COLUMBUS STATE COMMUNITY COLLEGE

Basic Financial Statements

June 30, 2015

PLATTENBURG
Certified Public Accountants

Dave Yost • Auditor of State

Board of Trustees
Columbus State Community College
550 East Spring Street
Columbus, Ohio 43216

We have reviewed the *Independent Auditor's Report* of the Columbus State Community College, Franklin County, prepared by Plattenburg & Associates, Inc., for the audit period July 1, 2014 through June 30, 2015. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Columbus State Community College is responsible for compliance with these laws and regulations.

Dave Yost

Dave Yost
Auditor of State

December 3, 2015

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COLUMBUS STATE COMMUNITY COLLEGE

Table of Contents

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PLATTENBURG
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Columbus State Community College

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and discretely presented component unit of Columbus State Community College (the College), a component unit of the State of Ohio, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Columbus State Community College Development Foundation, Inc. (the Foundation) which represents 100 percent of the assets, net position and revenues of the discretely presented component unit. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Foundation, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the College, as of June 30, 2015, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Emphasis of Matter

As discussed in Note 1 to the financial statements, during the year ended June 30, 2015, the College adopted the provisions of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions* and Governmental Accounting Standards Board Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date*. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and pension information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 12, 2015, on our consideration of the College's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Cincinnati, Ohio
October 12, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Columbus State Community College's Annual Report presents management's discussion and analysis ("MD&A") of the College's financial position as of June 30, 2015; and financial activity for the fiscal year July 1, 2014 through June 30, 2015, with selected comparative information for the fiscal year ended June 30, 2014, when appropriate. This discussion should be read in conjunction with the accompanying financial statements and notes herein.

ABOUT THE COLLEGE

Columbus State Community College ("the College") is the region's only open-access institution, and it is the front door to higher education for more central Ohio residents than any other college or university. Columbus State is a comprehensive, two-year state community college that provides quality programs to enhance the educational and employment opportunities of its students.

Founded in 1963 as the Columbus Area Technician School, Columbus State has been serving the Central Ohio region for over 50 years. After its beginning, in the basement of Central High School in Columbus, Ohio with an enrollment of 67 students, the School was re-chartered in 1965 as the Columbus Technical Institute (CTI) to serve students in a four-county service district that includes Franklin, Delaware, Union and Madison counties. CTI established itself in Aquinas Hall at the College's current Spring Street location. In 1987, the College was re-chartered as Columbus State Community College in order "to provide additional educational opportunities to area residents" and has risen to prominence as one of the nation's premier comprehensive community colleges.

Columbus State has a strong commitment to technical education, offering the Associate of Applied Science and the Associate of Technical Studies degree programs in business, health, human services, public service, and engineering technologies to prepare graduates for immediate employment. The transfer programs, Associate of Arts and Associate of Science, meet the majority of freshman and sophomore course requirements of bachelor's degree programs offered by four-year colleges and universities throughout the state. Specific transfer agreements with area colleges and universities have been and continue to be developed, including *Preferred Pathways®* partnerships with eight universities that guarantee admission to students who successfully complete an associate's degree at Columbus State.

Columbus State has two campuses (Columbus, Ohio and Delaware County), and eight regional learning centers throughout its four-county service district. These centers allow students to take courses closer to where they live and work. The College's on-line program, Ohio's largest distance learning program, allows many students to take classes from their homes, a library or wherever it is convenient.

ABOUT THE FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, and Statement No. 35, Basic Financial Statements and Management's Discussion and Analysis of Public Colleges and Universities, issued in June and November 1999. The College reports as a special purpose government engaged solely in "business type activities" under GASB Statement No. 34.

In addition to this MD&A, a full set of financial statements, complete with notes, is presented in the next section of this annual report, including:

- ***Statement of Net Position;***
- ***Statement of Revenues, Expenses, and Changes in Net Position and;***
- ***Statement of Cash Flows***

These statements include the College, its Auxiliaries, and the Columbus State Community College Development Foundation.

Management's discussion and analysis is focused on the primary institution and its auxiliaries.

It is management's intention to discuss significant financial data based upon currently known facts, decisions and conditions that have already occurred. There are factors, however, that may impact future periods, which are considered in the last section of this discussion.

FINANCIAL AND INSTITUTIONAL HIGHLIGHTS

Enrollment, Tuition Revenue and Overall Financial Results

Through FY15, Columbus State continued to manage through the rapidly-changing landscape of higher education, focusing on its strategic priorities of student success, workforce development and civic engagement. While financial resources continued to be limited, partnerships, reallocations, rigorous expense management, shared services, and challenging trade-offs allowed the College to maintain it solid financial position, including additional investments in strategic initiatives and assets allowed by underspending in several areas.

While the College made progress in new student enrollment and in student success initiatives, students continued to take fewer credit hours in semesters since Autumn 2012 than they did in quarters. Consequently, while headcount for FY15 (Autumn and Spring terms) decreased by approximately 3.7%, full-time equivalents (FTEs) decreased by 6.3%. Additionally, both Summer 2014 and 2015 experienced larger enrollment decreases with Summer 2014 down 11.2% FTEs from the previous year, and Summer 2015 down an additional 20.7% FTEs (summer terms straddle fiscal years, so 46% of Summer 2014 and 54% of Summer 2015 are accounted for in FY15). The continued decline in revenues attributed to enrollment was only partially mitigated by a 2.5% increase in tuition rates effective Autumn 2014, resulting in a decrease in tuition and fees, net of scholarship allowances, of just over $5 million, or 6.3%.

Overall, the College is reporting a positive Change in Net Position of $1.8 million for the fiscal year ended June 30, 2015. Excluding $3 million for entries related to pension expense, discussed below under the section for Implementation of GASB 68, the Change in Net Position was a decrease of $1.2 million for FY15. The decrease for FY15 is primarily attributed to spending for strategic initiatives which were not part of the primary FY15 operating budget, but rather funded from reserves that were allocated for those strategic purposes.

Implementation of GASB 68

During 2015, the College adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the College's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability*. GASB 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

Under the new standards required by GASB 68, the net pension liability equals the College's proportionate share of each plan's collective:

1. Present value of estimated future pension benefits attributable to active and inactive employees' past service
2. Minus plan assets available to pay these benefits

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the College is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system *as against the public employer.* State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the College. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68, the College's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's *change* in net pension liability not accounted for as deferred inflows/outflows.

As a result of implementing GASB 68, the College is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at June 30, 2014, from $278,407,485 to $81,220,359.

Central Ohio Compact, Partnerships and Grants

Beginning in May 2011, the College hosted several regional summits with a variety of partners including public and private college and university presidents; school superintendents; university, college and K-12 faculty and staff; workforce and economic development professionals; and government officials. From this work, the *Central Ohio Compact* (*COC*), emerged as a regional strategy for college completion and career success. Central Ohio school districts and nine higher education institutions adopted joint resolutions supporting the *COC,* cementing the foundation for a regional strategy designed to achieve the Lumina Foundation's national goal of having 60 percent of Americans earning a post-secondary degree or certificate by 2025.

Members of the Compact also agreed to several strategic principles in pursuit of their collective goal:

- An intentional strategy of cooperation in actions that reduce the time required to earn a credential, such as increasing the preparation of high school students for college and increasing the number of high school graduates with credit toward a college degree or certificate; and increasing the number of students transferring from community colleges to colleges and universities
- Removing obstacles facing adult learners, including military veterans
- Actively seeking opportunities to maintain affordability by programs and practices that contain costs and promote the use of shared services

During FY15, much progress was made in the implementation of the *COC's* objectives. Efforts were significantly bolstered by several grants that were awarded to Columbus State and *COC* partners beginning in FY14. This is evidenced by the near three-fold increase in revenues from state, local and private grants which increased from approximately $2.2 million in FY14 to $6.4 million in FY15. There were also several new federal grant awards in FY14 and FY15, with an increase in revenue of $220,000 from FY14.

The American Electric Power (AEP) Foundation awarded the College, through the Development Foundation, $5 million for a 5-year pilot, *The Credits Count*[SM] program, to prepare students for STEM (science, technology, engineering, and math) careers at five (5) Columbus City high schools. AEP Foundation's contribution is the largest private investment in the College's history. During FY15, programs were launched at Columbus West High School and Whetstone High School.

JPMorgan Chase awarded the College, also through the Development Foundation, $2.5 million as a part of Chase's five-year, $250 million global *New Skills At Work* initiative, described as the largest ever private-sector effort aimed at addressing the skills gap that exists across many industries. Columbus is one of nine international investment markets for this initiative. Funding from JPMorgan Chase allows the *Central Ohio Compact* to further engage employers in the identification and development of additional industry credentials, create infrastructure to align the region's measurable approach to responding to labor market needs, and raise community awareness of postsecondary career opportunities.

The College was the higher education partner in two of the largest *Straight A* grants, totaling over $25 million, awarded by the Ohio Department of Education under a $250 million innovative grant project targeted for K-12 implementation with a focus on increasing student achievement and reducing costs. One of the *Straight A* grants is a partnership that includes the City of Marysville, Honda of America Manufacturing, and Marysville City Schools. The second grant, representing 15 districts led by Reynoldsburg City Schools, funds the *Pathways to Prosperity* Network. The College partnered on additional grants including those with the Dublin City School District and the Educational Service Center of Central Ohio.

The College received grants totaling $1,692,884 from the City of Columbus. The first, *FastPath*, is a program designed to help Columbus residents gain a post-secondary credential through instructor-led classroom training for entry-level employment in growing fields such as patient care, logistics, and child development associates. The second program, *Cougar Bridge*, focused on helping individuals to gain literacy and numeracy skills needed for success in their education and careers through targeted remediation and intrusive advising to prepare them for entry into certificate programs with high employment opportunities.

The College was awarded two National Science Foundation (NSF) grants during the year, totaling nearly $1.5 million over the three-year grant periods, the first NSF grants received by the College in ten years. The first grant is for educating the next generation of multi-craft manufacturing support technicians, and the second is to build an academic pathway for industrial engineering operations technicians in supply chain. Both grants are in collaboration with several partners including Miami University, Franklin University, Eastland-Fairfield Career Center, two Worthington City high schools, manufacturing companies such as Honda of America Manufacturing, and key regional partners.

The College was also awarded grants from the U.S. Department of Labor, Employment and Training Administration through two consortia. The first is a four-year grant for $1,398,678 under the Trade Adjustment Assistance (TAA) Community College and Career Training Grants Program with Broward College as the lead consortium applicant. The project, Leveraging, Integrating, Networking, Coordinating Supplies (LINCS), will develop stackable certificates that will provide workers with skills suitable for entry and middle level employment in supply chain management. Program content includes instruction, internships, apprenticeships and on-the-job training. Under the second grant, Lorain County Community College is the lead institution among eleven community colleges collaborating in the Ohio Technical Skills Innovation Network (Ohio TechNet) program to offer a comprehensive solution to the challenge that many Ohio employers have in attracting workers for advanced manufacturing and technology jobs. With the $1.1 million, four-year grant, Columbus State will focus on multi-craft manufacturing technology and welding with opportunity for participants to enroll in credential-granting programs in Welding Skills, CNC/Machining, and Industrial Maintenance, with options for further education and/or advanced certifications.

Resources provided by corporate grants and other partners, for College personnel devoted to this work and other expenses that would otherwise have been funded from the College's increasingly limited operating budget, allowed us to accelerate the work of student success and workforce development. Additionally, several of the grants have allowed the College to propel the initiative to digitize courses that will enhance on-line offerings and dual enrollment programs.

Other new partnerships have developed, such as that with the Columbus Metropolitan Library (CML) which offers a connection to the College network for any student or employee at each CML branch location. Additionally, a dedicated Columbus State computer lab in the new Driving Park branch location allows additional convenient access to College resources and programs.

