal proceedings 763
shall be paid out of the general revenue fund of the municipal 764
corporation. 765

(F) Immediately following a final decision that the fiscal 766
officer shall be removed from office, the legislative authority of 767
the municipal corporation, upon a majority vote, may appoint a 768
successor, who shall give bond and take the oath of office 769
prescribed for fiscal officers and, so long as otherwise qualified 770
under law, shall serve the remainder of the removed fiscal 771
officer's unexpired term. 772

(G) Any individual removed from office under this section is 773
not entitled to hold another public office for at least four years 774
following the date of the final decision, and is not entitled to 775

hold another public office until the settlement is made or the 776
money is paid over that was the cause of the suit being instituted 777
under this section. 778

(H) If a municipal corporation's charter establishes a 779
procedure for the removal of officers from office that conflicts 780
with the removal procedure established by this section, the 781
procedure for the removal of officers in the charter prevails. 782

Sec. 733.81. (A) As used in this section, "fiscal officer" 783
means the auditor of a municipal corporation, treasurer of a 784
municipal corporation, village fiscal officer, village 785
clerk-treasurer, and, in the case of a municipal corporation that 786
does not have an elected fiscal officer, the appointed head of the 787
municipal corporation's finance department. 788

(B) To enhance the background and working knowledge of fiscal 789
officers in governmental finance, the auditor of state shall 790
conduct education programs for individuals elected or appointed 791
for the first time to the office of fiscal officer and shall 792
conduct biennial continuing education courses for individuals who 793
continue to hold the office of fiscal officer. The Ohio municipal 794
league also may conduct such education programs and biennial 795
continuing education courses. Similar initial training also may be 796
provided to any fiscal officer who is appointed to fill a vacancy 797
or who is elected at a special election. The auditor of state, in 798
conjunction with the Ohio municipal league, shall determine the 799
manner and content of the education programs and continuing 800
education courses in governmental finance. 801

(C) Newly elected fiscal officers shall take at least 802
thirteen hours of education programs before taking office. A 803
fiscal officer who participates in a training program held under 804
section 117.44 of the Revised Code may apply those hours taken 805
before taking office to the thirteen hours of education programs 806

required under this division. 807

(D)(1) Each fiscal officer who is newly elected or newly 808
appointed to a full term of office shall attend and successfully 809
complete at least sixteen hours of continuing education courses 810
during the first year of the fiscal officer's term of office, and 811
complete at least another eight hours of continuing education 812
courses by the end of that term. A fiscal officer shall include at 813
least two hours of ethics and substance abuse training in the 814
total twenty-four hours of required courses. Each fiscal officer 815
who is elected or appointed to a subsequent term of office shall 816
attend and successfully complete twenty-four hours of continuing 817
education courses in each subsequent term of office. To be counted 818
toward the twenty-four hours required by this section, a course 819
shall be approved or conducted by the Ohio municipal league or be 820
conducted by the auditor of state. A fiscal officer who teaches an 821
approved course is entitled to credit for the course in the same 822
manner as if the fiscal officer had attended the course. 823

(2) A certified public accountant who serves as a fiscal 824
officer may apply to the continuing education hours required by 825
division (D)(1) of this section any hours of continuing education 826
completed under section 4701.11 of the Revised Code after being 827
elected or appointed as a fiscal officer. 828

(3) A fiscal officer may apply to the continuing education 829
hours required by division (C)(1) of this section any hours of 830
continuing education completed under section 135.22 of the Revised 831
Code after being elected or appointed as a fiscal officer. 832

(E) The auditor of state, during the regular financial audit 833
of a municipal corporation, shall verify the completion of 834
education programs required under division (C) of this section and 835
continuing education courses required under division (D) of this 836
section for each of the municipal corporation's fiscal officers. 837

(F) The auditor of state shall issue a certificate of completion to each fiscal officer who completes the education programs and continuing education courses required by this section. The auditor of state shall issue a "failure to complete" notice to any fiscal officer who is required to complete education programs and continuing education courses under this section, but who fails to do so. The notice is for informational purposes only and does not affect any individual's ability to hold the office to which the individual was elected or appointed. If a fiscal officer does not complete the education programs and continuing education courses required by this section, the legislative authority of the municipal corporation may not purchase a policy or policies of professional indemnity insurance for the fiscal officer under section 9.831 of the Revised Code.

