



**Auditor of State
Betty Montgomery**

Declaration of Fiscal Emergency

At the request of the Springfield City School District Board of Education dated October 14, 2004, the Office of the Auditor of State performed an examination of the Springfield City School District's financial forecast of the general fund as required under Section 3316.03, Revised Code. In conjunction with our examination of the financial forecast, the Auditor certified an operating deficit in the amount of \$7,554,000 for the fiscal year ending June 30, 2005 to the State Department of Education. As a result of the certification, the Springfield City School District was declared in Fiscal Watch on January 20, 2005.

Section 3316.04, Revised Code, requires that the board of education of a district declared to be in fiscal watch prepare and submit a 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. A school district that fails to submit an acceptable plan within 120 days of the declaration of fiscal watch is required to be declared in a state of fiscal emergency in accordance with Section 3316.03(B), Revised Code. The Springfield City School District Board of Education in a Resolution dated February 10, 2005, acknowledged its inability to develop a financial recovery plan acceptable to the Superintendent of Public Instruction and requested that the Springfield City School District be placed in fiscal emergency.

Accordingly, the Auditor of State hereby declares the Springfield City 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 James Huffman, President of the Board of Education of the Springfield City School District, Thomas Johnson, State Director of Budget and Management, Warren Copeland, Mayor of the City of Springfield, and Susan Tave Zelman, State Superintendent of Public Instruction.

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February 28, 2005