Financial Accountability

Senate Bill 6 of the 122nd General Assembly, enacted into law in 1997, was designed to increase financial accountability of state colleges and universities by using a standard set of measures, using year-end audited financial statements, to monitor the fiscal health of each institution. Three ratios are calculated, from which a summary score, termed the Composite Score, is determined, which is the primary indicator of fiscal health. The three ratios calculated, and the respective weight of each in determining the composite score, are as follows:

- Viability Ratio – 30%
- Primary Reserve Ratio – 50%
- Net Income Ratio – 20%

Results for FY 2014 were released in the spring of 2015 and Columbus State's score increased from 4.2 for FY 2013 to 4.8. The College maintains an average score of 4.7 on a scale of 0-5.

Capital Additions and Improvements and Regional Learning Centers

Work concluded on the renovation of Union Hall this year with approximately $2.5 million expended in FY15. The Board of Trustees initially approved a project budget of $15.2 million for the renovation of Union Hall, and subsequently amended it to $16.65 million. Of the total project budget, $5.0 million was funded by state capital improvement appropriations (HB 482). Dedicated in 1975, Union Hall houses the College's allied health programs, faculty and information technology offices, and a cafeteria. The project included a new tower that increased the building's capacity by 17,600 square feet from the previous 100,000 gross square feet. The new tower opened for occupancy in FY2013. Construction began in December 2011.

Columbus State has had a presence in the City of Dublin since 1979. Columbus State approached Ohio University (OU) about the possibility of expanding and enhancing their academic partnership by creating new 2+2 allied health and other academic pathways for Columbus State students at the campus in Dublin where OU's Heritage College of

Medicine operates, and where OU was launching a new physician assistant program. This partnership was determined to be consistent with the priorities of both institutions and in November 2014 Columbus State's Board of Trustees authorized pursuit of the enhanced partnership and allocated funds up to $3.1 million to relocate the existing Dublin Regional Learning Center (RLC) to Ohio University's Dublin campus to advance academic and shared services objectives. By relocating the Dublin RLC, students will be able to complete certificates and two-year transfer and technical degrees on site as well as selected four-year degrees through the 2+2 model. In the spirit of collaboration, a guiding principle for the partnership was that Columbus State will be Ohio University's primary 2-year institutional partner at the OU Dublin Extension Campus with Columbus State offering the general education and other courses necessary for the first two years of BA and BS degrees and OU will provide upper level general education courses and any lower level general education courses needed that lack a Columbus State equivalent or that may be needed to meet capacity or programmatic needs. The relocation will be completed during the summer of 2015 and classes will be offered for the Autumn 2015 semester.

The Gahanna Regional Learning Center, co-located in Gahanna-Jefferson City School District's Clark Hall since 2011, was scheduled to be consolidated into the Reynoldsburg RLC in August 2015. With increasingly limited resources, the College decided that with a regional learning center located approximately six miles away, it was no longer sustainable to have two centers in such close proximity. The College and the school district continue to develop their academic partnership, bolstered by the requirements of *College Credit Plus*, the recently-enacted statute that requires all high schools to offer their students college-level courses in partnership with an institution of higher education.

FY15-16 State Capital Funds

In the FY15-16 state capital improvement appropriations legislation (HB 497), Columbus State's total appropriation is $10.5 million and its reappropriation is $1.6 million, for a total of $12.1 million. The monies have been and continue to be used to upgrade the College's technology infrastructure on several fronts, from replacing desktop computers to upgrading technology infrastructure to modernizing classroom technology to enhance teaching and learning. State funds also provided modestly for ongoing maintenance projects, which include upgrading some elevators in academic buildings. Approximately $4.7 million was expended and recognized as revenue in the FY15 financial statements.

OTHER FACTORS TO CONSIDER

There are many indicators of quality in higher education institutions, including but not limited to numbers of graduates, numbers of transfer students, student retention and course completion rates, job placement statistics, salary ranges of recent graduates, and the appearance and condition of physical plant facilities. Financial statements assess only the quality of the College's financial condition.

FINANCIAL STATEMENTS

The ***Statement of Net Position*** details all College holdings (assets) such as cash, investments, accounts receivable, land and buildings; and liabilities including payments due to vendors, and short and long-term debt, as of June 30, 2015. The total amount of assets and deferred outflows minus liabilities equals net position. The net position is categorized as follows:

- Net Investment in Capital Assets
- Restricted – Nonexpendable (permanent endowment funds of the Foundation)
- Restricted – Expendable (primarily amounts for specified construction projects)
- Unrestricted

The ***Statement of Revenues, Expenses and Changes in Net Position*** shows the revenues earned and expenses incurred during the year, and the net increase/decrease in net position. This statement is prepared under the accrual basis of accounting whereby revenues and expenses are recognized when the service is provided and the resource(s) is/are used. This principle, called the "matching concept," is best demonstrated in the College's collection of student tuition. For example, most tuition is collected within the first week of each academic term, yet the revenue is distributed evenly over a four to five-month period (for semesters) to match the expenses (resources used) to generate the revenue.

The ***Statement of Cash Flows*** presents information related to cash inflows and outflows, summarized by operating, noncapital financing, capital financing and investment activities. The ***Statement of Cash Flows*** shows the sources and uses of the College's cash. The ***Statement of Cash Flows*** also helps readers assess: a) the College's ability to generate future cash flows, b) the College's ability to meet obligations as they become due, and c) the College's need for external financing.

The Columbus State Community College Development Foundation, Inc. (the "Foundation") is a legally separate, tax-exempt organization that exists to provide financial assistance to the educational programs, services and facilities of the College. Because the restricted resources held by the Foundation can only be used by, or for the benefit of the College, the Foundation is considered a component unit of the College and is discretely presented in the College's financial statements in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units and GASB No. 61, The Financial Reporting Entity: Omnibus. There are also separately issued financial statements for the Foundation. Operating results are not included in this Management Discussion and Analysis. Additional information regarding the Foundation is included in Note 17 and in the separately issued Foundation financial statements and audit report.

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 expenses still include pension expense of $11,737,972 computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of $8,948,408. Consequently, in order to compare 2015 total expenses to 2014, the following adjustments are needed:

Total 2015 Operating Expenses under GASB 68	$ 180,548,130
Pension Expense under GASB 68	(8,948,408)
2015 Contractually Required Contribution	11,948,236
Adjusted 2015 Operating Expenses	183,547,958
Total 2014 Operating Expenses under GASB 27	177,931,333
Increase in Expenses not Related to Pension	$ 5,616,625

Condensed versions of the College's financial statements are presented below, along with a brief summary of the financial information contained therein.

Statements of Net Position (in thousands)

	2015	2014	Difference
Assets			
Current assets	$ 92,637	$ 123,659	$ (31,022)
Noncurrent assets			
Capital assets	156,094	156,625	(531)
Other	73,198	57,847	15,351
Total Assets	321,929	338,131	(16,202)
Deferred Outflows of Resources			
Pension	13,578	11,738	1,840
Unamortized loss on refunding	298	371	(73)
Total Deferred Outflows of Resources	13,876	12,109	1,767
Total Assets and Deferred Outflows of Resources	$ 335,805	$ 350,240	$ (14,435)
Liabilities			
Current Liabilities			
Accounts payable and accrued liabilities	13,454	24,726	(11,272)
Debt, current portion	1,555	1,520	35
Unearned revenue	22,117	24,448	(2,331)
Noncurrent liabilities			
Debt, long-term portion	6,920	8,475	(1,555)
Net Pension Liability	176,533	208,925	(32,392)
Long-term liabilities	993	926	67
Total Liabilities	221,572	269,020	(47,448)
Deferred Inflows of Resources			
Pension	31,232	-	31,232
Total Deferred Inflows of Resources	31,232	-	31,232
Total Liabilities and Deferred Inflows of Resources	252,804	269,020	(16,216)
Net Position			
Invested in capital assets	147,619	146,630	989
Restricted	29,091	26,796	2,295
Unrestricted	(93,709)	(92,206)	(1,503)
Total Net Position	$ 83,001	$ 81,220	$ 1,781

As of June 30, 2015, current assets totaled $92.6 million compared to $123.7 million in FY14, a decrease of $31 million, or 25%. A substantial portion of the decrease from 2014 is due to more cash and short-term investments that were invested with longer maturities; cash and short-term investments decreased by $20.7 million, while long-term investments increased by $15 million. In total, cash and investment (short-term and long-term) decreased by just $5.1 million, or 3.7%. The majority of the remainder of the decrease in current assets is attributed to a decrease in accounts receivable of $12.9 million, 32.4%, the result of student excess financial aid refunds that were in process as of June 30, 2014 for Summer semester; these refunds amounted to $13.3 million representing federal funds due from the US Department of Education; this receivable was only $137,780 at June 30, 2015. Similarly, a payable was recorded representing the amount of excess financial aid owed to students at June 30, 2014; these refunds were issued during the first week of July. Other noncurrent assets increased by $15.3 million, 26.5%, from 2014, due to the shift from cash and short-term investments to long-term investments as noted previously.

Total assets as of June 30, 2015, were $321.9 million compared to $338 million in FY14, a 4.8% decrease, with total current assets decreasing by $31 million, with nearly half of the decrease offset by the increase of $15.4 million in other noncurrent assets, relating to the shift between cash and short-term investments to long-term investments as discussed of above, while capital assets remained nearly flat. After the College investment policy was revised in FY14, some investments were repositioned between the College's two investment advisors allowing for some funds to be invested at longer maturities to maximize earnings.

Capital assets, such as land, buildings, machinery and equipment, remains the largest asset group at $156.1 million (48.5%), followed by cash and investments of $133.4 million (41.4%), and inventory and other assets at $32.4 million (10.1%). Cash and investments, as a percentage of total assets, are 0.4 percentage points higher than its proportion of total assets at June 30, 2014. Inventory and other assets decreased by 2.6 percentage points, while capital assets increased by 2.2 points. The shift in the composition of total assets from inventory and other assets to capital assets is due to lower accounts receivables for summer term's excess financial aid refunds, $13.3 million, over 80% of the total decrease of $16.2 million in total assets compared to 2014.

Liabilities

As of June 30, 2015, the College's current liabilities were $37.1 million, compared to $50.7 million in 2014. Of the total, $22.1 million was unearned revenue (Summer and Autumn semester tuition revenues related to fiscal year 2016, credit bank, and unearned revenues related to grants and contracts), $13.5 million was accounts payable and accrued expenses, and $1.5 million was the current portion of long-term debt. For 2014, $24.5 million was unearned revenue (Summer and Autumn semester tuition revenues related to FY15, credit bank, and unearned revenues related to grants and contracts), $24.7 million was accounts payable and accrued expenses, and $1.5 million was the current portion of long-term debt. The $13.6 million decrease in current liabilities resulted primarily from over $13 million student excess financial aid refunds that were in process as of June 30, 2014 for Summer semester; refunds for Summer 2015 were issued before June 30, 2015, so only $13,455 was payable at the end of fiscal 2015. Unearned revenue decreased by $2.3 million due to lower Summer semester enrollment. Unearned revenue from grants increased by approximately $.5 million.

Noncurrent liabilities as of June 30, 2015 were $184.4 million, consisting of $6.9 million in long-term debt (general receipts bonds), other long-term liabilities (primarily compensated absences) of nearly $1 million, and net pension liability of $176.5 million. By comparison, noncurrent liabilities as of June 30, 2014 were $218.3 million consisting of $8.5 million in bonds payable, $926,000 in other long-term liabilities, and $208.9 million in net pension liability. The decrease in the long-term debt is due to debt service payments for 2015. The more significant decrease in noncurrent liabilities occurred in the net pension liability, which decreased by $32.4 million. As discussed previously, the net pension liability represents the College's proportionate share of each pension plan's collective net pension liability; changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the college.