(G) Each legislative authority of a municipal corporation shall approve a reasonable amount requested by the fiscal officer to cover the costs the fiscal officer is required to incur to meet the requirements of this section, including registration fees, lodging and meal expenses, and travel expenses.

Sec. 2921.44. (A) No law enforcement officer shall negligently do any of the following:

(1) Fail to serve a lawful warrant without delay;

(2) Fail to prevent or halt the commission of an offense or to apprehend an offender, when it is in the law enforcement officer's power to do so alone or with available assistance.

(B) No law enforcement, ministerial, or judicial officer shall negligently fail to perform a lawful duty in a criminal case or proceeding.

(C) No officer, having charge of a detention facility, shall negligently do any of the following:

| | |
|---|---|
| (1) Allow the detention facility to become littered or unsanitary; | 868 869 |
| (2) Fail to provide persons confined in the detention facility with adequate food, clothing, bedding, shelter, and medical attention; | 870 871 872 |
| (3) Fail to control an unruly prisoner, or to prevent intimidation of or physical harm to a prisoner by another; | 873 874 |
| (4) Allow a prisoner to escape; | 875 |
| (5) Fail to observe any lawful and reasonable regulation for the management of the detention facility. | 876 877 |
| (D) No public official of the state shall recklessly create a deficiency, incur a liability, or expend a greater sum than is appropriated by the general assembly for the use in any one year of the department, agency, or institution of the state with which the public official is connected. | 878 879 880 881 882 |
| (E) No public servant shall recklessly fail to perform a duty expressly imposed by law with respect to the public servant's office, or recklessly do any act expressly forbidden by law with respect to the public servant's office. | 883 884 885 886 |
| (F) Whoever violates this section is guilty of dereliction of duty, a misdemeanor <u>felony</u> of the second <u>fifth</u> degree. | 887 888 |
| (G) <u>A public servant who is a county treasurer, county auditor, township fiscal officer, auditor of a municipal corporation, treasurer of a municipal corporation, village fiscal officer, village clerk-treasurer, school district treasurer, fiscal officer of a community school established under Chapter 3314. of the Revised Code, treasurer of a science, technology, engineering, and mathematics school established under Chapter 3326. of the Revised Code, or fiscal officer of a college-preparatory boarding school established under Chapter</u> | 889 890 891 892 893 894 895 896 897 |

3328. of the Revised Code and is convicted of or pleads guilty to 898
derelection of duty is disqualified from holding any public 899
office, employment, or position of trust in this state for four 900
years following the date of conviction or of entry of the plea, 901
and is not entitled to hold another public office until any 902
repayment or restitution required by the court is satisfied. 903

(H) As used in this section, "public servant" includes ~~an~~ the 904
following: 905

(1) An officer or employee of a contractor as defined in 906
section 9.08 of the Revised Code; 907

(2) A fiscal officer employed by the operator of a community 908
school established under Chapter 3314. of the Revised Code or by 909
the operator of a college-preparatory boarding school established 910
under Chapter 3328. of the Revised Code. 911

Sec. 3313.30. (A) If the auditor of state or a public 912
accountant, pursuant to section 117.41 of the Revised Code, 913
declares a school district to be unauditabile, the auditor of state 914
shall provide written notification of that declaration to the 915
district and the department of education. The auditor of state 916
also shall post the notification on the auditor of state's web 917
site. 918

(B) If the district's current treasurer held that position 919
during any year for which the district is unauditabile, upon 920
receipt of the notification under division (A) of this section, 921
the district board of education shall suspend the treasurer until 922
the auditor of state or a public accountant has completed an audit 923
of the district. Suspension of the treasurer may be with or 924
without pay, as determined by the district board based on the 925
circumstances that prompted the auditor of state's declaration. 926
The district board shall appoint a person to assume the duties of 927
the treasurer during the period of the suspension. If the 928

appointee is not licensed as a treasurer under section 3301.074 of 929
the Revised Code, the appointee shall be approved by the 930
superintendent of public instruction prior to assuming the duties 931
of the treasurer. The state board of education may take action 932
under section 3319.31 of the Revised Code to suspend, revoke, or 933
limit the license of a treasurer who has been suspended under this 934
division. 935

(C) Not later than forty-five days after receiving the 936
notification under division (A) of this section, the district 937
board shall provide a written response to the auditor of state. 938
The response shall include the following: 939

(1) An overview of the process the district board will use to 940
review and understand the circumstances that led to the district 941
becoming unauditabile; 942

