A Legislative Briefing from the AOS

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AOS Office Overview
- Strives for clean, accountable, and efficient government
- Responsible for auditing all public offices in Ohio – over 6,000 entities
- Statewide staff of more than 800
- Approximately 650 CPAs
- Services and functions:
  - Financial audits, performance audits, identify and investigate fraud in public agencies, financial services to local governments, and training

AOS 2019 Priorities
- EFFICIENCY: increase performance audits
- EFFECTIVENESS: save taxpayer dollars by finding ways to do more with less in the AOS Office
- TRANSPARENCY: promote transparency across government
Issues and Initiatives
• SB 10 – Theft in Office Penalties
• Budget
• Performance Audits
• Financial Health Indicators
• HB 58 – SNAP Benefits
• HB 75 – Local Challenges to Property Tax
• Other Priorities

SB 10 – Theft in Office
• Since AOS began tracking convictions in 2011, 85 former government officials have been charged with theft in office
• Statute updated to ensure appropriate penalties for public officials (see next slide)
• Allows forensic audit costs to be ordered as part of restitution

<table>
<thead>
<tr>
<th>Level of Offense</th>
<th>Value of Property or Services</th>
<th>Level of Offense</th>
<th>Value of Property or Services</th>
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</thead>
<tbody>
<tr>
<td>First Degree</td>
<td>$750,000 or more</td>
<td>Second Degree</td>
<td>$150,000</td>
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<tr>
<td>Second Degree</td>
<td>$749,999.99</td>
<td>Third Degree</td>
<td>$7,500 - $249,999.99</td>
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<tr>
<td>Third Degree</td>
<td>$7,500 or more</td>
<td>Fourth Degree</td>
<td>$1,000 - $7,499.99</td>
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<tr>
<td>Fourth Degree</td>
<td>$1,000 - $149,999.99</td>
<td>Fifth Degree</td>
<td>Less than $1,000</td>
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<tr>
<td>Fifth Degree</td>
<td>Less than $1,000</td>
<td>Maximum Sentences</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Third Degree</td>
<td>3 years; $10,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Second Degree</td>
<td>8 years; $15,000</td>
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### Operating Budget
- Audit Costs:
  - Local Government Audit Assistance Fund
  - State fund to help offset costs of financial and performance audits for local entities
- Modernize our statutes

### Performance Audits
- Removing the cap on institutions of higher education
- Expanding the capacity of the office

### Financial Health Indicators
- 17 indicators for GAAP entities; 15 for cash or modified basis of accounting
- Indicators available online with search capabilities
- Ideas for improving the indicators?
<table>
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<th><strong>HB 58 - SNAP Benefits</strong></th>
<th><strong>HB 75 - Local Challenges to Property Tax</strong></th>
<th><strong>Other Office Priorities</strong></th>
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| • 2016 audit report revealed a number of critical areas where fraud may occur  
  • Dead recipients, big balances, excessive number of purchases in a small time frame  
  • Bill allows photos to be placed on SNAP/EBT cards  
  • Blind, disabled, and elderly are excluded from this requirement  
  • Goal is to deter individuals from committing fraud with the cards | • Requires a school board or local legislative authority to pass a resolution at a public meeting approving the property tax complaint or counter-complaint before filing  
  • Transparency for property owners - notified before the local government files with the Board of Revision | • House Bill 312 supplemental FAQ  
  • Regional Advisory Boards  
  • PIAT renamed to Special Investigations Unit (SIU)  
  • Fraud Hotline: 866-FRAUD-OH  
  • Education Issues  
  • Sunshine Week March 10-16 |