



Ohio Revised Code

Section 3313.30 Declaration that school district is unauditale; notice.

Effective: October 3, 2023

Legislation: House Bill 33

(A) If the auditor of state or a public accountant, under section 117.41 of the Revised Code, declares a school district to be unauditale, the auditor of state shall provide written notification of that declaration to the district and the department of education and workforce. The auditor of state also shall post the notification on the auditor of state's web site.

(B) If the district's current treasurer held that position during the period for which the district is unauditale, upon receipt of the notification under division (A) of this section, the district board of education shall suspend the treasurer until the auditor of state or a public accountant has completed an audit of the district. Suspension of the treasurer may be with or without pay, as determined by the district board based on the circumstances that prompted the auditor of state's declaration. The district board shall appoint a person to assume the duties of the treasurer during the period of the suspension. If the appointee is not licensed as a treasurer under section 3301.074 of the Revised Code, the appointee shall be approved by the director of education and workforce before assuming the duties of the treasurer. The state board of education may take action under section 3319.31 of the Revised Code to suspend, revoke, or limit the license of a treasurer who has been suspended under this division.

(C) Not later than forty-five days after receiving the notification under division (A) of this section, the district board shall provide a written response to the auditor of state. The response shall include the following:

- (1) An overview of the process the district board will use to review and understand the circumstances that led to the district becoming unauditale;
- (2) A plan for providing the auditor of state with the documentation necessary to complete an audit of the district and for ensuring that all financial documents are available in the future;
- (3) The actions the district board will take to ensure that the plan described in division (C)(2) of this



section is implemented.

(D) If the school district fails to make reasonable efforts and continuing progress to bring its accounts, records, files, or reports into an auditable condition within ninety days after being declared unauditible, the auditor of state, in addition to requesting legal action under sections 117.41 and 117.42 of the Revised Code, shall notify the district and the department of the district's failure. If the auditor of state or a public accountant subsequently is able to complete a financial audit of the district, the auditor of state shall notify the district and the department that the audit has been completed.

(E) Notwithstanding any provision to the contrary in Chapter 3317. of the Revised Code or in any other provision of law, upon notification by the auditor of state under division (D) of this section that the district has failed to make reasonable efforts and continuing progress to bring its accounts, records, files, or reports into an auditable condition, the department shall immediately cease all payments to the district under Chapter 3317. of the Revised Code and any other provision of law. Upon subsequent notification from the auditor of state under that division that the auditor of state or a public accountant was able to complete a financial audit of the district, the department shall release all funds withheld from the district under this section.