(2) A plan for providing the auditor of state with the 943
documentation necessary to complete an audit of the district and 944
for ensuring that all financial documents are available in the 945
future; 946

(3) The actions the district board will take to ensure that 947
the plan described in division (C)(2) of this section is 948
implemented. 949

(D) If the school district fails to make reasonable efforts 950
and continuing progress to bring its accounts, records, files, or 951
reports into an auditable condition within ninety days after being 952
declared unauditabile, the auditor of state, in addition to 953
requesting legal action under sections 117.41 and 117.42 of the 954
Revised Code, shall notify the district and the department of the 955
district's failure. If the auditor of state or a public accountant 956
subsequently is able to complete a financial audit of the 957
district, the auditor of state shall notify the district and the 958
department that the audit has been completed. 959

(E) Notwithstanding any provision to the contrary in Chapter 3317. of the Revised Code or any other provision of law, upon notification by the auditor of state under division (D) of this section that the district has failed to make reasonable efforts and continuing progress to bring its accounts, records, files, or reports into an auditable condition, the department shall immediately cease all payments to the district under Chapter 3317. of the Revised Code and any other provision of law. Upon subsequent notification from the auditor of state under that division that the auditor of state or a public accountant was able to complete a financial audit of the district, the department shall release all funds withheld from the district under this section. 960
961
962
963
964
965
966
967
968
969
970
971
972

Sec. 3314.011. (A) Every community school established under this chapter shall have a designated fiscal officer. The auditor of state may require by rule that the fiscal officer of any community school, before entering upon duties as fiscal officer of the school, execute a bond in an amount and with surety to be approved by the governing authority of the school, payable to the state, conditioned for the faithful performance of all the official duties required of the fiscal officer. Any such bond shall be deposited with the governing authority of the school, and a copy thereof, certified by the governing authority, shall be filed with the county auditor. 973
974
975
976
977
978
979
980
981
982
983

(B) Prior to assuming the duties of fiscal officer, the fiscal officer designated under this section shall be licensed as a treasurer under section 3301.074 of the Revised Code ~~or shall complete not less than sixteen hours of continuing education classes, courses, or workshops in the area of school accounting as approved by the sponsor of the community school. Any fiscal officer who is not licensed under section 3301.074 of the Revised Code shall complete an additional twenty four hours of continuing~~ 984
985
986
987
988
989
990
991

~~education classes, courses, or workshops in the area of school 992
accounting as approved by the sponsor of the school within one 993
year after assuming the duties of fiscal officer of the school. 994
However, any such classes, courses, or workshops in excess of 995
sixteen hours completed by the fiscal officer prior to assuming 996
the duties of fiscal officer shall count toward the additional 997
twenty four hours of continuing education required under this 998
section. In each subsequent year, any fiscal officer who is not 999
licensed under section 3301.074 of the Revised Code shall complete 1000
eight hours of continuing education classes, courses, or workshops 1001
in the area of school accounting as approved by the sponsor of the 1002
school, except that any person serving as fiscal officer of a 1003
community school on the effective date of this amendment who is 1004
not licensed as a treasurer under section 3301.074 of the Revised 1005
Code shall obtain such licensure not later than one year after 1006
that effective date. No community school shall allow a person to 1007
serve as fiscal officer who is not licensed as required by this 1008
division. 1009~~

Sec. 3314.023. In order to provide monitoring and technical 1010
assistance, a representative of the sponsor of a community school 1011
shall meet with the governing authority or ~~treasurer~~ fiscal 1012
officer of the school and shall review the financial and 1013
enrollment records of the school at least once every month. Not 1014
later than ten days after each review, the sponsor shall provide 1015
the governing authority and fiscal officer with a written report 1016
regarding the review. 1017

Sec. 3314.50. No community school shall, on or after the 1018
effective date of this section, open for operation in any school 1019
year unless the governing authority of the school has posted a 1020
surety bond in the amount of fifty thousand dollars with the 1021
auditor of state. In lieu of a surety bond, a community school 1022

governing authority may deposit with the auditor of state cash in 1023
the amount of fifty thousand dollars as a guarantee of payment. 1024
The bond or cash guarantee shall be used, in the event the school 1025
closes, to pay the auditor of state any moneys owed by the school 1026
for the costs of audits conducted by the auditor of state or a 1027
public accountant under Chapter 117. of the Revised Code. 1028

