



Mary Taylor, CPA

Auditor of State

Declaration of Fiscal Emergency

Effective May 9, 2003, the Department of Education declared the Jefferson Township Local School District, Montgomery County, to be in a state of Fiscal Caution in accordance with Section 3316.031 of the Ohio Revised Code. The declaration was based on an anticipated deficit for the fiscal years ending June 30, 2003 and 2004.

The Auditor of State declared the Jefferson Township Local School District in fiscal watch on February 9, 2004. This declaration was based upon the failure to submit a written proposal for eliminating the anticipated deficits that prompted the declaration of fiscal caution and preventing the School District from experiencing further fiscal difficulties. Upon reviewing the Jefferson Township Local School District's five-year forecast filed with the Department of Education on October 24, 2003, which included forecasted deficits of \$788,000 and \$1,264,000 for the fiscal years ending June 30, 2004 and 2005, the Auditor of State found the Department of Education's request that the Jefferson Township Local School District be placed in fiscal watch to be reasonable.

Section 3316.04, Revised Code, requires that the board of education of a district declared to be in fiscal watch prepare and submit an initial financial plan to the State Superintendent of Public Instruction that demonstrates the actions the board will take to eliminate the district's current operating deficit and avoid incurring future operating deficits. The statute further requires that the financial plan be updated and submitted annually while the school district is in fiscal watch. A school district that fails to submit an acceptable initial plan or the required annual update is to be declared in a state of fiscal emergency in accordance with Section 3316.03(B), Revised Code. The Jefferson Township Local School District Board of Education has failed to submit an acceptable updated recovery plan.

Accordingly, the Auditor of State hereby declares the Jefferson Township Local School District to be in a state of Fiscal Emergency under Section 3316.03 (B)(2) of the Ohio Revised Code. A copy of this declaration is being submitted to Robin Mobley, President of the Board of Education of the Jefferson Township Local School District, J. Pari Sabety, State Director of Budget and Management, Karl L. Keith, Montgomery County Auditor, and Susan Tave Zelman, State Superintendent of Public Instruction.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

August 11, 2008