
Executive**OBMCD5 Audit costs and dues****Section: 227.10**

Requires all costs associated with single audit schedules or financial statements prepared in conformance with generally accepted accounting principles for the state to be paid from ISA Fund 1050 appropriation item 042603, Financial Management.

Requires costs associated with the audit of the Auditor of State and national association dues to be paid from GRF appropriation item 042321, Budget Development and Implementation.

OBMCD6 Shared Services Center**Section: 227.10**

Requires GRF appropriation item 042425, Shared Services Development, and ISA Fund 1050 appropriation item 042620, Shared Services Operating, to be used by the Director of OBM to support a Shared Services Center within OBM for the purpose of consolidating statewide business functions and common transactional processes.

Requires the Director of OBM to include the recovery of costs to operate the Shared Services Center in the accounting and budgeting payroll rate and through direct charges using intrastate transfer vouchers to agencies for services rendered.

Requires the Director of OBM to determine the cost recovery methodology and cost recovery revenues to be deposited into the Accounting and Budgeting Fund (Fund 1050).

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OBMCD7 Internal audit**Section: 227.10**

Requires the Director of OBM to include the recovery of costs to operate the Internal Audit Program in the accounting and budgeting services payroll rate and through a direct charge using intrastate transfer vouchers to agencies reviewed by the program. Requires the Director of OBM, with advice from the Internal Audit Advisory Council, to determine the cost recovery methodology. Requires such cost recovery revenues to be deposited into Fund 1050.

OBMCD8 Forgery recovery**Section: 227.10**

Requires FID Fund 5EH0 appropriation item 042604, Forgery Recovery, to be used to reissue warrants that have been certified as forgeries by the rightful recipient as determined by the Bureau of Criminal Identification and Investigation and the Treasurer of State. Requires the Director of OBM to reissue a state warrant upon receipt of funds to cover the reissuance of the warrant. Appropriates any additional amounts needed to reissue warrants backed by receipt of funds.

OBMCD9 Personal services expenses**Section: 503.10**

Requires any appropriation from which personal service expenses are paid to bear the employer's share of various costs, unless otherwise prohibited by law. Requires that these costs be determined in conformity with the appropriate sections of law and paid in accordance with procedures specified by OBM. Permits expenditures from appropriation item 070601, Public Audit Expense - Intra-State, to be exempted from this requirement.

Executive

OBMCD10 Satisfaction of judgments and settlements against the state**Section: 503.20**

Permits the use of certain appropriations to satisfy judgments, settlements, and administrative awards ordered or approved by the Court of Claims or by any other court of competent jurisdiction in connection with civil actions against the state.

OBMCD11 Capital project settlements**Section: 503.30**

Specifies an additional and supplemental procedure to provide for payments of judgments and settlements if the Director of OBM determines that sufficient unencumbered moneys do not exist in the particular appropriation to pay the amount of a final judgment rendered against the state or a state agency, including the settlement of a claim approved by a court, in an action upon and arising out of a contractual obligation for the construction or improvement of a capital facility if the costs under the contract were payable in whole or in part from a state capital projects appropriation.

OBMCD12 Re-issuance of voided warrants**Section: 503.40**

Provides funds for the reissuance of voided warrants under R.C. 126.37, when approved by OBM.

OBMCD13 Appropriations related to cash transfers and re-establishment of encumbrances**Section: 503.50**

(1) Reappropriates on July 1 of the following fiscal year an unexpended balance of an operating appropriation or reappropriation that a state agency lawfully encumbered prior to the close of a fiscal year from the fund from which it was originally appropriated or reappropriated for various time periods based on the type of encumbrance.

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- (2) Requires any operating appropriations for which unexpended balances are reappropriated beyond a five-month period from the end of the fiscal year to be reported to the Controlling Board by the Director of OBM by December 31 each year. Requires the report on each such item to include the item, the cost of the item, and the name of the vendor. Requires the report to be updated on a quarterly basis for encumbrances remaining open.
- (3) Specifies that a reappropriation made pursuant to this provision lapses upon the expiration of the reappropriation time periods referenced above and requires the Director of OBM to cancel the encumbrance of the unexpended reappropriation no later than the end of the weekend following the expiration of the reappropriation period.
- (4) Reappropriates on July 1 of the following fiscal biennium an unexpended balance of an encumbrance that was reappropriated on July 1 for up to two years for reclamation of land or oil and gas wells or other expenses for periods of up to two years that the Director of OBM approves and that remains encumbered at the close of the fiscal biennium.
- (5) Permits the Director of OBM to correct accounting errors committed by OBM staff, such as reestablishing encumbrances or appropriations cancelled in error, during the cancellation of operating encumbrances in November and of nonoperating encumbrances in December. Also permits the Director of OBM to correct accounting errors committed by the staff of a state agency or state institution of higher education, such as reestablishing prior year nonoperating encumbrances canceled or modified in error. Appropriates the reestablished encumbrance amounts.
- (6) Specifies that if the Controlling Board approved a purchase, that approval remains in effect so long as the appropriation used to make that purchase remains encumbered.

