

4053.

APPROVAL, NOTES OF NORTHFIELD VILLAGE SCHOOL DISTRICT, SUMMIT COUNTY, OHIO—\$10,000.00.

COLUMBUS, OHIO, February 11, 1932.

Retirement Board, State Teachers Retirement System, Columbus, Ohio.

4054.

TREASURER OF STATE—PUBLIC FUNDS—UNAUTHORIZED TO EXPEND SUCH FOR FORGERY INSURANCE.

SYLLABUS:

No statutory authority exists for the expenditure of public funds for the insurance of either the public or the Treasurer of State by reason of loss arising from the payment of public funds by reason of forged, raised or altered warrants.

COLUMBUS, OHIO, February 15, 1932.

HON. HOWARD L. BEVIS, *Director of Finance, Columbus, Ohio.*

DEAR SIR:—I am in receipt of your letter enclosing copy of Depositors Forgery Bond purporting to insure the State of Ohio and various state officials against loss by reason of forgery or alteration of state warrants. An examination of this bond raises the following questions:

- (1) Is there authority for the purchase of this type of bond, or, in other words, may state funds be expended for such purpose?
- (2) If such authority exists, is such bond in proper form and executed in a proper manner so that it will accomplish the purpose for which it is intended?

The various state offices are created by statute and the officials holding such offices necessarily have only such powers as are expressly granted by statute or which are necessarily inferred from the language of the statute. It therefore becomes necessary to examine the statutes in order to determine whether the legislature has authorized the procuring of a bond indemnifying the state in the manner set forth in the enclosed bond.

In an opinion of one of my predecessors (Opinions of the Attorney General for 1923, page 489) it was held that there was no statutory authority for procuring burglary insurance for the office of clerk of courts and that the county auditor could not legally pay the premiums thereon.

On May 24, 1927 (Opinions of the Attorney General for 1927, page 874) my predecessor in office held as stated in the syllabus:

“County commissioners have no authority to purchase and pay for burglary or hold-up insurance for the county treasurer or for any other