Total liabilities as of June 30, 2015 were $221.6 million compared to $269 million in FY14. The $47.4 million change is primarily attributed to the decrease of $32.3 million for net pension liability, lower unearned revenue resulting from lower summer enrollment, and lower accounts payable (lower amounts payable for student excess financial aid refunds) as discussed above, and the reduction in long-term debt as a result of 2015 debt service payments.

Net Position

Net position increased by $1.8 million in 2015. As discussed under Financial and Institutional Highlights, 2015 activity included a reduction to expenses of approximately $3 million (see also page 5 of Management Discussion and Analysis which shows 2015 Operating Expenses under GASB 68 of $180.5 million compared to $183.5 Adjusted 2015 Operating Expenses). Excluding the impact of pension activities, the net position for FY15 decreased by approximately $1.2 million, representing all other College operating, auxiliary, and grant activity, compared to an increase in net position of $5.8 million in 2014.

The $2.2 million operating revenue increase was largely due to increases in grant activity which were $4.4 million higher than FY14. Revenue for the Bookstore decreased by $1.4 million, due to the impact of lower enrollment and textbook affordability initiatives. Additionally, tuition and fees were lower due to lower headcount and FTE enrollment in FY15 which was partially mitigated by a 2.5% increase in tuition rates.

In the area of expenses, as noted on page 5 of the Management Discussion and Analysis, expenses were $5.6 higher than FY14. The largest increase occurred in Public Service, where expenses were $4.8 million higher (excluding impact of $286,000 pension adjustments) in FY15, primarily related to grants as noted above for revenues. Academic Support increased by $1.2 million (excluding impact of $130,000 pension adjustments), primarily due to restructuring of several offices within the Offices of Academic Affairs and Enrollment Management and Student Services, and the associated deans and other positions that were vacant for the majority of FY14. Institutional Support increased by $2.1 million (excluding the impact of $406,000 pension adjustments), which was primarily due to one-time compensation paid at the beginning of FY15 from FY14 net income totaling $2.4 million. Lower expenses were observed in Scholarships and Fellowships ($1.8 million) and Bookstore ($863,100 excluding impact of $125,900 pension adjustments), both directly attributed to lower enrollment. While Instruction and Departmental Research appears to have decreased by $1.6 million, the decrease primarily resulted from the impact of the pension adjustments which totaled $1,653,539. As enrollment continued to trend downward, continued attention was focused on reallocating resources to align core assets to meet strategic goals and the use of reserves accumulated from prior years for strategic initiatives.

Nonoperating revenues and expenses combined to decrease by $8.3 million in FY15, with the most significant factor being the lower Pell Grant Revenue, which decreased by $6 million as a result of lower enrollment. Other nonoperating expense increased by $2.9 million due to much more non-capitalized spending which amounted to $2.9 million in FY15 compared to just $57,800 in FY14. As discussed under Financial and Institutional Highlights, the College received $12.1 million from the FY15-16 state capital improvement legislation of which $4.7 million was recognized as revenue in FY15, compared to just $1,728 in FY14.

Condensed versions of the College's revenues, expenses and changes in net position for the years ended June 30, 2015 and 2014 are presented below, along with a brief summary of the financial information contained therein.

Statements of Revenues, Expenses, and Changes in Net Position (in thousands)

	2015 (GASB 68)	2014 (GASB 27)	Difference
OPERATING REVENUES			
Student tuition and fees (net of scholarship allowances of $15.3 and $19.6 in 2015 and 2014, respectively)	$ 60,204	$ 60,983	$ (779)
Federal, state, and private grants and contracts	10,856	6,416	4,440
Auxiliary enterprises	13,520	14,943	(1,423)
Other	474	538	(64)
Total operating revenues	85,054	82,880	2,174
OPERATING EXPENSES			
Educational and general	141,748	136,424	5,324
Scholarships and fellowships	19,503	21,279	(1,776)
Depreciation expense	7,060	6,984	76
Auxiliary enterprises	12,238	13,244	(1,006)
Total operating expenses	180,549	177,931	2,618
Operating income (loss)	(95,495)	(95,051)	(444)
NONOPERATING REVENUES (EXPENSES)			
State appropriations	61,436	61,009	427
Investment income (net of expense)	667	394	273
Pell Grant Revenue	33,684	39,771	(6,087)
Other non-operating revenues	(3,242)	(289)	(2,953)
Net nonoperating revenues	92,545	100,885	(8,340)
Income before capital appropriations	(2,950)	5,834	(8,783)
Capital appropriations and gifts	4,731	2	4,729
Increase in net position	1,781	5,836	(4,055)
Net position, beginning of year	81,220	N/A	N/A
Net position, end of year	$ 83,001	$ 81,220	$ 1,781

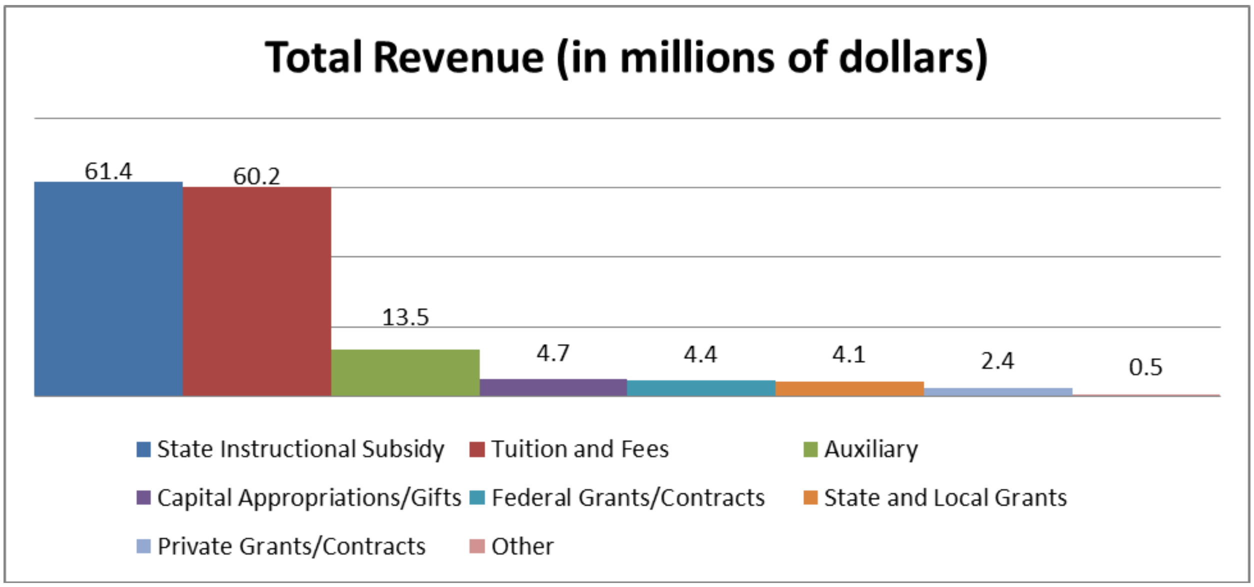
Revenues

FY15 revenues totaled $184.9 million, an increase of 0.7% compared to $183.7 million in FY14. The most significant areas of note with increases were $4.2 million in state and local grants and contracts, including The AEP Foundation, JPMorgan Chase, the City of Columbus and those related to the State of Ohio *Straight A* grants discussed under Financial Highlights. Capital appropriations also increased by $4.7 million due to the College's appropriation in the state capital legislation for FY15-16. In the previous capital appropriation legislation for FY13-14, the College received $5 million which was mostly expended in FY13, hence, there was only $1,728 in capital appropriations revenue last year. Tuition and fees decreased by $780,000, 1.3%, as a result of a third straight year with enrollment declines since the switch to a semester-based academic calendar in 2012. An increase in the tuition rate largely offset lower credit hours experienced and increases in discounts recorded for programs such as dual enrollment and other contracted courses. Auxiliary revenue for the Bookstore decreased by $1.4 million due to the impact of lower enrollment on the sales of textbooks, supplies and other general merchandise. Additionally, initiatives continue to provide more affordable options, such as rentals and electronic options, for students. Pell grant revenue decreased as a result of less grants awarded due to lower enrollment (or students taking fewer classes who then receive lower Pell grants based on part-time enrollment versus full-time), but also continued benefits from implementing national best practices in fiscal 2014 which delays the issuance of excess financial aid refunds until attendance and class participation are confirmed.

The majority of College revenues come from three sources: 1) State instructional subsidy ($61.4 million), 2) Student tuition and fees ($60.2 million), and 3) Federal, state, and private grants and contracts, including Pell grant revenue ($44.5 million).

Of $42.2 million in federal and state grants and contracts, 81.4% are awarded to students through the federal Pell grant and Supplemental Educational Opportunity Grant (SEOG) programs. These funds are used for student tuition ($15.3 million) and education-related expenses.

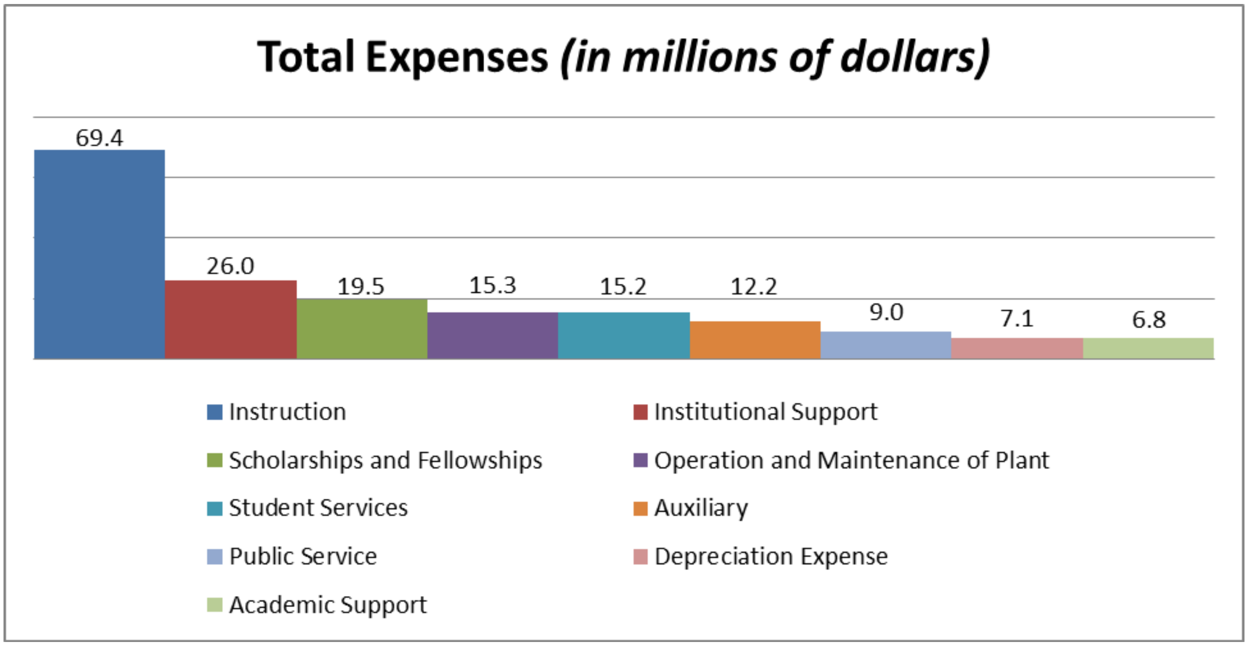
The major sources of College revenues for FY15 are presented below.