Immediately upon the filing of a surety bond or the deposit 1029
of cash, the auditor of state shall deliver the bond or cash to 1030
the treasurer of state, who shall hold it in trust for the 1031
purposes prescribed in this section. The treasurer of state shall 1032
be responsible for the safekeeping of all surety bonds filed or 1033
cash deposited under this section. The auditor of state shall 1034
notify the department of education when the school's governing 1035
authority has filed the bond or deposited the cash guarantee. 1036

When the auditor of state finds that a community school has 1037
closed and cannot pay for the costs of audits, the auditor of 1038
state shall declare the surety bond or cash deposit forfeited. The 1039
auditor of state shall certify the amount of forfeiture to the 1040
treasurer of state who shall pay money from the named surety or 1041
from the school's cash deposit as needed to reimburse the auditor 1042
of state or public accountant for costs incurred in conducting 1043
audits of the school. 1044

Sec. ~~267.50.70~~ 3314.51. ~~UNAUDITABLE COMMUNITY SCHOOL (A)~~ 1045

~~(A) If the Auditor~~ auditor of ~~State~~ state or a public 1046
accountant, pursuant to section 117.41 of the Revised Code, 1047
declares a community school ~~established under Chapter 3314. of the~~ 1048
~~Revised Code~~ to be unauditale, the ~~Auditor~~ auditor of ~~State~~ state 1049
shall provide written notification of that declaration to the 1050
school, the school's sponsor, and the ~~Department~~ department of 1051
~~Education~~ education. The ~~Auditor~~ auditor of ~~State~~ state also shall 1052

post the notification on the Auditor ~~auditor~~ of State's ~~state's~~ 1053
web site. 1054

(B) If the community school's current fiscal officer held 1055
that position during any year for which the school is unauditale, 1056
upon receipt of the notification under division (A) of this 1057
section, the governing authority of the school shall suspend the 1058
fiscal officer until the auditor of state or a public accountant 1059
has completed an audit of the school, except that if the school 1060
has an operator and the operator employs the fiscal officer, the 1061
operator shall suspend the fiscal officer for that period. 1062
Suspension of the fiscal officer may be with or without pay, as 1063
determined by the entity imposing the suspension based on the 1064
circumstances that prompted the auditor of state's declaration. 1065
The entity imposing the suspension shall appoint a person to 1066
assume the duties of the fiscal officer during the period of the 1067
suspension. If the appointee is not licensed as a treasurer under 1068
section 3301.074 of the Revised Code, the appointee shall be 1069
approved by the superintendent of public instruction prior to 1070
assuming the duties of the fiscal officer. The state board of 1071
education may take action under section 3319.31 of the Revised 1072
Code to suspend, revoke, or limit the license of a fiscal officer 1073
who has been suspended under this division. 1074

(C) ~~Notwithstanding any provision to the contrary in Chapter~~ 1075
~~3314. of the Revised Code this chapter~~ or any other provision of 1076
law, a the sponsor of a the community school ~~that is notified by~~ 1077
~~the Auditor of State under division (A) of this section that a~~ 1078
~~community school it sponsors is unauditale~~ shall not enter into 1079
contracts with any additional community schools under section 1080
3314.03 of the Revised Code ~~until~~ between ninety days after the 1081
date of the declaration under division (A) of this section and the 1082
date the Auditor ~~auditor~~ of State ~~state~~ or a public accountant has 1083
completed a financial audit of ~~that~~ the school. 1084

~~(C)~~(D) Not later than forty-five days after receiving the notification by the Auditor of State under division (A) of this section ~~that a community school is unauditale~~, the sponsor of the community school shall provide a written response to the ~~Auditor~~ auditor of ~~State~~ state. The sponsor shall provide a copy of the response to the community school. The response shall include the following:

(1) An overview of the process the sponsor will use to review and understand the circumstances that led to the community school becoming unauditale;

(2) A plan for providing the ~~Auditor~~ auditor of ~~State~~ state with the documentation necessary to complete an audit of the community school and for ensuring that all financial documents are available in the future;

(3) The actions the sponsor will take to ensure that the plan described in division ~~(C)~~(D)(2) of this section is implemented.

~~(D)~~(E) If a the community school fails to make reasonable efforts and continuing progress to bring its accounts, records, files, or reports into an auditable condition within ninety days after being declared unauditale, the ~~Auditor~~ auditor of ~~State~~ state, in addition to requesting legal action under sections 117.41 and 117.42 of the Revised Code, shall notify the ~~Department~~ school's sponsor and the department of the school's failure. If the ~~Auditor~~ auditor of ~~State~~ state or a public accountant subsequently is able to complete a financial audit of the school, the ~~Auditor~~ auditor of ~~State~~ state shall notify the ~~Department~~ school's sponsor and the department that the audit has been completed.

