

As Passed by the House

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Am. H. B. No. 705

Representatives Hambley, Ingram

Cosponsors: Representatives Scherer, Hill, Riedel, Seitz, Speaker Smith, Representatives Blessing, Anielski, Antonio, Arndt, Ashford, Barnes, Boyd, Brown, Craig, Galonski, Ginter, Green, Holmes, Hoops, Householder, Kent, Lepore-Hagan, Manning, O'Brien, Patterson, Roegner, Rogers, Strahorn, Thompson, West, Young

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. (A) 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.

(B) (1) 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. 16
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(2) The department of education shall not consider the loss of public funds not resulting from the treasurer's negligence or other wrongful act a violation of the treasurer's professional duties, provided the treasurer has performed all official duties required of the treasurer with reasonable care. 21
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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. 26
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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. 31
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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. 38
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(B) Notwithstanding any provision of the Revised Code to 46
the contrary, but subject to section 3319.40 of the Revised 47
Code, in all school districts and educational service centers, 48
the treasurer shall direct and assign employees directly engaged 49
in the day-to-day fiscal operations of the district or service 50
center, as those employees are so designated by the board of the 51
district or service center. 52

Sec. 3319.36. (A) No treasurer of a board of education or 53
educational service center shall draw a check for the payment of 54
a teacher for services until ~~the teacher files with the~~ 55
~~treasurer~~ both of the following conditions are satisfied: 56

(1) ~~Such~~ The treasurer receives a written statement from 57
the district or service center superintendent, or 58
superintendent's designee, that the teacher has filed with the 59
superintendent or designee such reports as are required by the 60
state board of education, the school district board of 61
education, or the district or service center superintendent ~~of~~ 62
~~schools;~~ 63

(2) Except ~~for~~ in the case of a teacher who is engaged 64
pursuant to section 3319.301 of the Revised Code, the treasurer 65
receives a written statement from the ~~city, exempted village, or~~ 66
~~local school~~ district or service center superintendent or the 67
~~educational service center superintendent~~ superintendent's 68
designee that the teacher has filed with the ~~treasurer~~ 69
superintendent or designee a legal educator license, or true 70
copy of it, to teach the subjects or grades taught, with the 71
dates of its validity. The state board of education shall 72
prescribe the record and administration for such filing of 73
educator licenses in educational service centers. 74

Prior to filing the written statements prescribed by 75

divisions (A) (1) and (2) of this section, each teacher shall 76
file the required reports and license with the district or 77
service center superintendent or superintendent's designee. 78

(B) Notwithstanding division (A) of this section, the 79
treasurer may pay any of the following: 80

(1) Any teacher for services rendered during the first two 81
months of the teacher's initial employment with the school 82
district or educational service center, provided such teacher is 83
the holder of a bachelor's degree or higher and has filed with 84
the state board of education an application for the issuance of 85
an educator license described in division (A) (1) of section 86
3319.22 of the Revised Code. The requirement for a bachelor's 87
degree shall not apply to career-technical education teachers 88
licensed under sections 3319.226 and 3319.229 of the Revised 89
Code. 90

(2) Any substitute teacher for services rendered while 91
conditionally employed under section 3319.101 of the Revised 92
Code. 93

(3) Any employee for services rendered under division (F) 94
of section 3319.088 of the Revised Code. 95

(C) Upon notice to the treasurer given by the state board 96
of education or any superintendent having jurisdiction that 97
reports required of a teacher have not been made, the treasurer 98
shall withhold the salary of the teacher until the required 99
reports are completed and furnished. 100

(D) No treasurer of a board of education or educational 101
service center shall be liable for a loss of public funds for 102
any payments to a teacher that are made by the treasurer in 103
compliance with this section, unless the loss results from the 104

treasurer's negligence or other wrongful act. 105

(E) No superintendent of a school district or educational 106
service center or the superintendent's designee shall be liable 107
for a loss of public funds for any payments to a teacher that 108
are made by the district or service center treasurer in 109
compliance with this section, unless the loss results from the 110
superintendent's negligence or other wrongful act. 111

Section 2. That existing sections 3313.25, 3313.31, and 112
3319.36 of the Revised Code are hereby repealed. 113

Section 3. The amendments by this act of sections 3313.25, 114
3313.31, and 3319.36 of the Revised Code are remedial in nature 115
and apply to any proceeding, investigation, or citation 116
involving a school treasurer that, as of the effective date of 117
this act, have not reached final adjudication, including all 118
available appeals. 119