



Akron Public Schools

Sylvester Small Administration Building

**Senate Transportation, Commerce and Workforce Committee
Opponent Testimony on HB 442
Ryan Pendleton, Treasurer/CFO Akron Public Schools
December 16, 2020**

Chairman McColley, Vice Chairman Johnson, Ranking Member Antonio and Members of the Senate Transportation, Commerce and Workforce Committee, thank you for this opportunity to express opposition to House Bill (HB) 442, as amended. My name is Ryan Pendleton, Treasurer/CFO of Akron Public Schools, the fifth largest district in Ohio with approximately 22,000 students enrolled. We have a general fund budget of approximately \$350 million in general funds, \$48 million in federal funds, \$73 million for capital projects funds, \$56 million for health insurance fund for a grand total of more than \$527 million.

As you will likely hear from my colleagues and other individuals as to the necessity of holding a license in order to be a school treasurer in the State of Ohio, I wanted to give you a little more background about the chronology of how treasurers came to be in Ohio and what makes Ohio exemplar in public funds stewardship.

Responsibilities

The current Ohio Teacher Evaluation System standards document outlines the roles and responsibilities of a school treasurer as follows: The role of an effective treasurer encompasses a multitude of responsibilities, each essential to the fiscal health of the district. Treasurers are:

- Fiscal leaders and advisors who clearly understand the economic resources and provide sound financial guidance that assists the district leadership team in the decision-making process;
- Communicators and collaborators who disseminate and articulate the financial status of the district through the statutorily mandated five-year forecast; and
- Professionals who adhere to established ethical standards, which includes undergoing a detailed annual audit performed by the Ohio Auditor of State, in addition to several statutorily mandated training.

School treasurers are entrusted with protecting the fiscal health of the district. To perform these roles and responsibilities, they must execute their duties with the utmost conscientiousness, collaboration and ethical behavior; additionally, they must possess an extensive set of skills and knowledge. Treasurers lead by demonstrating and nurturing high levels of trust based on their competence, integrity, ethics and high expectations.

The current licensing standards and continued professional development ensures that school

treasurers have the qualifications necessary to successfully manage a school district. Treasurers in Ohio are fortunate to have the Ohio Association of School Business Officials (OASBO) as a resource for the required and necessary professional development to further cultivate their skills and knowledge.

History

In 1936, 27 school business representatives came together to form the Ohio Association of School Business Officials with the purpose: "The study, analysis and dissemination of the most efficient methods, practices and standards in all matters of school business administration and the promulgation and establishment of high standards of ethics and efficiency in business methods and practices."

In 1947, OASBO past president Robert Shafer became president of Association of School Business Officials International (ASBO) and in 1965 OASBO received a Certification from ASBO.

In the 1970's, the only requirement to be a treasurer in Ohio was to be a citizen of the United States. Receiving a high school diploma and having good bookkeeping skills could obtain a position as a school treasurer. By 1975, bookkeeping was transitioning to computers and the Uniform School Accounting System was created. It was not until 1978 that the position of Clerk is titled Treasurer.

In 1983, legislation is passed requiring treasurers to be licensed by the state of Ohio. Treasurers continued to receive professional development for this licensure through annual workshops beginning in 1988 that continue through today.

Treasurers recognize the need for additional professional development to assist them in acquiring and maintaining their licenses. Working collectively through OASBO, several courses and programs were developed including the Certified Ohio School Business Official certification program in 2002.

Additional guidance included proper accounting in regards to Federal Stimulus Act monies to Ohio in 2009 and creating Professional Standards for treasurers in 2010. A full-scale Essentials curriculum to aid those seeking their Treasurer license was developed in 2017 and the Ohio Department of Education approved a proposal from OASBO for an alternative pathway to Treasurer Licensure including curriculum-based training, a five-year forecast capstone project, and a formal assessment in 2018.

Conclusion

School treasurers are nearing their 85th year journey in Ohio. Countless school treasurers have contributed to mentoring and providing professional development to their peers through the decades.

In the public school system, educators including superintendents, psychologists, counselors and teachers are required to hold a license. In the private realm, financial planners, investment plan advisors and accountants that we rely on in our personal lives for financial needs also require

licensing. As you can see from my testimony, school treasurers and the organizations that depend on them, have a long history of financial stewardship and being held to a higher standard. A school treasurer is responsible for not only the fiscal well-being of school districts but also the proper stewardship of citizen voted tax revenues.

We need to maintain the high standards required for licensure in Ohio and urge you to reject H.B. 442.

Thank you for the opportunity to testify today. I am happy to answer questions from the committee.