<u>Expenses</u>

FY15 expenses totaled $180.5 million compared to $177.9 million in FY14, an increase of $2.6 million, or 1.5%; excluding approximately $3 million in reductions to pension expense resulting from entries to comply with GASB 68, College operating expenses increased by $5.6 million, or 3.2%. The majority of the $5.6 million increase in operating expenses occurred in Public Service, which primarily represents expenses related to grants. Public Service expenses increased by $4.8 million (net of pension adjustments) as a result of the increased volume of grant activity, as discussed in Financial Highlights and in the revenues discussion. Increases also occurred in Academic Support, primarily resulting from positions that were filled all or most of FY15 that had been vacant all or most of FY14 and some reorganization within the Office of Academic Affairs and Enrollment Management and Student Services. Institutional Support also increased due to one-time compensation that was allocated from FY14 net income for faculty and staff. The most substantial decreases were noted in scholarships and fellowships ($1.8 million) and the Bookstore ($863,000, net of pension adjustments), with both decreases attributed to enrollment declines.

FY15 expenditures are shown below:



Statement of Cash Flows *(in thousands)*

Net cash provided (used) by:	2015	2014
Operation activities	($94,336)	($86,429)
Non capital financing activities	92,147	100,749
Capital financing activities	(3,587)	(6,046)
Investing activities	10,311	(13,125)
Net increase/(decrease)in cash	4,535	(4,851)
Cash-beginning of year	7,212	12,063
Cash-end of year	$ 11,747	$ 7,212

Ending cash balances for fiscal years 2014 and 2015 were $7.2 million and $11.7 million, respectively. Each month, cash flow projections are evaluated to determine when funds can be invested to maximize investment earnings (typically, at the beginning of each quarter/semester when tuition and fees are paid, funds are transferred to *STAROhio*), or when funds should be transferred back for operations (usually during the latter part of each quarter/semester). Cash balances in operating checking accounts are part of compensating balances maintained to maximize earnings credits thereby minimizing banking fees. Cash balances at June 30, 2015 were higher than 2014 due to some investment custodial accounts that were being converted at the end of FY15 due to a transition to a new investment advisor for those accounts. Cash balances at the end of 2014 were lower due to efforts to invest more funds in longer maturities to maximize earnings following a revision to the College's investment policy. Additionally, *StarOhio Plus* was added as a new investment type, with a maximum deposit of $15 million in 2014, which yielded higher rates than the traditional *StarOhio*.

Major sources of cash in 2015 were State appropriations of $61.4 million, tuition and fees of $59.1 million, and gifts, grants, and contracts totaling $56.4 million.

The most significant uses of cash were payments for salaries and benefits of $112.0 million, payments to suppliers of $55.5 million, $19.5 million disbursed for student scholarships and financial aid, and $6.5 million for the purchase of capital assets.

Budgets

College policy requires the Board of Trustees to approve an operational budget before June 30 for the fiscal year that begins July 1, and only the Board of Trustees has authority to allocate funds for expenses not included in the approved operating budget. A mid-year budget adjustment is reviewed and approved by the Board of Trustees in January of each year, and at other times if necessary. The operating budget focuses on revenues and expenses produced from daily operations as well as budgeted expenditures for capital improvements, equipment, and debt service. In addition to College policy, the preparation of general fund operating budgets is guided by *Resource Planning Principles* adopted by the Board in November 2007 and revised in November 2013.

Columbus State takes a balanced, practical approach to budgeting. Revenues are based upon reasonable enrollment projections and tuition rates approved by the Board of Trustees, providing a solid budget parameter on this revenue calculation, and estimates of state instructional subsidy allocations provided by the Ohio Department of Higher Education (formerly named the Ohio Board of Regents). State instructional subsidy revenues are treated as operating revenues for budget purposes. Mission and goals, together with current and predicted economic environment and local conditions, all factor into the development of expense budgets. Expenses are constrained by budgeted revenues.

As noted on the Budget Comparison below, revenues exceeded expenditures by approximately $8.5 million, where Auxiliary had net revenues of $1.3 million, while the College general fund had net revenues, before transfers and allocations, of $7.2 million. Factors contributing to the College general fund's excess of revenues over expenditures in FY15 include payroll savings resulting from a significant number of position vacancies that were unfilled during the year while search processes were underway; more favorable experience in expense incurred for self-insured medical benefits; continued improvement in reducing bad debt expense as a result of best practices for attendance verification and financial aid disbursement practices implemented last year; and interest income, which is not budgeted pursuant to *Resource Planning Principles*, nearly doubled from FY14, added over $600,000 to the excess of revenues over expenses. The excess of revenues over expenses for Auxiliary operations resulted from improved margins for textbooks due to more availability of used textbooks, payroll savings resulting from positions vacant for a substantial portion of the year, and less spending on strategic initiatives than budgeted. Of the $7.2 million excess revenues over expenses for the College general fund, $7.0 million was allocated as of June 30 as follows: $2.1 million – capital equipment, $1.1 million – one-time compensation, and $1.6 million – Student Success and Innovation, and $2.2 million – capital improvements. Of the excess for Auxiliary operations, $1 million was allocated to support textbooks for the first year of the new *College Credit Plus* program.

The analysis below does not include nearly $10.5 million for initiatives approved by the Board of Trustees to be funded by reserves on a non-recurring basis rather than from the current year's operating revenues. Such approved non-recurring expenses included: Union Hall renovation ($2.6 million), technology initiatives and other instructional and capital equipment ($2.2 million), one-time compensation ($2.5 million), *Think Again* scholarships ($0.8 million), strategic growth initiatives ($0.8 million), and Student Success and Innovation ($0.6 million).

Budgeted and actual results for College and Auxiliaries operations are presented below.

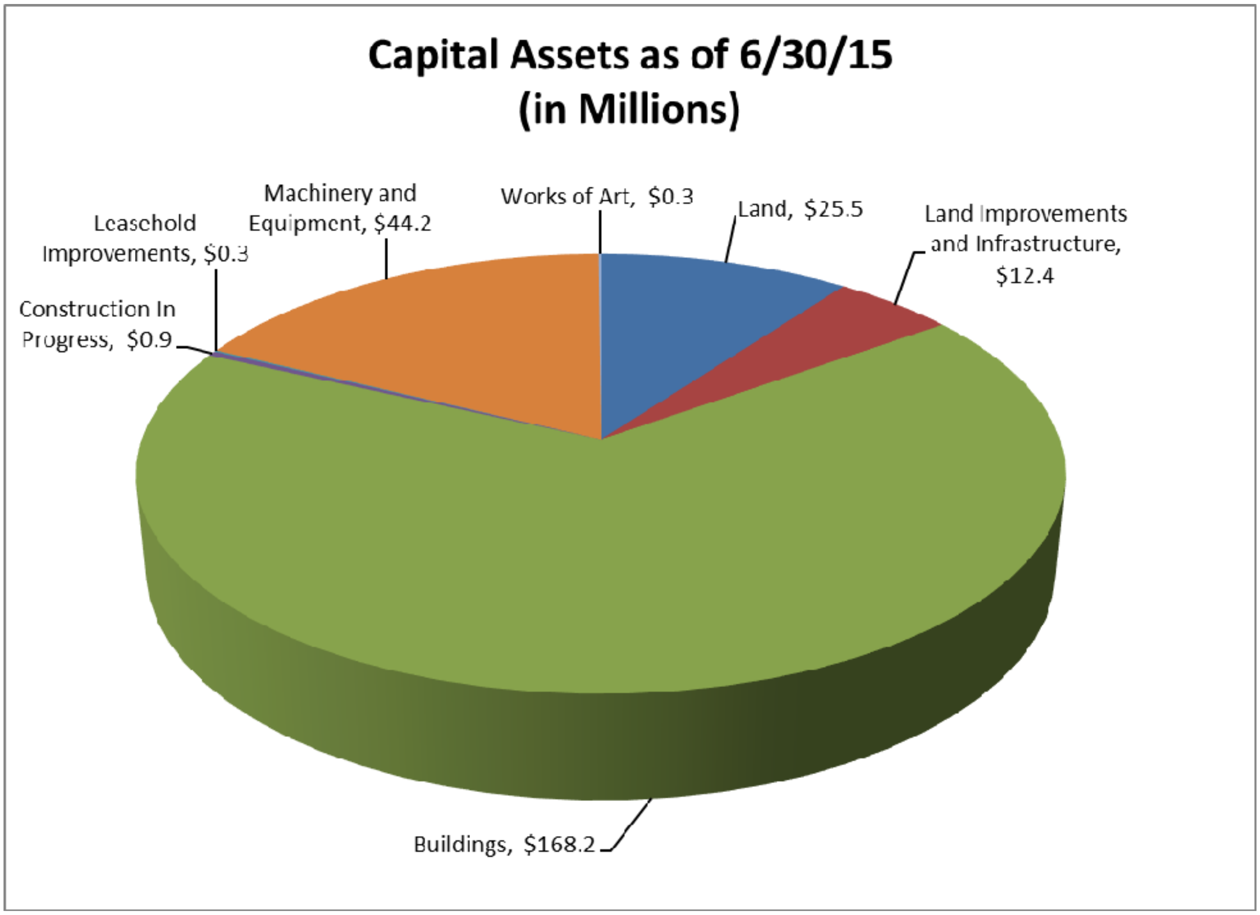
Columbus State Community College
Budget Comparisons – Budget to Actual
FY 15 (in thousands)

Budgeted Operations	Original Budget	Revised Budget	Percent % Change	Actual	Percent % Change
Revenues					
College	$140,479	$137,662	-2.01%	$138,762	0.80%
Auxiliary	14,296	13,685	-4.27%	13,520	-1.21%
Total Revenues	$154,775	$151,347	-2.21%	$152,282	0.62%
Expenditures					
College	$140,178	$137,662	-1.79%	$131,537	-4.45%
Auxiliary	14,047	13,683	-2.59%	12,238	-10.56%
Total Expenditures	$154,225	$151,345	-1.87%	$143,775	-5.00%
Net Revenues	$550	$2	-99.64%	$8,507	425256%

Capital Assets

Capital assets consist of land, land improvements, infrastructure (roads, underground utilities, etc.), buildings, equipment, vehicles, library books, as well as buildings under construction. Capital assets are recorded at "cost" at the time of acquisition. This acquisition cost is allocated over the useful life of the asset and recorded as depreciation expense. At June 30, 2015, the College had $251.9 million in capital assets and $95.8 million in accumulated depreciation, for a total of $156.1 million in net capital assets.

The chart below illustrates the College's capital assets (by classification) as of June 30, 2015.



By comparison, as of June 30, 2014, the College had recorded $245.5 million in capital assets and $88.9 million in accumulated depreciation, for a total of $156.6 million in net capital assets. A detailed summary of additions, deletions, and depreciation of assets can be found in Note 4 – Capital Assets.

Debt

As of June 30, 2015, the College had $8.48 million of outstanding debt, excluding net pension liability discussed previously, as follows:

		(in millions)
General Receipts Bonds:	2012	$ 6.98
General Receipts Bonds:	2007	$ 1.50
Total		$ 8.48

FACTORS IMPACTING FUTURE PERIODS

State Support and Enrollment

There are two factors that typically impact the budget for the College: state support and enrollment. State support is appropriated in the biennial budget bill as State Share of Instruction (SSI) and is distributed by formula. SSI currently represents approximately 45% of the College's operating revenues.

State Support

Until 2011, state support for Ohio's community colleges was primarily based upon student enrollments. Furthermore, since funds available for Ohio's two-year institutions ("the sector") were a defined pool of dollars, an institution had to grow in enrollment at a rate higher than the sector average to earn new subsidy dollars, all other things being equal. A series of changes to Ohio's funding formula for community colleges began in 2011, with the inclusion of a performance funding component known as "Success Point" funding. Success points were earned for various measures including number of students who completed developmental education courses; earned defined numbers of credit hours; earned a degree; or transferred to a 4-year institution.

