



House Government Oversight Committee  
Senate Bill 91  
Ohio Association of School Business Officials  
Buckeye Association of School Administrators  
December 5, 2023

Chair Peterson, Vice Chair Thomas, Ranking Member Humphrey, and members of the House Government Oversight Committee, thank you for the opportunity to provide written testimony on Senate Bill (SB) 91. Our organizations represent public school district superintendents, treasurers/CFOs, business managers and other school business officials from around the state.

On behalf of our members, we would like to extend our sincere appreciation to the bill sponsor, Senator Schaffer, and Auditor of State, Keith Faber, for working with us and the other local government associations on this legislation. Our members serve as the stewards of public funds and protecting those funds against fraud and theft is of the upmost importance.

The essence of SB 91 aligns with our principles—to promptly identify and report instances of fraud and theft, facilitating the recovery of public funds, and the appropriate penalization of those responsible. The bill establishes a roster of public employees and officials obligated to report fraud, waste, and abuse through the Auditor of State’s fraud reporting system.

One concern our members had with the bill related to the need to define what was meant by “misappropriation” and “misuse.” Considering the crimes of fraud and theft are defined by statute and require intent, we stressed the importance of defining the terms “misappropriation” and “misuse,” as well as including a *mens rea*, or criminal intent for each act.

We appreciate that the substitute bill accepted by this Committee defines the terms “misappropriation” and “misuse” and requires the *mens rea* of “knowingly” for both crimes. The updated terms and the addition of the criminal intent, or *mens rea*, helps to clarify what public officials and employees must report.

The mandatory training on the Auditor of State’s fraud reporting system will be very important as these updates are implemented. We look forward to collaborating with the Auditor of State to inform that training and guidance to ensure that the intent of this legislation is carried out.

Thank you again for the opportunity to submit testimony. Should you have questions, please do not hesitate to contact us.

Respectfully submitted,

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