As Introduced

132nd General Assembly
Regular Session **H. B. No. 705**
2017-2018

Representatives Hambley, Ingram
Cosponsors: Representatives Scherer, Hill, Riedel, Seitz, Speaker Smith

A BILL

To amend sections 3313.25, 3313.31, and 3319.36 of the Revised Code regarding the circumstances in which school district and educational service center treasurers may be held liable for a loss of public funds.

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

Section 1. That sections 3313.25, 3313.31, and 3319.36 of the Revised Code be amended to read as follows:

Sec. 3313.25. Before entering upon the duties of ~~his~~ office, the treasurer of each board of education shall execute a bond, in an amount and with surety to be approved by the board, payable to the state, conditioned for the faithful performance of all the official duties required of ~~him~~ the treasurer. Such bond must be deposited with the president of the board, and a copy thereof, certified by ~~him~~ the president, shall be filed with the county auditor.

A treasurer shall not be held liable for a loss of public funds when the treasurer has performed all official duties required of the treasurer with reasonable care, but shall be

liable only when a loss of public funds results from the treasurer's negligence or other wrongful act.

Sec. 3313.31. (A) All the duties and obligations of the county auditor, county treasurer, or other officer or person relating to the moneys of a school district shall be complied with by dealing with the treasurer of the board of education thereof.

The treasurer shall be the chief fiscal officer of the school district, shall be responsible for the financial affairs of the district, and shall report to and is subject to the direction of the district board of education. Except as otherwise required by law, no treasurer shall be required to verify the accuracy of nonfinancial information or data of the school district.

No treasurer shall be liable for a loss of public funds that results from a treasurer's reliance on the accuracy of nonfinancial information or data of the school district, including reports in the education management information system under section 3301.0714 of the Revised Code, pupil transportation reports, and licensure or other credentialing information unless the loss results from the treasurer's negligence or other wrongful act.

(B) Notwithstanding any provision of the Revised Code to the contrary, but subject to section 3319.40 of the Revised Code, in all school districts and educational service centers, the treasurer shall direct and assign employees directly engaged in the day-to-day fiscal operations of the district or service center, as those employees are so designated by the board of the district or service center.

Sec. 3319.36. (A) No treasurer of a board of education or educational service center shall draw a check for the payment of a teacher for services until ~~the teacher files with the treasurer~~ both of the following conditions are satisfied:

(1) ~~Such~~ The treasurer receives a written statement from the district or service center superintendent, or superintendent's designee, that the teacher has filed with the superintendent or designee such reports as are required by the state board of education, the school district board of education, or the district or service center superintendent ~~of schools~~;

(2) Except ~~for~~ in the case of a teacher who is engaged pursuant to section 3319.301 of the Revised Code, the treasurer receives a written statement from the ~~city, exempted village, or local school~~ district or service center superintendent or the ~~educational service center superintendent~~ superintendent's designee that the teacher has filed with the ~~treasurer~~ superintendent or designee a legal educator license, or true copy of it, to teach the subjects or grades taught, with the dates of its validity. The state board of education shall prescribe the record and administration for such filing of educator licenses in educational service centers.

Prior to filing the written statements prescribed by divisions (A)(1) and (2) of this section, each teacher shall file the required reports and license with the district or service center superintendent or superintendent's designee.

(B) Notwithstanding division (A) of this section, the treasurer may pay any of the following:

(1) Any teacher for services rendered during the first two

months of the teacher's initial employment with the school district or educational service center, provided such teacher is the holder of a bachelor's degree or higher and has filed with the state board of education an application for the issuance of an educator license described in division (A)(1) of section 3319.22 of the Revised Code. The requirement for a bachelor's degree shall not apply to career-technical education teachers licensed under sections 3319.226 and 3319.229 of the Revised Code.

(2) Any substitute teacher for services rendered while conditionally employed under section 3319.101 of the Revised Code.

(3) Any employee for services rendered under division (F) of section 3319.088 of the Revised Code.

(C) Upon notice to the treasurer given by the state board of education or any superintendent having jurisdiction that reports required of a teacher have not been made, the treasurer shall withhold the salary of the teacher until the required reports are completed and furnished.

(D) No treasurer of a board of education or educational service center shall be liable for a loss of public funds for any payments to a teacher that are made by the treasurer in compliance with this section, unless the loss results from the treasurer's negligence or other wrongful act.

(E) No superintendent of a school district or educational service center or the superintendent's designee shall be liable for a loss of public funds for any payments to a teacher that are made by the district or service center treasurer in compliance with this section, unless the loss results from the

superintendent's negligence or other wrongful act.

Section 2. That existing sections 3313.25, 3313.31, and 3319.36 of the Revised Code are hereby repealed.