



# OHIO SCHOOLS COUNCIL

6393 Oak Tree Blvd., Suite 377  
Independence, Ohio 44131  
www.osconline.org

P: 216-447-3100  
F: 216-447-1606



UNIQUE SERVICES



SUPPORT



SAVINGS

March 22, 2022

## 2021-22 Board of Directors

Scott Goggin  
OSC Chairperson

Dear: Chairwoman Gavarone, Vice Chair O'Brien, Ranking Member Maharath, and members of the Senate Local Government and Elections Committee, thank you for the opportunity to provide opponent testimony regarding SB 260.

Jack Thompson  
OSC Vice Chairperson

My name is Dr. Bill Zelei. I speak to you today with a fair amount of background and experience, which I believe, uniquely qualifies me to present an opposing view of this legislation.

Kathryn Powers  
OSC Past Chairperson

I am a former school board member, school business manager, school superintendent and associate superintendent for the Ohio Department of Education and am currently serving as the executive director of the Ohio Schools Council (OSC). I am speaking to you today on behalf of myself and the superintendents who comprise the Board of Directors of the Ohio Schools Council.

Fred Bolden  
OSC Director

Andrea Celico  
OSC Director

Franco Gallo  
OSC Director

The OSC is a joint purchasing agency, representing over 250 public school districts, private schools, public community schools and municipalities in 37 counties across northern Ohio. It is organized as a regional Council of Governments (COG) under ORC 167.07, audited annually by the Ohio Auditor of State, as an Ohio public agency, and directed by superintendents of its member school districts. The OSC is a member of the Ohio Council of Educational Purchasing Consortia (OCEPC) and one of six regional purchasing agencies in the State of Ohio.

Robert Hlasko  
OSC Director

Robert Mengerink  
OSC Director

Michael Zalar  
OSC Director

The OSC provides its members with joint purchasing in the areas of energy, educational and operational supplies and equipment, technology hardware/software and insurances. In addition, the OSC provides library services, business support services, school safety/security services, food service consulting and architectural/engineering services. Finally, and most relevant to today's discussion, the OSC bids and provides contracts for construction services, school buses and cafeteria food/supplies that meet ORC 3313.46 bid requirements and federal bid requirements.

William J. Zelei  
Executive Director  
(216) 447-3100, ext. 6102  
wzelei@osconline.org

Dennis L. Allen  
Assistant Executive Director  
(216) 447-3100, ext. 6100  
dallen@osconline.org

My purpose today is to provide information related to the unintended, negative consequences that will impact Ohio school districts and Ohio businesses, if Senate Bill 260 becomes law in its current form. Proponents have indicated that SB 260 would merely clarify some confusion between ORC 167.081 and ORC 9.48 related to construction services and provide Ohio school districts with construction service options through out-of-state joint purchasing agencies.

YOUR SUCCESS  
IS OUR SUCCESS



Unfortunately, this is not accurate. Rather, SB 260, in its current form, would create more ambiguity, confusion and risk for Ohio public school districts, would potentially undermine Ohio business' opportunities to bid on construction service contracts and would redirect hundreds of thousands of dollars of administrative fees from Ohio school districts to out-of-state private joint purchasing agencies.

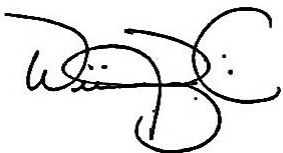
Because SB 260 does not require that out-of-state joint purchasing agencies adhere to Ohio Construction Services Bid Requirements as outlined in ORC 3313.46, SB 260 would:

- A) Allow out-of-state joint purchasing agencies to offer construction service contracts, to OSC school districts, that do not meet 'construction services bid requirements' as outlined in ORC 3313.46
- B) Put OSC school districts in a position where they must determine if the contract being offered, by the out-of-state joint purchasing agency, meets ORC 3313.46
- C) Put OSC school districts at risk of violating ORC 3313.46, if the contract being offered, by the out-of-state joint purchasing agency does not meet ORC 3313.46
- D) Put OSC school districts at risk of paying higher costs for construction services contracts
- E) Put OSC school districts at risk of fraud
- F) Put Ohio businesses at a disadvantage in accessing Ohio Construction Service Contracts, if the bid is not published in a 'newspaper of general distribution', per ORC 3313.46
- G) Put OSC districts at risk of increased fees and reduced services, as hundreds of thousands of dollars in administrative fees are sent to out-of-state private joint purchasing agencies

We believe the Ohio legislature acted appropriately, by including construction services in ORC 167.081, thereby allowing 'in-state' joint purchasing agencies to perform this service. This ensured that ORC 3313.46 Ohio Construction Services Requirements were followed. We believe the Ohio legislature further acted appropriately by allowing all other product and services, not restricted by the Ohio Revised Code, to be included in ORC 9.48, thereby permitting school districts to utilize both in-state and out-of-state joint purchasing agencies for these products and services.

In today's world, school board members and school administrators do not need more ambiguity, more risk, or more questions about whether a contract will meet state law. Based on my 38 years of service and my Board's combined 200+ years of school administrative experience, we strongly and respectfully urge you not to move this legislation forward in its current form.

Thank you for the opportunity to provide opponent testimony to SB 260.



William J. Zelei, MBA, Ed.D.  
Executive Director  
Ohio School Council