As of FY15, the State's funding formula is entirely based on performance. Associate degree completions, certificate completions, and transfers to public or private four-year institutions are cost-based and account for 25 percent of the subsidy allocation. Course completions comprise 50% of the formula and are also cost-based. The costs are weighted for student populations that are underserved yet whose success is critical to the state meeting its postsecondary attainment needs. The weights, referred to as "access categories," include adult, low-income, and minority students. Columbus State leads Ohio's community college in university transfers and in access points associated with transfers. Success points continue to be part of the funding formula for progress-related metrics such as defined numbers of credit hours reflecting the thresholds in their college coursework and measures related to developmental education courses that yield enrollments in college-level coursework. Success points account for 25% of the formula and are unweighted and are earned by student.

To neutralize the impact of unusual circumstances in any given year, the data used to calculate formula earnings are based on a 3-year average. There is no longer any provision for "stop loss," a factor that mitigates the loss of subsidy beyond a defined percentage compared to the prior year.

Additional formula adjustments will be in effect for FY16 in the access categories. They include the introduction of a fourth access factor, academic preparation, for identifying at-risk students and new access weights within the Completion Milestone funding component to account for all four access factors.

Tuition and Enrollment

As discussed in the Financial and Institutional Highlights section earlier in this document, students continue to take fewer credit hours per semester than they did per quarter prior to Autumn 2012, resulting in lower FTEs, despite progress in new student enrollment and in student success initiatives. The College maintains a prudent approach to budgeting as demonstrated by its FY15 budget, which was balanced on tuition revenue 3% lower than the prior year, and its FY16 budget, which was balanced on tuition revenue that was an additional 5% below FY15, because enrollment had not yet stabilized.

While the College charged students the same tuition for six consecutive years through 2012, saving students and their families approximately $30 million over this extended period of time, it raised tuition for FY15 at the $100 cap legislated in HB 59 per fiscal year for the FY14/15 biennium. For the FY16/17 biennium, the HB 64 legislation prohibits tuition increases except in exceptional circumstances (requiring approvals beyond the College's Board of Trustees), but provides additional state subsidy. The College's in-state tuition remains the third lowest among Ohio's 23 community colleges and the lowest among non-levy community colleges. Additionally, HB 64 legislation includes a provision requiring the board of trustees of each state institution of higher education to develop and implement a plan to provide all in-state undergraduate students the opportunity to reduce the student cost of earning a degree by five percent.

College Credit Plus (CCP), Ohio's new dual enrollment program became effective September 17, 2014, a part of H.B. 487, signed into law on June 16, 2014. *CCP* replaces Ohio's Post-Secondary Enrollment Options program (PSEO) and all other alternative dual enrollment programs and will be operational for the 2015/16 school year. All public school districts and public institutions of higher education must participate. *CCP* funding is based on per college credit hour amounts where, in FY16, a ceiling of $163.23 is determined by using 83% of the state's K-12 per pupil funding amount and a floor of $40.81 is determined as 25% of the ceiling. Rates vary based on the location of the course delivery and who provides the instruction. The law requires college fees to be waived and school districts to cover textbook costs but allows alternative payment structures if agreed to by a school district and a public institution of higher education. Columbus State has entered into agreements with some school districts to charge its in-state tuition rate of $135.93 as the ceiling and to cover textbook costs for the 2015/16 school year. As of June 30, 2015, the full impact of the change in funding is unknown but tuition revenue under *College Credit Plus* is anticipated to be higher than tuition revenue earned under the previous PSEO program and alternative dual enrollment programs.

Financial Sustainability

Columbus State has navigated various economic uncertainties in recent years, none more dramatic than the enrollment decline that occurred in FY13 when the College transitioned from a quarter-based to a semester-based academic calendar, and subsequent enrollment declines, and has done so in a manner that has allowed it to remain financially sound.

Among the many steps it has taken to maintain its financial strength, the College sold or closed underperforming assets, reduced its payroll through a 3-year voluntary separation program, and created partnerships with K-12 and university partnerships, including shared space and shared services that have yielded more effective use of the public's resources. The College continues a rigorous process of budgeting tightly, pursuing more efficient processes, improving alignment of variable expenses to related revenues, and analyzing more carefully proposed expenses to prior year spending. As the College sets its strategic direction, goals and priorities, it remains vigilant in monitoring carefully its enrollment, revenue streams, and expenses, adjusting quickly and appropriately as necessary.

GASB pension liability

In accordance with GASB 68, discussed earlier, the College's financial statements are prepared on an accrual basis of accounting and include an annual pension expense for its proportionate share of each plan's change in net pension liability as well as a net pension liability and deferred inflows of resources related to pension beginning with next year's financials for the year ended June 30, 2015. While this change significantly changes the reporting for the financial condition of the College, it is important to keep in mind that this is required for compliance with this new standard creates a liability for which there is currently no legal means to enforce against the College. As the changes required by GASB 68 impact all Ohio institutions of higher education, the changes have been discussed with the Ohio Department of Higher Education to insure that this liability will be appropriately considered in the calculation of financial accountability ratios for determination of fiscal caution, watch or emergency for any entity, and two of the ratings agencies have indicated to the Auditor of State that the implementation of GASB 68 will not affect their ratings.

COLUMBUS STATE COMMUNITY COLLEGE

STATEMENT OF NET POSITION
As of June 30, 2015

	2015	
	Columbus State Community College	Component Unit Development Foundation
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 11,746,779	$ 1,707,757
Investments - Short-Term	47,494,268	6,729,741
Investments - Current Restricted	967,620	
Accounts, Loans and Pledges Receivable	27,039,432	1,658,712
Inventories	3,015,236	-
Other Assets	2,373,779	-
Total Current Assets	92,637,114	10,096,210
Noncurrent Assets		
Investments	73,197,779	109,442
Other Noncurrent Assets - Pledges Receivable	-	3,775,705
Capital Assets, Net	156,094,242	-
Total Noncurrent Assets	229,292,021	3,885,147
TOTAL ASSETS	**321,929,135**	**13,981,357**
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized Loss on Bond Refunding	298,381	-
Pension STRS	7,667,513	
Pension SERS	5,910,062	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	**13,875,956**	**-**
TOTAL ASSETS AND DEFERRED OUTFLOWS	**335,805,091**	**13,981,357**
LIABILITIES		
Current Liabilities		
Accounts Payable and Accrued Liabilities	13,453,898	728,132
Debt, Current Portion	1,555,000	-
Unearned Revenue	22,117,656	-
Total Current Liabilities	37,126,554	728,132
Noncurrent Liabilities		
Debt, Long-Term Portion	6,920,000	-
Long-Term Liabilities		
Compensated Absences	992,890	-
Net Pension Liability STRS	113,661,528	-
Net Pension Liability SERS	62,871,338	-
Total Noncurrent Liabilities	184,445,756	-
TOTAL LIABILITIES	**221,572,310**	**728,132**
DEFERRED INFLOWS OF RESOURCES		
Pension STRS	21,027,814	-
Pension SERS	10,204,195	-
TOTAL DEFERRED INFLOWS OF RESOURCES	**31,232,009**	**-**
TOTAL LIABILITIES AND DEFERRED INFLOWS	**252,804,319**	**728,132**
NET POSITION		
Net Investment in Capital Assets	147,619,242	-
Restricted		
Nonexpendable	-	4,054,875
Expendable	29,090,979	6,670,405
Unrestricted	(93,709,449)	2,527,945
TOTAL NET POSITION	**$ 83,000,772**	**$ 13,253,225**

The accompanying notes are an integral part of these financial statements.

COLUMBUS STATE COMMUNITY COLLEGE

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Year Ended June 30, 2015

	2015	
	Columbus State Community College	Component Unit Development Foundation
REVENUES		
Operating Revenues		
Student Tuition and Fees (Net of Scholarship Allowances of $15,349,551)	$ 60,203,614	$ -
Federal Grants and Contracts	4,413,062	-
State and Local Grants and Contracts	4,080,929	-
Private Grants and Contracts	2,361,682	1,010,370
Sales and Services of Educational Departments	33,418	-
Auxiliary Enterprises		
Bookstore	13,117,788	-
Other	401,998	-
Other Operating Revenues	440,723	-
Total Operating Revenues	**85,053,214**	**1,010,370**
EXPENSES		
Operating Expenses		
Educational and General		
Instruction and Departmental Research	69,382,159	-
Public Service	9,012,742	-
Academic Support	6,794,343	-
Student Services	15,232,397	-
Institutional Support	26,018,221	2,587,098
Operation and Maintenance of Plant	15,307,892	-
Scholarships and Fellowships	19,503,010	227,558
Depreciation Expense	7,059,701	-
Auxiliary Enterprises		
Bookstore	12,074,554	-
Other	163,111	-
Total Operating Expense	**180,548,130**	**2,814,656**
Operating Income (Loss)	**(95,494,916)**	**(1,804,286)**
NONOPERATING REVENUES (EXPENSES)		
State Appropriations	61,435,814	-
Unrestricted Investment Income (Net of Investment Expense)	666,468	28,585
Restricted Investment Income (Net of Investment Expense)	448	5,481
Interest on Capital Asset Related Debt	(269,388)	-
Pell Grant	33,684,097	-
Other Nonoperating Revenue (Expense)	(2,973,100)	-
Net Nonoperating Revenues	**92,544,339**	**34,066**
Income (Loss)Before Other Revenues and Expenses	**(2,950,577)**	**(1,770,220)**
Capital Appropriations	4,730,990	-
Change in Net Position	**1,780,413**	**(1,770,220)**
NET POSITION		
Net Position-Beginning of Year, Restated	**81,220,359**	**15,023,445**
Net Position-End of Year	**$ 83,000,772**	**$ 13,253,225**

The accompanying notes are an integral part of these financial statements.

COLUMBUS STATE COMMUNITY COLLEGE
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2015

	2015	
	Columbus State Community College	Component Unit Development Foundation
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and Fees	$ 59,110,817	$ 44,556
Grants, Gifts and Contracts	22,703,559	2,886,608
Payments to Suppliers	(55,511,796)	(1,866,314)
Payments for Salaries and Benefits	(111,991,601)	-
Payments for Scholarships	(19,503,010)	(227,558)
Auxiliary Enterprise Receipts	13,381,895	-
Other Receipts (Payments)	(2,525,687)	-
Net Cash Provided By (Used In) Operating Activities	**(94,335,823)**	**837,292**
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Appropriations	61,435,814	-
Pell Grant	33,684,097	-
Nonoperating Payments to Suppliers	(2,973,101)	-
Net Cash Provided By Noncapital Financing Activities	**92,146,810**	-
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Capital Appropriations	4,730,990	-
Purchases of Capital Assets	(6,528,364)	-
Principal Paid on Debt	(1,520,000)	-
Interest Paid on Capital Debt	(269,388)	-
Net Cash Used In Capital Financing Activities	**(3,586,762)**	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale (Purchases) of Investments	9,644,072	(263,431)
Income on Investments	666,916	34,066
Net Cash Provided By (Used In) Investing Activities	**10,310,988**	**(229,365)**
NET CHANGE IN CASH AND CASH EQUIVALENTS	**4,535,213**	**607,927**
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	**7,211,566**	**1,099,830**
CASH AND CASH EQUIVALENTS - END OF YEAR	**$ 11,746,779**	**$ 1,707,757**

RECONCILIATION OF NET OPERATING REVENUES (EXPENSES) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating Loss	$ (95,494,916)	$ (1,804,286)
Adjustments to Reconcile Net Operating Loss to Net Cash Provided (Used) By Operating Activities:		
Depreciation Expense	7,059,701	-
Pension Expense	(2,999,828)	-
Changes in Assets and Liabilities:		
Receivables, Net	12,947,767	1,920,794
Other Assets	(2,386,241)	-
Accounts Payable & Accrued Liabilites	(11,204,701)	720,784
Unearned Revenue	(2,330,568)	-
Unamortized Loss on Refunding	72,963	-
Net Cash Provided By (Used In) Operating Activities	**$ (94,335,823)**	**$ 837,292**

The accompanying notes are an integral part of these financial statements.

