



## Ohio Administrative Code Rule 3301-92-04 Reporting five-year projections.

Effective: December 1, 2022

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The provisions of this rule only apply to city, exempted village, local and joint vocational districts.

### (A) Definitions.

- (1) The terms "five-year forecast" and "five-year projections" are used interchangeably and refer to the "five-year projections of operational revenues and expenditures" described in section 5705.391 of the Revised Code.
- (2) The term "fiscal oversight" refers to the three fiscal declaration categories established under Chapter 3316. of the Revised Code: fiscal caution, fiscal watch, and fiscal emergency.
- (3) All references to the "department" refer to the Ohio department of education.
- (4) All references to the "auditor" refer to the Ohio auditor of state.

### (B) Submission dates.

- (1) No later than November thirtieth of each fiscal year, a board of education shall submit to the department a board of education approved five-year projection of operational revenues and expenditures for the current fiscal year and the ensuing four fiscal years. A board of education may approve and submit its five-year projection to the department up to sixty days in advance of this due date.
- (2) .By May thirty-first of each fiscal year, a board of education shall submit to the department a board of education approved update of its five-year projection. A board of education may approve and submit the update of its five-year projection up to sixty days in advance of this due date.
- (3) Nothing precludes a board of education from filing other updates to its five-year projection at any



time in addition to the filings required by paragraphs (B)(1) and (B)(2) of this rule.

(C) Submission Requirements.

(1) All five-year forecasts shall:

- (a) Use the known operational revenues, expenditures, and resulting cash balance of the district as the basis for projections;
- (b) Include accompanying notes for each reported line item that describe the assumptions used to develop the projected amounts;
- (c) Contain all required information and be in the format prescribed by the department and auditor;
- (d) Be approved by the board of education; and
- (e) Be submitted to the department through the education management information system (EMIS).

(2) The department of education or auditor of state may require historical financial information.

(D) Examinations.

- (1) The department or the auditor shall examine, at no cost to the district, the five-year projections and determine whether any further fiscal analysis is needed to ascertain whether a district has the potential to incur a deficit during the first three years of the five-year period, and may make recommendations to update a five-year forecast submission used on their examination.

(E) Written plan requirements.

- (1) A board of education notified under division (A) of section 5705.391 of the Revised Code shall submit a board of education approved written plan to the department to eliminate any current fiscal year deficits and avoid the projected future deficits.



- (2) All written plans are to be in the format prescribed by the department and contain the following information:
- (a) A summary narrative describing the district's plan to eliminate the forecasted deficits which demonstrates the board of education's understanding of the fiscal distress reflected in the projections and acknowledges the board of education's responsibility to resolve the forecasted deficits;
  - (b) A completed written plan workbook using the workbook template provided by the department, unless the board of education requests and the department approves an alternative format; and
  - (c) An explanation of how the board of education will be kept informed on the status of the written plan implementation including the financial reports to be used to monitor and manage the district's financial status.
- (3) The department may request the written plan to be submitted through EMIS.
- (4) All written plans are due within forty-five days of the date of the notification letter which required the written plan, unless extended by the department. Prior to the original due date of the written plan, a district board of education may submit, via email, a written request for an extension. The extension request will be approved or disapproved at the discretion of the department.
- (5) The department will evaluate written plan submissions and either approve or disapprove the plans. If the initial written plan is disapproved, recommendations to render the written plan acceptable will be provided along with a due date to remedy the identified written plan deficiencies.
- (F) Written plan implementation and results monitoring.
- (1) If the board of education fails to submit a written plan or does not modify a disapproved plan to render it approvable by the due date established by the department, it may be cause for the district to be subject to fiscal oversight in accordance with Chapter 3316. of the Revised Code.
  - (2) The department may request the board of education to update the district's five-year forecast, including assumptions, to be consistent with the board of education's written plan approved by the



department. If the board of education does not update the forecast as requested, the department may determine the district to be subject to fiscal oversight in accordance with Chapter 3316. of the Revised Code.

(3) The department may request evidence the board of education is monitoring the implementation of the written plan. This evidence may include documentation necessary to identify and evaluate the sufficiency of the actions taken by the board to correct the budgetary conditions which prompted the need for the written plan and to determine if fiscal oversight is necessary to prevent further fiscal decline. If the board does not provide evidence, the department may determine the district to be subject to fiscal oversight in accordance with Chapter 3316. of the Revised Code.