



Ohio Revised Code

Section 126.07 Certification of balance statement in all contracts.

Effective: September 29, 2013

Legislation: House Bill 59 - 130th General Assembly

Except as provided in division (B) of section 126.21 of the Revised Code, no contract, agreement, or obligation involving the expenditure of money chargeable to an appropriation, nor any resolution or order for the expenditure of money chargeable to an appropriation, shall be valid and enforceable unless the director of budget and management first certifies that there is a balance in the appropriation not already obligated to pay existing obligations, in an amount at least equal to the portion of the contract, agreement, obligation, resolution, or order to be performed in the current fiscal year. Any written contract or agreement entered into by the state shall contain a clause stating that the obligations of the state are subject to this section.

The chief administrative officer of a state agency is responsible for the preaudit and approval of expenditures and other transactions of the agency. In order to initiate the making of a payment from the state treasury, the person in a state agency who requests that the payment be made shall first submit to the chief administrative officer of the agency all invoices, claims, vouchers, and other documentation related to the payment. The chief administrative officer shall examine each voucher and all other documentation required to support the voucher and determine whether they meet all the requirements established by the director of budget and management for making the payment. If they do meet those requirements, the chief administrative officer shall certify to the director the approval of the chief administrative officer for payment.

Prior to drawing a warrant or processing an electronic funds transfer as provided in section 126.35 of the Revised Code, the director may review and audit the voucher, any documentation accompanying the voucher, and any other documentation related to the transaction that the director may require to determine if the transaction is in accordance with law. The director shall not approve payment to be made if the director finds that there is not an unobligated balance in the appropriation for the payment, that the payment is not for a valid claim against the state that is legally due, or that insufficient documentation has been submitted. If the director does not approve payment, the director shall notify the agency of the reasons the director has not given approval.



In approving payments to be made under this section, the director, upon receipt of certification from the director of job and family services pursuant to section 4141.231 of the Revised Code, shall withhold from amounts otherwise payable to a person who is the subject of the director of jobs and family services' certification, the amount certified to be due and unpaid to the director of job and family services, and shall approve for payment to the director of job and family services, the amount withheld.

As used in this section and in section 126.21 of the Revised Code, "chief administrative officer" means either of the following:

- (A) The director of the agency or, in the case of a state agency without a director, the equivalent officer of that agency;
- (B) The designee of the chief administrative officer for the purposes of such sections.