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Ohio Administrative Code

Rule 3301-92-05 Certification of adequate revenue.

Effective: November 1, 2026

(A) As used in this rule:

(1) "Qualifying contract" has the same meaning as in section 5705.412 of the Revised Code.

(2) "Financial forecast" has the same meaning as in rule 331-92-04 of the Administrative Code.

(B) Expenditures that, if they meet the criteria in divisions (A)(1) and (A)(2) of section 5705.412 of the Revised Code, are to be qualifying contracts include, but are not limited to, each of the following:

(1) Negotiated agreements;

(2) Contracts for benefits;

(3) Construction contracts, if the source of funds is included in the school district's financial forecast under section 5705.391 of the Revised Code.

(C) The events for which each school district shall certify the availability of revenue pursuant to section 5705.412 of the Revised Code include, but are not limited to, each of the following:

(1) Qualifying contracts;

(2) Appropriation measures;

(3) Increased salary or wage schedules.

(D) For the purpose of certifying revenue pursuant to section 5705.412 of the Revised Code, a school district may use the following guidelines for estimating revenue:

(1) Property taxes;

(a) For current year revenues, estimates may be based on assessed values and effective tax rates.

(b) For future years, revenue growth may be based on historical patterns including, but not limited to, reappraisal, updates, unusual growth or declines in valuation, collection rates and refunds.

(c) Certifications of appropriation measures under section 5705.412 of the Revised Code shall not anticipate the renewal of existing levies nor anticipate the revenue from a new levy.

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(d) All other certifications under section 5705.412 of the Revised Code may anticipate the renewal of existing levies.

(2) Income taxes;

(a) Income tax estimates may be based on estimates provided by the department of taxation.

(b) Certifications of appropriation measures under section 5705.412 of the Revised Code shall not anticipate the approval to extend a current income tax beyond its expiration nor anticipate the revenue from a new levy.

(c) All other certifications under section 5705.412 of the Revised Code may anticipate the approval to extend a current income tax beyond its expiration.

(3) State aid;

Estimates may be based on the most current annual estimate of state funding and historical patterns and modifications may be made based on changes in average daily membership, valuation, and other factors that may result in significant adjustments to funding levels. These other factors include, but are not limited to, parity aid or other similar programs for which the school district can reasonably assume continued funding.

(4) State reimbursement for property tax credits;

Calculate the average percentage of state reimbursement for property tax allocation credit receipts to property tax receipts over the prior three fiscal years. For each year of the certification, multiply estimated property tax receipts by the average percentage of state reimbursement for property tax credit receipts to calculate the estimate.

(5) State and federal grants.

(a) Estimates may include the continuation of existing programs that are reasonably expected to continue.

(b) Estimates shall not include new programs that have not been approved by the granting authority.

(E) A school district may include anticipated proceeds from the issuance of debt as estimated revenue for the purpose of certification.

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(F) A school district shall not include either of the following:

(1) Advancements made under section 3316.20 of the Revised Code as a revenue source until the advancement has been approved by the director of education and workforce;

(2) As estimated revenue, proceeds from borrowing under division (H) of section 133.10 of the Revised Code for purposes of certifying the current year appropriation measure.

(G) Each school district shall maintain sufficient documentation to justify each certification made under section 5705.412 of the Revised Code and must identify the actual date of certification as follows:

(1) Each school district shall maintain a continuing record of the contracts which have been certified. This record includes, but is not limited to, vendor name, contract amount, contract amount allocated by year, purchase order number and date.

(2) All information, records, and documentation used to estimate available resources or any change made to the financial forecast including, but not limited to, the current annual estimate of state funding, property tax calculations, fee schedules and average daily membership calculations shall be retained by the school district and be made available to the auditor of state or the independent public accountant at the time the school district is audited pursuant to section 117.11 of the Revised Code.

(H) The certification under section 5705.412 of the Revised Code shall be based on the current financial forecast. If the revenue assumptions or the revenue estimates used as a basis for the certificate differ from the current financial forecast, the forecast needs to be updated to reflect the new information. If the certificate is associated with a contract or obligation that results in additional costs or changes in the expenditure assumptions in the current financial forecast, the forecast must be updated to reflect the new information. Any change to the financial forecast must be approved by the board of education. Each school district shall maintain sufficient documentation to support these changes.

(I) A district declared to be in fiscal emergency is expected to comply with all requirements of certification under section 5705.412 of the Revised Code and all requirements of this rule. Additionally, the financial planning and supervision commission will also review and approve or disapprove all such certifications. In the event a district is not able to make the certification required under section 5705.412 of the Revised Code based on the district's most recent financial forecast approved by the district board of education and the financial planning and supervision commission, the certification

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may be approved by the commission if the subject matter conforms to the currently approved financial recovery plan under which the district is operating pursuant to Chapter 3316. of the Revised Code.