~~(E)~~(F) Notwithstanding any provision to the contrary in ~~Chapter 3314. of the Revised Code~~ this chapter or any other provision of law, upon notification by the ~~Auditor~~ auditor of

State state under division ~~(D)~~(E) of this section that a the 1116
community school has failed to make reasonable efforts and 1117
continuing progress to bring its accounts, records, files, or 1118
reports into an auditable condition ~~following a declaration that~~ 1119
~~the school is unauditabile~~, the ~~Department~~ department shall 1120
immediately cease all payments to the school under ~~Chapter 3314-~~ 1121
~~of the Revised Code~~ this chapter and any other provision of law. 1122
Upon subsequent notification from the ~~Auditor~~ auditor of State 1123
state under that division that the ~~Auditor~~ auditor of State state 1124
or a public accountant was able to complete a financial audit of 1125
the community school, the ~~Department~~ department shall release all 1126
funds withheld from the school under this section. 1127

Sec. 3326.211. (A) If the auditor of state or a public 1128
accountant, pursuant to section 117.41 of the Revised Code, 1129
declares a science, technology, engineering, and mathematics 1130
school to be unauditabile, the auditor of state shall provide 1131
written notification of that declaration to the school and the 1132
department of education. The auditor of state also shall post the 1133
notification on the auditor of state's web site. 1134

(B) If the STEM school's current treasurer held that position 1135
during any year for which the school is unauditabile, upon receipt 1136
of the notification under division (A) of this section, the 1137
governing body of the school shall suspend the treasurer until the 1138
auditor of state or a public accountant has completed an audit of 1139
the school. Suspension of the treasurer may be with or without 1140
pay, as determined by the governing body based on the 1141
circumstances that prompted the auditor of state's declaration. 1142
The governing body shall appoint a person to assume the duties of 1143
the treasurer during the period of the suspension. If the 1144
appointee is not licensed as a treasurer under section 3301.074 of 1145
the Revised Code, the appointee shall be approved by the 1146
superintendent of public instruction prior to assuming the duties 1147

of the treasurer. The state board of education may take action 1148
under section 3319.31 of the Revised Code to suspend, revoke, or 1149
limit the license of a treasurer who has been suspended under this 1150
division. 1151

(C) Not later than forty-five days after receiving the 1152
notification under division (A) of this section, the governing 1153
body of the STEM school shall provide a written response to the 1154
auditor of state. The response shall include the following: 1155

(1) An overview of the process the governing body will use to 1156
review and understand the circumstances that led to the school 1157
becoming unauditabile; 1158

(2) A plan for providing the auditor of state with the 1159
documentation necessary to complete an audit of the school and for 1160
ensuring that all financial documents are available in the future; 1161

(3) The actions the governing body will take to ensure that 1162
the plan described in division (C)(2) of this section is 1163
implemented. 1164

(D) If the STEM school fails to make reasonable efforts and 1165
continuing progress to bring its accounts, records, files, or 1166
reports into an auditable condition within ninety days after being 1167
declared unauditabile, the auditor of state, in addition to 1168
requesting legal action under sections 117.41 and 117.42 of the 1169
Revised Code, shall notify the school and the department of the 1170
school's failure. If the auditor of state or a public accountant 1171
subsequently is able to complete a financial audit of the school, 1172
the auditor of state shall notify the school and the department 1173
that the audit has been completed. 1174

(E) Notwithstanding any provision to the contrary in this 1175
chapter or any other provision of law, upon notification by the 1176
auditor of state under division (D) of this section that the STEM 1177
school has failed to make reasonable efforts and continuing 1178

progress to bring its accounts, records, files, or reports into an 1179
auditable condition, the department shall immediately cease all 1180
payments to the school under this chapter and any other provision 1181
of law. Upon subsequent notification from the auditor of state 1182
under that division that the auditor of state or a public 1183
accountant was able to complete a financial audit of the school, 1184
the department shall release all funds withheld from the school 1185
under this section. 1186