Note 1 - Summary of Significant Accounting Policies

Reporting Entity

Columbus State Community College (the College) is part of the University System of Ohio and was chartered as the Columbus Technical Institute. In 1986, the College was established as a college district by the Ohio Board of Regents. On July 1, 1987, the College was granted a provisional charter as a state community college, which was made permanent on September 10, 1993. As such, the College is one of the state-supported colleges and universities in Ohio. The College is a component unit of the primary reporting entity of the State of Ohio. The financial statements present the financial position and results of operations of the College along with the Columbus State Community College Development Foundation, as a component unit of the College.

Columbus State Community College Development Foundation, Inc. (the Foundation) is a legally separate, tax-exempt organization that exists to provide financial assistance to the educational programs, services and facilities of the College. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon that the Foundation holds and invests are restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College and is discretely presented in the College's financial statements in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units and GASB Statement No. 61, The Financial Reporting Entity Omnibus.

The College operates under the direction of a nine member Board of Trustees who are appointed by the Governor. A President is appointed by the Board of Trustees to oversee day-to-day operations of the College. An appointed treasurer is the custodian of funds and is responsible for the fiscal control of the resources of the College.

The College was organized principally to offer educational programs beyond high school, normally not exceeding two years in duration, and leading to the award of an associate degree. The College offers programs in the arts and sciences, career and technical training, and adult and continuing education, as outlined in ORC Section 3358.01.

Basis of Accounting

The financial statements of the College have been prepared using the economic resource measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by providers have been met. The College reports as a Business Type Activity (BTA). BTAs are those activities that are financed in whole or part by fees charged to external parties for goods and services.

Basis of Presentation

The College's basic financial statements consists of the Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows. The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The College reports as a special purpose government engaged solely in "business type activities" under GASB.

Note 1 - Summary of Significant Accounting Policies (Continued)

Net position is the difference between the College's assets and deferred outflows of resources, and its liabilities and deferred inflows of resources. GASB establishes standards for external financial reporting for public colleges and universities and require that resources be classified for accounting and reporting purposes into the following net position categories:

- Net investment in capital assets: Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.
- Restricted:
  - *Nonexpendable* **-** Net position subject to externally imposed stipulations that they be maintained permanently by the College. Such assets include the permanent endowment funds of the Foundation.
  - *Expendable* **-** Net position whose use by the College is subject to externally imposed stipulations that can be fulfilled by actions of the College pursuant to those stipulations or that expire by the passage of time. The net position principally represent amounts for specified capital construction projects.
- Unrestricted: Net position whose use by the College is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the Board of Trustees or may otherwise be limited by contractual agreements with outside parties.

It is the College's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

The financial statement presentations required by GASB 34 and 35 are intended to provide a comprehensive, entity-wide perspective of the College's assets, liabilities, net position, revenues, expenses, changes in net position and cash flows.

GASB Pronouncements

GASB Statement No. 72, *Fair Value Measurement and Application,* GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68,* GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, and GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments,* become effective for various fiscal years ranging from June 30, 2016 through 2018. Management has not determined the effect of these pronouncements on the financial statements of the College.

Management Estimates

The preparation of financial statements in conformity with accounting principles, generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures during the reporting periods. Actual results could differ from those estimates. Management estimates primarily relate to collectibility of receivables and compensated absences.

Note 1 - Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

The College's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

The College makes investments in accordance with the Board of Trustees' policy, which conforms to the authority granted in the Ohio Revised Code. The purchase of specific investment instruments is at the discretion of the College's Treasurer within these policy guidelines. In accordance with GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, investments are reported at fair value.

The College's investments are exposed to a variety of uncertainties, including interest rate, market and credit risks. Due to the level of risk associated with certain investments, it is possible that changes in the values of these investments could occur in the near term. Such changes could materially affect the amounts reported in the financial statements of the College.

Accounts Receivables

At June 30, 2015, accounts receivable consist primarily of student tuition and fees, and intergovernmental grants and contracts.

Inventory

Inventories consist principally of text books, educational materials and other merchandise sold by the bookstore and are stated at cost on the first-in-first-out (FIFO) basis.

Capital Assets

Capital assets with a unit cost of over $5,000, and all library books, are recorded at cost at date of acquisition, or, if donated, at fair market value at the date of donation. Expenditures for construction in progress are capitalized as incurred. Interest expense related to construction is capitalized net of interest income earned on resources set aside for this purpose. Works of art, including assets held for public exhibition and education, which are protected and preserved, are not depreciated. Renovations to buildings, leasehold, infrastructure and land improvements that significantly increase the value or extend the life of the structure are capitalized. Routine maintenance and repairs are charged to expense as incurred. Depreciation of capital assets is computed using the straight-line method over the estimated useful life of the respective asset, generally 20 years for land improvements, 10-50 years for buildings and fixed equipment, 15 years for library books and 4 - 10 years for equipment. Depreciation expense is not allocated to the functional expenditure categories.

Unearned Revenue

Unearned revenue is comprised primarily of receipts relating to tuition and student fees in advance of the services to be provided and grant funds not earned as of June 30, 2015.

Operating Activities

The College defines operating activities, as reported on the Statement of Revenues, Expenses, and Changes in Net Position, as those that generally result from exchange transactions, such as payments received for providing goods and services and payments made for goods and services received. Nearly all of the College's expenses are from exchange transactions. All revenues from programmatic sources are considered to be operating revenues. Included in non-operating revenues are state appropriations, Pell grant revenues, investment income, and gifts in accordance with GASB Statement No. 35. Gifts (pledges) that are received on an installment basis are recorded at net present value.

Note 1 - Summary of Significant Accounting Policies (Continued)

Scholarship and Allowances and Student Aid

The College participates in federally funded Pell Grants, SEOG Grants, and Direct Lending programs. Federal programs are subject to an annual U.S. Office of Management and Budget Revised OMB Circular A-133 audit.

Financial aid to students is reported in the financial statements under the alternative method as prescribed by the National Association of College and University Business Officers (NACUBO). Certain aid, such as loans, is provided to students as awarded by third parties and is accounted for as a third party payment (credited to the student's account as if the student made the payment). All other aid is reflected in the financial statements as operating expenses, or scholarship allowances, which reduce revenues.

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the statements of revenues, expenses, and changes in net position. Scholarship discounts and allowances are the difference between stated charges for goods and services provided by the College, and the amount that is paid by students and/or third parties making payments on the students' behalf.

Deferred Outflows and Deferred Inflows

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until then. For the College, deferred outflows of resources are reported on the statement of net position at June 30, 2015 for an unamortized loss on bond refunding and for pensions. The deferred charge on refunding in the amount of $298,381 resulted from the difference in the carrying value of refunded debt and its reacquisition price. The deferred outflows of resources related to pension are explained in Note 10.

In addition to liabilities, the statement of net position may report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the College, deferred inflows of resources for pensions have been recorded on the statement of net position and is also explained further in Note 10.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net positon have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

Change in Accounting Principle and Restatement of Net Position

For fiscal year 2015, the College implemented the Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68." GASB 68 established standards for measuring and recognizing pension liabilities, deferred outflows of resources, deferred inflows of resources and expense. The implementation of this pronouncement had the following effect on net position as reported June 30, 2014:

Note 1 - Summary of Significant Accounting Policies (Continued)

Net Position June 30, 2014	$278,407,485
Adjustments:	
Net Pension Liability	(208,925,098)
Deferred Outflow - Payments Subsequent to Measurement Date	11,737,972
Restated Net Position June 30, 2014	$81,220,359

Other than employer contributions subsequent to the measurement date, the College made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available.

Other Significant Accounting Policies

Other significant accounting policies are set forth in the financial statements and accompanying notes.

Note 2 - Cash, Cash Equivalents And Investments

Statement No. 3 as amended by Statement No. 40 of the Governmental Accounting Standards Board requires the College to disclose essential risk information about deposits and investments. The disclosure requirements cover four main areas: credit risk, interest rate and investment maturity, interest rate sensitivity and foreign exchange exposure. Current restricted investments on the statement of net position represent capital component funds received from the State of Ohio, held for debt service on long-term debt and long-term capital projects.

Custodial Credit Risk—Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a formal deposit policy for custodial credit risk. At June 30, 2015, $250,000 of the bank balance was covered by federal deposit insurance and the remaining portion $18,406,776, was uninsured but collateralized by pools of securities pledged by the depository bank and held in the name of the bank.

The following summarizes the value of investments at June 30, 2015:

Description	Fair Value 2015
STAR Ohio/STAR Plus	$ 38,070,950
Money Market Funds	3,078,104
Municipal Bonds	9,750,843
U.S. Government Obligations	5,289,655
U.S. Agency Obligations	65,470,115
Total	$ 121,659,667

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates and according to state law, the College's investment policy limits investment portfolio maturities to five years or less.

Note 2 – Cash, Cash Equivalents And Investments (Continued)

As of June 30, 2015, the College had the following investments and maturities:

		Investment Maturities (in years)			
	Fair Value	Less than 1	1 to 5	6 to 10	More than 10
STAR Ohio/STAR Plus	$38,070,950	$38,070,950	$ -	$ -	$ -
Money Market Funds	3,078,104	3,078,104	-	-	-
Municipal Bonds	9,750,843	1,845,450	7,905,393	-	-
U.S. Gov't Obligations	5,289,655	3,033,230	2,256,425	-	-
U.S. Agency Obligations	65,470,115	8,823,537	56,646,578	-	-
Total	$121,659,667	$54,851,271	$66,808,396	$ -	$ -

The College held $38,070,950 in STAR Ohio and STAR Plus investments as of June 30, 2015. STAR Ohio is an external investment pool and is considered a cash equivalent under GASB Statement No. 9. Oversight of the pool is through the Ohio Treasurer of State. STAR Plus is endorsed by the Ohio Treasurer of State, administered by Public Funds Administrator (PFA), an Ohio business and is fully FDIC insured. The fair value of the College's position in the pool is the same as the value of its pool shares.

Credit Risk. Credit risk is the risk that an issuer or counterparty to an investment will be unable to fulfill its obligations. As of June 30, 2015, Standard & Poor rated STAR Ohio investments as AAA and U.S. Government and Agency Obligations were rated AA+. Included in U.S. Government Obligations were $12,404,560 in short term discount notes, as of June 30, 2015. The government money market funds and U.S. Agency short term discount notes were not rated.

The credit ratings of the College's interest-bearing investments at June 30, 2015, are as follows:

Credit Rating (S&P)	**Total**	**STAR Ohio/ STAR Plus**	**Money Market**	**U.S. Govt Obligations & Municipal Bonds**	**U.S. Agency Obligations**
AAAm	$23,039,469	$23,039,469	-	-	-
AAA to A	$59,141,534	-	-	$6,075,979	$53,065,555
Unrated	39,478,664	15,031,481	3,078,104	8,964,519	12,404,560
Total	$121,659,667	$38,070,950	$3,078,104	$15,040,498	$65,470,115

Investments indicated as unrated by S&P above may have ratings available from other ratings agencies.