OBMCD14 Re-establishing encumbrances that use outdated expense account codes**Section: 503.60**

Permits the Director of OBM, on or after January 1, 2015, to cancel any existing operating or capital encumbrances from prior fiscal years that reference outdated expense account codes and, if needed, reestablish them against the same appropriation items referencing updated expense account codes. Appropriates the re-established encumbrance amounts. Requires any business commenced but not completed under the prior encumbrances by January 1, 2015 to be completed under the new encumbrances in the same manner and with the same effect as if it was completed with regard to the old encumbrances.

Executive

OBMCD15 Appropriations related to cash transfers and re-establishment of encumbrances**Section: 503.70**

Specifies that any cash transferred by the Director of OBM under R.C. 126.15 (for the purpose of making adjustments to capital or operating budgets) and any amounts necessary to re-establish appropriations or encumbrances under that section are appropriated.

OBMCD18 Transfers to the General Revenue Fund of interest earned**Section: 512.10**

Authorizes the Director of OBM to transfer to the GRF interest earned in any state fund, with the exception of funds that are restricted or protected by the Ohio Constitution, federal tax law, or the federal Cash Management Improvement Act.

OBMCD19 Cash transfers to the General Revenue Fund from non-GRF Funds**Section: 512.20**

Permits the Director of OBM to transfer up to \$60 million cash in each fiscal year from non-GRF funds that are not constitutionally restricted to the GRF in order to ensure that available GRF receipts and balances are sufficient to support GRF appropriations in each fiscal year.

OBMCD20 FY 2015 GRF ending balance**Section: 512.30**

Requires the Director of OBM to allocate cash from the FY 2015 surplus GRF revenue that would otherwise be transferred to the Budget Stabilization Fund (Fund 7013) or the Income Tax Reduction Fund (Fund 4R80) as follows:

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- (1) Reserve up to \$200,000,000 cash in the GRF to support personal income tax reductions;
- (2) Transfer up to \$375,000,000 cash to the Budget Stabilization Fund to increase the balance of that fund to an amount equal to 5% of estimated FY 2017 GRF revenue;
- (3) Transfer up to \$120,000,000 cash to the Student Debt Reduction Fund (Fund 5QF0);
- (4) Transfer up to \$40,000,000 cash to the Unemployment Compensation Interest Contingency Fund (Fund 5HC0) for payment to the U.S. Secretary of the Treasury of accrued interest costs related to federal unemployment account borrowing;
- (5) Transfer up to \$20,000,000 cash to the Disaster Services Fund (Fund 5E20);
- (6) Transfer up to \$25,000,000 cash to the Systems Transformation Support Fund (Fund 5QM0);
- (7) Transfer up to \$12,000,000 cash to the Natural Resources Special Purposes Fund (Fund 5MW0), which the bill creates;
- (8) Transfer up to \$10,000,000 cash to the Local Government Innovation Fund (Fund 5KN0).

OBMCD21 General obligation debt service payments
Section: 518.10

Specifies that certain appropriations of the bill are for the purpose of paying debt service and financing costs on general obligation bonds or notes of the state. Appropriates additional amounts to fully fund those costs if additional amounts are necessary.

OBMCD22 Lease rental payments for debt service
Section: 518.20

Specifies that certain appropriations of the bill are for the purpose of making lease rental payments pursuant to leases and agreements related to certain bonds or notes of the state. Appropriates additional amounts to fully fund those costs if additional amounts are necessary.

Executive

OBMCD23 Authorization for Treasurer of State and OBM to effectuate certain debt service payments**Section: 518.30**

Directs OBM to process payments from general obligation and lease rental payment appropriation items during the FY 2016-FY 2017 biennium relating to bonds or notes issued under Sections 2i, 2k, 2l, 2m, 2n, 2o, 2p, 2q, 2r, 2s, and 15 of Article VIII, Ohio Constitution, and Chapters 151., 152., and 154. of the Revised Code. Requires payments to be made upon certification by the Treasurer of State of the dates and the amounts due on those dates.

OBMCD24 State and local rebate authorization**Section: 521.10**

Appropriates, from the funds designated by or pursuant to the applicable proceedings authorizing the issuance of state obligations, amounts computed at the time to represent the portion of investment income to be rebated or amounts in lieu of or in addition to any rebate amount to be paid to the federal government in order to maintain the exclusion from gross income for federal income tax purposes of interest on those state obligations under section 148(f) of the Internal Revenue Code. Requires OBM to approve and voucher rebate payments.