Sec. 3328.16. (A) Each college-preparatory boarding school 1187
established under this chapter shall have a designated fiscal 1188
officer. The auditor of state may require by rule that the fiscal 1189
officer of any college-preparatory boarding school, before 1190
entering upon duties as fiscal officer, execute a bond in an 1191
amount and with surety to be approved by the school's board of 1192
trustees, payable to the state, conditioned for the faithful 1193
performance of all the official duties required of the fiscal 1194
officer. Any such bond shall be deposited with the school's board 1195
of trustees, and a copy of the bond shall be certified by the 1196
board and filed with the county auditor. 1197

(B) Prior to assuming the duties of fiscal officer, the 1198
fiscal officer designated under this section shall be licensed as 1199
a treasurer under section 3301.074 of the Revised Code. No 1200
college-preparatory boarding school shall allow a person to serve 1201
as fiscal officer who is not licensed as required by this 1202
division. 1203

Sec. 3328.37. (A) If the auditor of state or a public 1204
accountant, pursuant to section 117.41 of the Revised Code, 1205
declares a college-preparatory boarding school established under 1206
this chapter to be unauditabile, the auditor of state shall provide 1207
written notification of that declaration to the school and the 1208
department of education. The auditor of state also shall post the 1209

notification on the auditor of state's web site. 1210

(B) If the college-preparatory boarding school's current 1211
fiscal officer held that position during any year for which the 1212
school is unauditabile, upon receipt of the notification under 1213
division (A) of this section, the board of trustees of the school 1214
shall suspend the fiscal officer until the auditor of state or a 1215
public accountant has completed an audit of the school, except 1216
that if the fiscal officer is employed by the school's operator, 1217
the operator shall suspend the fiscal officer for that period. 1218
Suspension of the fiscal officer may be with or without pay, as 1219
determined by the entity imposing the suspension based on the 1220
circumstances that prompted the auditor of state's declaration. 1221
The entity imposing the suspension shall appoint a person to 1222
assume the duties of the fiscal officer during the period of the 1223
suspension. If the appointee is not licensed as a treasurer under 1224
section 3301.074 of the Revised Code, the appointee shall be 1225
approved by the superintendent of public instruction prior to 1226
assuming the duties of the fiscal officer. The state board of 1227
education may take action under section 3319.31 of the Revised 1228
Code to suspend, revoke, or limit the license of a fiscal officer 1229
who has been suspended under this division. 1230

(C) Not later than forty-five days after receiving the 1231
notification under division (A) of this section, the board of 1232
trustees of the college-preparatory boarding school shall provide 1233
a written response to the auditor of state. The response shall 1234
include the following: 1235

(1) An overview of the process the board will use to review 1236
and understand the circumstances that led to the school becoming 1237
unauditabile; 1238

(2) A plan for providing the auditor of state with the 1239
documentation necessary to complete an audit of the school and for 1240
ensuring that all financial documents are available in the future; 1241

(3) The actions the board will take to ensure that the plan 1242
described in division (C)(2) of this section is implemented. 1243

(D) If the college-preparatory boarding school fails to make 1244
reasonable efforts and continuing progress to bring its accounts, 1245
records, files, or reports into an auditable condition within 1246
ninety days after being declared unauditale, the auditor of 1247
state, in addition to requesting legal action under sections 1248
117.41 and 117.42 of the Revised Code, shall notify the school and 1249
the department of the school's failure. If the auditor of state or 1250
a public accountant subsequently is able to complete a financial 1251
audit of the school, the auditor of state shall notify the school 1252
and the department that the audit has been completed. 1253

(E) Notwithstanding any provision to the contrary in this 1254
chapter or any other provision of law, upon notification by the 1255
auditor of state under division (D) of this section that the 1256
college-preparatory boarding school has failed to make reasonable 1257
efforts and continuing progress to bring its accounts, records, 1258
files, or reports into an auditable condition, the department 1259
shall immediately cease all payments to the school under this 1260
chapter and any other provision of law. Upon subsequent 1261
notification from the auditor of state under that division that 1262
the auditor of state or a public accountant was able to complete a 1263
financial audit of the school, the department shall release all 1264
funds withheld from the school under this section. 1265

Section 2. (A) That existing sections 305.03, 319.04, 319.26, 1266
321.37, 321.38, 321.46, 2921.44, 3314.011, and 3314.023 and 1267
section 319.25 of the Revised Code are hereby repealed. 1268

(B) That existing Section 267.50.70 of Am. Sub. H.B. 153 of 1269
the 129th General Assembly is hereby repealed. 1270