

**As Reported by the House Government Accountability and Oversight  
Committee**

**132nd General Assembly**

**Regular Session  
2017-2018**

**Am. H. B. No. 705**

**Representatives Hambley, Ingram**

**Cosponsors: Representatives Scherer, Hill, Riedel, Seitz, Speaker Smith,  
Representative Blessing**

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**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 17  
duties required of the treasurer with reasonable care, but shall 18  
be liable only when a loss of public funds results from the 19  
treasurer's negligence or other wrongful act. 20

(2) The department of education shall not consider the 21  
loss of public funds not resulting from the treasurer's 22  
negligence or other wrongful act a violation of the treasurer's 23  
professional duties, provided the treasurer has performed all 24  
official duties required of the treasurer with reasonable care. 25

**Sec. 3313.31.** (A) All the duties and obligations of the 26  
county auditor, county treasurer, or other officer or person 27  
relating to the moneys of a school district shall be complied 28  
with by dealing with the treasurer of the board of education 29  
thereof. 30

The treasurer shall be the chief fiscal officer of the 31  
school district, shall be responsible for the financial affairs 32  
of the district, and shall report to and is subject to the 33  
direction of the district board of education. Except as 34  
otherwise required by law, no treasurer shall be required to 35  
verify the accuracy of nonfinancial information or data of the 36  
school district. 37

No treasurer shall be liable for a loss of public funds 38  
that results from a treasurer's reliance on the accuracy of 39  
nonfinancial information or data of the school district, 40  
including reports in the education management information system 41  
under section 3301.0714 of the Revised Code, pupil 42  
transportation reports, and licensure or other credentialing 43  
information unless the loss results from the treasurer's 44  
negligence or other wrongful act. 45

(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

<u>treasurer's negligence or other wrongful act.</u>	105
<u>(E) No superintendent of a school district or educational</u>	106
<u>service center or the superintendent's designee shall be liable</u>	107
<u>for a loss of public funds for any payments to a teacher that</u>	108
<u>are made by the district or service center treasurer in</u>	109
<u>compliance with this section, unless the loss results from the</u>	110
<u>superintendent's negligence or other wrongful act.</u>	111
<b>Section 2.</b> That existing sections 3313.25, 3313.31, and	112
3319.36 of the Revised Code are hereby repealed.	113
<b>Section 3.</b> 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