Fiscal effect: None. Rebate payments, if any, will be paid out of the bond fund in which excess earnings were realized. Under federal law, tax-exempt bond issuers are prohibited from earning a higher rate of interest from investment of bond proceeds than the interest paid on the bonds.

OBMCD26 Statewide indirect cost recovery**Section: 521.20**

Appropriates from available receipts amounts required for statewide indirect costs when the Director of OBM has determined that an appropriation made to a state agency for this purpose is insufficient.

Executive**OBMCD27 Transfers on behalf of the statewide indirect cost allocation plan****Section: 521.30**

- (1) Allows the director of an agency to certify to the Director of OBM the amount of expenses not allowed to be included in the Statewide Indirect Cost Allocation Plan (SWICAP) under federal regulations, from any fund included in the SWICAP, prepared as required by R.C. 126.12.
- (2) Permits the Director of OBM, upon determining that no alternative source of funding is available to pay for such expenses, to transfer funds from the GRF to the fund for which the certification is made up to the amount of the certification. Requires the director of an agency receiving such funds to include a request for funding for such activities from an alternative source as part of the next budget submission.
- (3) Allows the director of an agency to certify to the Director of OBM the amount of expenses paid in error from a fund included in the SWICAP. Allows the Director of OBM to transfer cash from the fund from which the expenditure should have been made into the fund from which the expenses were erroneously paid, up to the amount of the certification.
- (4) Prohibits total transfers made from the GRF by the Director of OBM under these provisions from exceeding the amounts transferred into the GRF for the purpose of recovering statewide indirect costs under R.C. 126.12.
- (5) Allows the director of an agency to certify to the Director of OBM the amount of expenses or revenues not allowed to be included in the SWICAP under federal regulations, for any fund included in the SWICAP, for which the federal government requires payment. Appropriates from the available receipts of such a fund, up to the amount of the certification, the amount required by the federal government if the Director of OBM determines that an appropriation made to a state agency is insufficient to make the payment.

OBMCD28 Federal government interest requirements**Section: 521.40**

Authorizes the Director of OBM to designate the funds that are to retain their own interest earnings in order to reduce the payment of adjustments to the federal government, as determined by the Statewide Indirect Cost Allocation Plan prepared pursuant to R.C. 126.12(A).

Executive

OBMCD29 Federal Cash Management Improvement Act**Section: 521.50**

Allows the Director of OBM to cancel and reestablish all or part of encumbrances in like amounts within the funds identified by the plan required to be prepared under R.C. 131.36 for compliance with the Federal Cash Management Improvement Act. Appropriates the amounts necessary to reestablish all or part of the encumbrances.

OBMCD30 Fiscal stabilization and recovery**Section: 521.60**

Permits the Director of OBM, to ensure the level of accountability and transparency required by federal law, to issue guidelines to any agency applying for federal money made available to this state for fiscal stabilization and recovery purposes and to prescribe the process by which agencies are to comply with any reporting requirements established by the federal government.

Executive

BORCD48 **Deadline for certification of reserve fund transfer of scholarship programs**

R.C. ***3333.124, 3333.613, 5910.08, 5919.341***

Revises, from "not later than the first day of July of each fiscal year" to "as soon as possible following the end of each fiscal year," the deadline by which the DHE Director must certify the unencumbered balance of GRF appropriations made in the immediately preceding fiscal year for the Ohio College Opportunity Grant Program, Ohio First Scholarship Program, Ohio National Guard Scholarship Program, and War Orphans Scholarship Program.

Authorizes the Director of Budget and Management to transfer funds from the reserve funds of these four programs to the GRF in order to meet GRF obligations, if it is determined that GRF appropriations are insufficient (Current law authorizes the Director to transfer "any unencumbered balance" of those funds to the GRF).

Authorizes the Director of Budget and Management to transfer the unexpended balance of the amounts initially transferred to the GRF back to the reserve funds, if the funds transferred from the reserve funds are not needed in the GRF.

Eliminates an authorization for the Director of Budget and Management to seek, at the request of the Director of Higher Education, Controlling Board approval to establish appropriations for the National Guard Scholarship Reserve Fund.

Fiscal effect: Provides increased flexibility.

Executive**DRCCD3** **Ohio Penal Industry prices****R.C. 5120.28**

Removes the requirement that the Office of Budget and Management approve prices fixed by the Department of Rehabilitation and Correction for labor and services performed, agricultural products produced, and articles manufactured in correctional and penal institutions that are furnished to the state, its political subdivisions, and public institutions, and to private persons.

Fiscal effect: None.
