



Ohio Revised Code

Section 3316.07 Commission - powers, duties and functions.

Effective: October 1, 2012

Legislation: House Bill 525 - 129th General Assembly

(A) A school district financial planning and supervision commission has the following powers, duties, and functions:

(1) To review or to assume responsibility for the development of all tax budgets, tax levy and bond and note resolutions, appropriation measures, and certificates of estimated resources of the school district in order to ensure that such are consistent with the financial recovery plan and a balanced appropriation budget for the current fiscal year, and to request and review any supporting information upon which the financial recovery plan and balanced appropriation budget may be developed and based, and to determine whether revenue estimates and estimates of expenditures and appropriations will result in a balanced budget;

(2) To inspect and secure copies of any document, resolution, or instrument pertaining to the effective financial accounting and reporting system, debt obligations, debt limits, financial recovery plan, balanced appropriation budgets, appropriation measures, report of audit, statement or invoice, or other worksheet or record of the school district;

(3) To inspect and secure copies of any document, instrument, certification, records of proceedings, or other worksheet or records of the county budget commission, county auditor, or other official or employee of the school district or of any other political subdivision or agency of government of the state;

(4) To review, revise, and approve determinations and certifications affecting the school district made by the county budget commission or county auditor pursuant to Chapter 5705. of the Revised Code to ensure that such determinations and certifications are consistent with the laws of the state;

(5) To bring civil actions, including mandamus, to enforce this chapter;

(6) After consultation with the officials of the school district and the auditor of state, to implement



or require implementation of any necessary or appropriate steps to bring the books of account, accounting systems, and financial procedures and reports of the school district into compliance with requirements prescribed by the auditor of state, and to assume responsibility for achieving such compliance and for making any desirable modifications and supplementary systems and procedures pertinent to the school district;

(7) To assist or provide assistance to the school district or to assume the total responsibility for the structuring or the terms of, and the placement for sale of, debt obligations of the school district;

(8) To perform all other powers, duties, and functions as provided under this chapter;

(9) To make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the exercise of its powers under this chapter;

(10) To consult with officials of the school district and make recommendations or assume the responsibility for implementing cost reductions and revenue increases to achieve balanced budgets and carry out the financial recovery plan in accordance with this chapter;

(11) To make reductions in force to bring the school district's budget into balance, notwithstanding division (A) of section 3311.83, section 3319.081, and divisions (A) and (B) of section 3319.17 of the Revised Code, notwithstanding any provision of a policy adopted under section 3319.171 of the Revised Code, and notwithstanding any provision to the contrary in section 4117.08 or 4117.10 of the Revised Code or in any collective bargaining agreement entered into on or after November 21, 1997.

In making reductions in force, the commission shall first consider reasonable reductions among the administrative and nonteaching employees of the school district giving due regard to ensuring the district's ability to maintain the personnel, programs, and services essential to the provision of an adequate educational program.

In making these reductions in nonteaching employees in districts where Chapter 124. of the Revised Code controls such reductions, the reductions shall be made in accordance with sections 124.321 to 124.327 of the Revised Code. In making these reductions in nonteaching employees in districts



where Chapter 124. of the Revised Code does not control these reductions, within each category of nonteaching employees, the commission shall give preference to those employees with continuing contracts or non-probationary status and who have greater seniority.

If revenues and expenditures cannot be balanced by reasonable reductions in administrative and nonteaching employees, the commission may also make reasonable reductions in the number of teaching contracts. If the commission finds it necessary to suspend teaching contracts, it shall suspend them in accordance with divisions (B) to (D) of section 3311.83 or division (C) of section 3319.17 of the Revised Code but shall consider a reduction in non-classroom teachers before classroom teachers.

(B) During the fiscal emergency period, the commission shall, in addition to other powers:

(1) With respect to the appropriation measure in effect at the commencement of the fiscal emergency period of the school district if that period commenced more than three months prior to the end of the current fiscal year, and otherwise with respect to the appropriation measure for the next fiscal year:

(a) Review and determine the adequacy of all revenues to meet all expenditures for such fiscal year;

(b) Review and determine the extent of any deficiency of revenues to meet such expenditures;

(c) Require the school district board or superintendent to provide justification documents to substantiate, to the extent and in the manner considered necessary, any item of revenue or appropriation;

(d) Not later than sixty days after taking office or after receiving the appropriation measure for the next fiscal year, issue a public report regarding its review pursuant to division (B)(1) of this section.

(2) Require the school district board, by resolution, to establish monthly levels of expenditures and encumbrances consistent with the financial recovery plan and the commission's review pursuant to divisions (B)(1)(a) and (b) of this section, or establish such levels itself. If the commission permits the district board to make expenditures, the commission shall monitor the monthly levels of



expenditures and encumbrances and require justification documents to substantiate any departure from any approved level. No district board shall make any expenditure apart from the approved level without the written approval of the commission.

(C) In making any determination pursuant to division (B) of this section, the commission may rely on any information considered in its judgment reliable or material and shall not be restricted by any tax budget or certificate or any other document the school district may have adopted or received from any other governmental agency.

(D) County, state, and school district officers or employees shall assist the commission diligently and promptly in the prosecution of its duties, including the furnishing of any materials, including justification documents, required.

(E) Annually on or before the first day of April during the fiscal emergency period, the commission shall make reports and recommendations to the speaker of the house of representatives and the president of the senate concerning progress of the school district to eliminate fiscal emergency conditions, failures of the school district to comply with this chapter, and recommendations for further actions to attain the objectives of this chapter, including any legislative action needed to make provisions of law more effective for their purposes, or to enhance revenue raising or financing capabilities of school districts. The commission may make such interim reports as it considers appropriate for such purposes and shall make such additional reports as may be requested by either house of the general assembly.