Concentration of Credit Risk. The College places limits on the amount that may be invested in any one issuer. The following table includes the percentage of the total for each investment type held by the College at June 30, 2015:

Year	**Total**	**STAR Ohio**	**Money Market**	**U.S. Govt Obligations &Municipal Bonds**	**U.S. Agency Oblig.**
2015	100.0%	31.3%	2.5%	12.4%	53.8%

Note 2 - Cash, Cash Equivalents and Investments (Continued)

Custodial Credit Risk. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either a counterparty or the counterparty's trust department or agent but not in the government's name. As of June 30, 2015, the College's investments were held in custody by a counterparty on behalf of the College.

Foreign Currency Risk. Foreign currency risk is the risk that changes in exchange rates between the U.S. Dollar and foreign currencies could adversely affect an investment's value. The College had no direct exposure to foreign currency risk at June 30, 2015.

Note 3 - Pledges, Grants and Accounts Receivable

2015	Gross Receivable	Allowance	Net Receivable
Students' and other	$46,464,749	$(24,964,232)	$21,500,517
Grants and contracts	5,538,915	-	5,538,915
Total	$52,003,664	$(24,964,232)	$27,039,432

Note 4 - Capital Assets

Capital asset activity for the year ended June 30, 2015, was as follows:

	Balance June 30, 2014	Additions	Deductions	Balance June 30, 2015
Land	$ 25,518,235	-	-	$ 25,518,235
Works of art	286,500	-	-	286,500
Construction in progress	8,302,613	3,654,057	(11,062,565)	894,105
Total cost of nondepreciable capital assets	34,107,348	3,654,057	(11,062,565)	26,698,840
Buildings	158,664,127	9,561,530	-	168,225,657
Leasehold improvements	324,721	-	(71,218)	253,503
Improvements other than buildings	12,433,777	-	-	12,433,777
Moveable equip, furniture and library books	39,951,661	4,436,955	(140,548)	44,248,068
Total cost of depreciable capital assets	211,374,286	13,998,485	(211,766)	225,161,005
Total cost of capital assets	245,481,634	17,652,542	(11,274,331)	251,859,845
Less accumulated depreciation				
Buildings	54,971,713	4,739,206	-	59,710,919
Improvements other than buildings	2,954,956	247,568	-	3,202,524
Moveable equip, furniture & library books	30,929,387	2,072,927	(150,154)	32,852,160
Total accumulated depreciation	88,856,056	7,059,701	(150,154)	95,765,603
Capital assets, net	$156,625,578	$10,592,841	$ (11,124,177)	$156,094,242

Note 5 - Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities at June 30, 2015:

Payable to vendors and contractors	$ 3,538,392
Accrued expenses, primarily payroll and vacation leave	8,679,360
Employee withholdings and deposits payable to third parties	2,229,036
	$ 14,446,788
Current	$ 13,453,898
Noncurrent	$ 992,890

Note 6 - Long Term Obligations

Long-term debt as of June 30, 2015 is summarized as follows:

	Balance June 30, 2014	Addition/ New Debt	Reduction	Balance June 30, 2015	Current Portion	Noncurrent Portion
Series 2007 bonds with interest rates ranging from 4.0% to 4.25% due serially through 2017	$2,205,000	-	$ (705,000)	$1,500,000	$735,000	$765,000
Series 2012 bonds with an interest rate of 1.65% due serially through 2023	7,790,000	-	(815,000)	6,975,000	820,000	6,155,000
Total Bonds	9,995,000	-	(1,520,000)	8,475,000	1,555,000	6,920,000
Net Pension Liability						
STRS	135,028,248	-	(21,366,720)	113,661,528	-	113,661,528
SERS	73,896,850	-	(11,025,512)	62,871,338	-	62,871,338
Total Net Pension Liability	208,925,098	-	(32,392,232)	176,532,866	-	176,532,866
Compensated Absences	3,819,249	271,882	-	4,091,131	3,098,241	992,890
Total Long-Term Liabilities	$222,739,347	$271,882	$(33,912,232)	$189,098,997	$4,653,241	$184,445,756

Note 6 - Long Term Obligations (Continued)

Principal and interest amounts on bond obligations for the next five years and thereafter are as follows:

Years Ended June 30	Principal	Interest	Total
2016	$1,555,000	163,219	$1,718,219
2017	1,600,000	117,814	1,717,814
2018	855,000	87,780	942,780
2019	865,000	73,673	938,673
2020	880,000	59,400	939,400
2021-2023	2,720,000	90,172	2,810,172
Total	$8,475,000	592,058	$9,067,058

The bonds are serviced by the general receipts of the College, except for receipts expressly excluded as stated in the trust indentures dated December 20, 2012 and April 1, 2007.

The Series 2007 bonds are not subject to redemption prior to maturity.

Note 7 - Leases

The College leases office space, parking, and classroom space for its off-campus sites and equipment under operating leases, which have ending dates ranging through 2018. Lease expense charged to operations was $2,044,135 during 2015. Future minimum lease payments under operating leases at June 30, 2015, are as follows:

2016	$1,085,398
2017	790,201
2018	183,183
2019	99,053
2020	16,589
	$2,174,424

Note 8 - Compensated Absences

Fulltime College administrators and staff accrue vacation benefits. For all classes of employees, any earned but unused vacation benefit is payable upon termination. Sick leave may be accrued without limit. However, earned but unused sick leave benefits are payable only upon retirement from the College. The amount of sick leave benefit payable at retirement is one-fourth of the value of the accrued but unused sick leave up to a maximum of 360 hours. The College accrues sick leave liability for those employees who are currently eligible to receive termination payments as well as other employees who are expected to become eligible to receive such payments. This liability is calculated using the "vesting method" which is set forth in Appendix C, Example 5 of GASB Statement No. 16, Accounting for Compensated Absences. Under the vesting method, the College calculates the probability factor that employees will meet retention and eligibility requirements.

The liability for the cost of vacation and sick leave benefits is approximately $4,091,131 as of June 30, 2015.

Note 9 - State Support

The College is a state-assisted institution of higher education and receives an outcomes-based subsidy from the State of Ohio. This subsidy is determined annually based upon a formula devised by the Ohio Department of Higher Education, adjusted to state resources available.

In addition to the current operating subsidies, the State of Ohio provides the funding for and constructs major plant facilities for the College. The funding is obtained from the issuance of revenue bonds by the Ohio Public Facilities Commission (OPFC), which in turn causes the construction and subsequent lease of the facility by the Ohio Department of Higher Education. Such facilities are capitalized by the College as buildings (upon completion) or as construction in progress until completion and turn over to the College by the Ohio Department of Higher Education. Neither the obligation for the revenue bonds issued by the Ohio Public Facilities Commission nor the annual debt service charges for principal and interest on the bonds are reflected in the College's financial statements. The debt service is funded through appropriations to the Ohio Department of Higher Education by the General Assembly.

The facilities are not pledged as collateral for the revenue bonds. Instead, the bonds are supported by a pledge of monies in the Higher Education Bond Service Fund and future payments to be received by such fund, which is established in the custody of the Treasurer of State of Ohio.

Note 10 - Defined Benefit Pension Plans

Net Pension Liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions-–between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the College’s proportionate share of each pension plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the College’s obligation for this liability to annually required payments. The College cannot control benefit terms or the manner in which pensions are financed; however, the College does receive the benefit of employees’ services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could

Note 10 - Defined Benefit Pension Plans (Continued)

significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension liability* and any liability for the contractually-required pension contribution outstanding at the end of the year is included in current liabilities. The College does not have any contractually-required pension contribution liability recorded at June 30, 2015.

Plan Description - School Employees Retirement System (SERS)

Plan Description – College non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about SERS' fiduciary net position. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire on or after August 1, 2017
Full Benefits	Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially Reduced Benefits	Age 60 with 5 years of service credit Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

* Members with 25 years of service credit as of August 1, 2017, will be included in this plan.

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on year of service; 2.2 percent for the first thirty years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary.

One year after an effective benefit date, a benefit recipient is entitled to a three percent cost-of-living adjustment (COLA). This same COLA is added each year to the base benefit amount on the anniversary date of the benefit.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the College is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2015, the allocation to pension, death benefits, and Medicare B

Note 10 - Defined Benefit Pension Plans (Continued)

was 13.18 percent. The remaining 0.82 percent of the 14 percent employer contribution rate was allocated to the Health Care Fund.

The College's contractually required contribution to SERS was $5,374,961 for fiscal year 2015.

Plan Description - State Teachers Retirement System (STRS)

Plan Description – College faculty members participate in STRS Ohio, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site at www.strsoh.org.

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. With certain exceptions, the basic benefit is increased each year by two percent of the original base benefit. For members retiring August 1, 2013, or later, the first two percent is paid on the fifth anniversary of the retirement benefit. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 25 years of service, or 30 years of service regardless of age. Age and service requirements for retirement will increase effective August 1, 2015, and will continue to increase periodically until they reach age 60 with 35 years of service or age 65 with five years of service on August 1, 2026.

The DC Plan allows members to place all their member contributions and 9.5 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.5 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, member contributions are allocated among investment choices by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of services.

The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50.

New members who choose the DC plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB 68 reporting purposes.

Note 10 - Defined Benefit Pension Plans (Continued)

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least ten years of qualifying service credit that apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory maximum employee contribution rate was increased one percent July 1, 2014, and will be increased one percent each year until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2015, plan members were required to contribute 12 percent of their annual covered salary. The College was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2015 contribution rates were equal to the statutory maximum rates.

The College's contractually required contribution to STRS was $6,573,275 for fiscal year 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The College's proportion of the net pension liability was based on the College's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	SERS	STRS	Total
Proportionate Share of the Net Pension Liability	$62,871,338	$113,661,528	$176,532,866
Proportion of the Net Pension Liability	1.242285%	0.46729176%	
Pension Expense	$3,697,350	$5,251,058	$8,948,408

Note 10 - Defined Benefit Pension Plans (Continued)

At June 30, 2015, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$535,102	$1,094,239	$1,629,341
College contributions subsequent to the measurement date	5,374,961	6,573,275	11,948,236
Total Deferred Outflows of Resources	$5,910,063	$7,667,514	$13,577,577
Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	$10,204,195	$21,027,814	$31,232,009
Total Deferred Inflows of Resources	$10,204,195	$21,027,814	$31,232,009

$11,948,236 reported as deferred outflows of resources related to pension resulting from College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2016	($2,417,273)	($4,983,394)	($7,400,667)
2017	(2,417,273)	(4,983,394)	(7,400,667)
2018	(2,417,273)	(4,983,394)	(7,400,667)
2019	(2,417,274)	(4,983,393)	(7,400,667)
Total	($9,669,093)	($19,933,575)	($29,602,668)

Note 10 - Defined Benefit Pension Plans (Continued)

Actuarial Assumptions - SERS

SERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2014, are presented below:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation	4.00 percent to 22 percent
COLA or Ad Hoc COLA	3 percent
Investment Rate of Return	7.75 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal

For post-retirement mortality, the table used in evaluating allowances to be paid is the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables are used for the period after disability retirement.

The most recent experience study was completed June 30, 2010.

The long-term return expectation for the Pension Plan Investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

Note 10 - Defined Benefit Pension Plans (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	1.00 %	0.00 %
US Stocks	22.50	5.00
Non-US Stocks	22.50	5.50
Fixed Income	19.00	1.50
Private Equity	10.00	10.00
Real Assets	10.00	5.00
Multi-Asset Strategies	15.00	7.50
Total	100.00 %	

Discount Rate The total pension liability was calculated using the discount rate of 7.75 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.75 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the College's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.75 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.75 percent), or one percentage point higher (8.75 percent) than the current rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
College's proportionate share of the net pension liability (Dollars in Thousands)	$89,699	$62,871	$40,307

Note 10 - Defined Benefit Pension Plans (Continued)

Actuarial Assumptions - STRS

The total pension liability in the June 30, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Projected salary increases	2.75 percent at age 70 to 12.25 percent at age 20
Investment Rate of Return	7.75 percent, net of investment expenses
Cost-of-Living Adjustments (COLA)	2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring August 1, 2013, or later, 2 percent COLA paid on fifth anniversary of retirement date.

Mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males' ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89 and not set back from age 90 and above.

Actuarial assumptions used in the June 30, 2014, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

The 10 year expected real rate of return on pension plan investments was determined by STRS' investment consultant by developing best estimates of expected future real rates of return for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	31.00 %	8.00 %
International Equity	26.00	7.85
Alternatives	14.00	8.00
Fixed Income	18.00	3.75
Real Estate	10.00	6.75
Liquidity Reserves	1.00	3.00
Total	100.00 %	

Discount Rate The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2014. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2014.

Note 10 - Defined Benefit Pension Plans (Continued)

Therefore, the long-term expected rate of return on pension plan investments of 7.75 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2014.

Sensitivity of the College's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the College's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.75 percent, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.75 percent) or one-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
College's proportionate share of the net pension liability (Dollars in Thousands)	$162,719	$113,662	$72,176

Note 11 - Postemployment Benefits

School Employees Retirement System

Health Care Plan Description - The College contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 45 purposes, this plan is considered a cost-sharing, multiple-employer, defined benefit other postemployment benefit (OPEB) plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans as well as a prescription drug program. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Health care is financed through a combination of employer contributions and retiree premiums, copays and deductibles on covered health care expenses, investment returns, and any funds received as a result of SERS' participation in Medicare programs. Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For fiscal year 2015, 0.82 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. For fiscal year 2015, this amount was $20,450. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total

Note 11 - Postemployment Benefits (Continued)

statewide SERS-covered payroll for the health care surcharge. For fiscal year 2015, the College's surcharge obligation was $224,493.

The College's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were $314,819, $297,977, and 305,977, respectively.

State Teachers Retirement System

Plan Description – The College participates in the cost-sharing multiple-employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2015, STRS did not allocate any employer contributions to post-employment health care. For 2014 and 2013, the contributions for health care were $456,836 and $520,925, respectively.

Note 12 - Risk Management

The College uses a number of methods to assess and reduce risk of operations. Risk management programs like driver training, professional certifications, safety training in the use of equipment, first aid training like cardio-pulmonary resuscitation (CPR) and the like are conducted to inhibit injury and reduce the results thereof. Such programs are administered internally, contracted externally, or coordinated through partnerships with other public entities. Also, the College is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The College procures various insurance coverage for property damage, crime, general liability, liquor liability, and automobile insurance. Coverage amounts vary in terms of peril insured against. The College has not had a significant reduction in coverage from the prior year. Settled claims have not exceeded any aforementioned commercial coverage in any of the past three years.

The College is self-insured for its health, dental and vision benefits to its employees. The College self-funds the cost of the programs up to specified stop-loss insurance limits. Coverage during the policy period limits the maximum individual and aggregate losses. Self-insurance costs are accrued based upon the aggregate of the liability for reported claims and an estimated liability for claims incurred but not reported. The estimated liability for claims incurred but not reported was determined based on averages of claims expenses paid during the period. The claims liability of $1,492,011 was reported at June 30, 2015, as required of GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims be reported.

Note 12 - Risk Management (Continued)

The following represents the claims activity for the last three fiscal years:

Fiscal Year	Claims Liability Balance at Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	Claims Liability Balance at End of Year
2015	$1,903,214	10,109,369	10,520,572	$1,492,011
2014	$1,379,218	9,549,599	9,025,603	$1,903,214
2013	$1,632,752	$ 8,552,212	8,805,746	$1,379,218

In addition to the expense incurred in claim payments, the College paid $1,246,861, $1007,740 and $1,082,322 in fees for administration of the self-insurance plans for 2015, 2014, and 2013, respectively.

Note 13 - Capital Projects Commitments

At June 30, 2015, the College was committed to future capital expenditures as follows:

Contractual commitments:	2015
One-Stop Center/Madison Hall	$741,000
Repaving Campus Streets	$650,000
Total future project costs	$1,391,000

Note 14 - Pending Litigation

At June 30, 2015, there were several lawsuits and claims pending against the College. In the opinion of management, the ultimate liabilities, if any, resulting from such lawsuits and claims will not materially affect the financial position of the College.

Note 15 - Operating Expenses By Natural Classification

The College's operating expenses by natural classification were as follows for the year ended June 30, 2015:

	2015
Salaries and wages	$92,412,739
Employee benefits	20,611,996
Utilities	3,279,249
Supplies and other services	37,681,435
Depreciation	7,059,701
Student scholarships and financial aid	19,503,010
	$180,548,130

Note 16 - Component Unit Disclosures

The following disclosures relate to the Columbus State Community College Development Foundation, Inc. (the Foundation). Copies of the Foundation's separately issued financial statements can be obtained by contacting the Foundation's business office.

Organization

The Foundation is a private nonprofit organization that reports under the provisions of FASB Accounting Standards Codification (ASC) No. 958 "Not-for-Profit Entities." As such, certain revenue recognition criteria and presentation features are different from GASB revenue and recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the College's financial statements for these differences.

Cash, Cash Equivalents and Investments

The Foundation's cash and cash equivalents are included in the College's consolidated cash, which is insured by the FDIC up to $250,000, as of June 30, 2015. Uninsured cash funds held by US Bank are subject to a collateral agreement covering all public funds held by the bank. As of June 30, 2015, the Foundation had bank balances with US Bank and Morgan Stanley of $1,709,757.

Investments

The Foundation's investments are stated at market value, with changes in the market value being recognized as gains and losses during the period in which they occur. Market value is determined by market quotations. Investment earnings from endowment investments are credited to temporarily restricted funds and spent in compliance with donor restrictions placed on earnings. Investment earnings of non-endowment investments are recorded as unrestricted earnings and expended at the discretion of the Foundation's board. The following summarizes the cost and fair value of investments of the Foundation at June 30, 2015.

	2015	
	Cost	Fair Value
Equity Funds	5,321,154	5,491,218
Common & Preferred Stock	1,045,767	1,208,806
Corporate Debt	123,132	139,159
	$ 6,490,053	$ 6,839,183

Promises to Give

Unconditional promises to give consist of the following as of June 30, 2015:

	2015
Outstanding pledges at year end	$5,439,383
Less: Discounts and allowance for uncollectible pledges	(8,388)
Unconditional promises to give, net	$5,430,995

Note 16 - Component Unit Disclosures (Continued)

As of June 30, 2015

Amounts due to be received in:	Gross Amount	Allowance/ Discount	Net Amount
Less than one year	$1,655,290	-	$1,655,290
One to five years	3,775,705	-	3,775,705
Total	$5,430,995	-	$5,430,995

Note 17 - Contingency

The College is the beneficiary of potential cash refunds related to the purchase of annuities to fund two charitable gift annuities the College received in prior years. During fiscal year 2010, the College purchased two annuities to fund the obligations. The policies provide that the College will receive refunds of any premium payment in excess of the obligations paid by the policies if all annuitants are deceased. The College paid $3,484,254 in premiums during 2010 to fund the annuities. As of June 30, 2015, $1,300,000 has been paid to the annuitants.

REQUIRED SUPPLEMENTARY INFORMATION

COLUMBUS STATE COMMUNITY COLLEGE

Required Supplementary Information

Schedule of the College's Proportionate Share of the Net Pension Liability

School Employees Retirement System of Ohio

Last Two Fiscal Years (1)

	2014	2013
College's Proportion of the Net Pension Liability	1.242285%	1.242285%
College's Proportionate Share of the Net Pension Liability	$62,871,338	$73,896,850
College's Covered-Employee Payroll	$36,140,472	$39,532,495
College's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	173.96%	186.93%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.70%	65.52%

(1) Information prior to 2013 is not available.

COLUMBUS STATE COMMUNITY COLLEGE

Required Supplementary Information

Schedule of the College's Proportionate Share of the Net Pension Liability

State Teachers Retirement System of Ohio

Last Two Fiscal Years (1)

	2014	2013
College's Proportion of the Net Pension Liability	0.46729176%	0.46729176%
College's Proportionate Share of the Net Pension Liability	$113,661,528	$135,028,248
College's Covered-Employee Payroll	$46,672,461	$52,203,027
College's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	243.53%	258.66%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.70%	69.30%

(1) Information prior to 2013 is not available.

COLUMBUS STATE COMMUNITY COLLEGE

Required Supplementary Information

Schedule of College Contributions

School Employees Retirement System of Ohio

Last Ten Fiscal Years

School Employees Retirement System	2015	2014	2013
Contractually Required Contribution	$5,374,961	$5,054,314	$5,040,444
Contributions in Relation to the Contractually Required Contribution	(5,374,961)	(5,054,314)	(5,040,444)
Contribution Deficiency (Excess)	$0.00	$0.00	$0.00
College Covered-Employee Payroll	$38,392,578	$36,140,472	$39,532,495
Contributions as a Percentage of	14.00%	13.99%	12.75%

2012	2011	2010	2009	2008	2007	2006
$5,811,044	$5,467,455	$4,825,024	$4,465,944	$4,158,505	$3,866,609	$3,734,331
(5,811,044)	(5,467,455)	(4,825,024)	(4,465,944)	(4,158,505)	(3,866,609)	(3,734,331)
$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
$41,553,409	$39,071,110	$34,472,777	$32,095,208	$29,805,734	$27,643,635	$26,679,012
13.98%	13.99%	14.00%	13.91%	13.95%	13.99%	14.00%

COLUMBUS STATE COMMUNITY COLLEGE

Required Supplementary Information

Schedule of College Contributions

State Teachers Retirement System of Ohio

Last Ten Fiscal Years

State Teachers Retirement System	2015	2014	2013
Contractually Required Contribution	$6,573,275	$6,534,145	$7,308,424
Contributions in Relation to the Contractually Required Contribution	(6,573,275)	(6,534,145)	(7,308,424)
Contribution Deficiency (Excess)	0.00	0.00	0.00
College Covered-Employee Payroll	$47,744,310	$46,672,461	$52,203,027
Contributions as a Percentage of	13.77%	14.00%	14.00%

2012	2011	2010	2009	2008	2007	2006
$7,875,038	$7,570,317	$6,770,527	$6,101,860	$5,653,634	$5,206,288	$5,117,931
(7,875,038)	(7,570,317)	(6,770,527)	(6,101,860)	(5,653,634)	(5,206,288)	(5,117,931)
0.00	0.00	0.00	0.00	0.00	0.00	0.00
$56,250,269	$54,073,694	$48,360,905	$43,584,712	$40,383,102	$37,187,770	$36,556,449
14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

COLUMBUS STATE COMMUNITY COLLEGE

Single Audit Reports

June 30, 2015

PLATTENBURG
Certified Public Accountants

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COLUMBUS STATE COMMUNITY COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended June 30, 2015

	CFDA #	Pass Through Number	Expenditures
US DEPARTMENT OF EDUCATION			
Direct Recipient			
Student Financial Aid Cluster:			
Federal Supplemental Educational Opportunity Grants	84.007		$654,405
Federal Direct Student Loans	84.268		61,027,088
Federal Work-Study Program	84.033		443,563
Federal Pell Grant Program	84.063		33,611,375
Total Student Financial Aid			**95,736,431**
TRIO Cluster			
TRIO Upward Bound	84.047		313,115
TRIO Student Support Services	84.042		269,121
TRIO Talent Search	84.044		232,475
Total Trio Cluster			**814,711**
Higher Education Institutional Aid	84.031A		132,628
Passed through Ohio Department of Education			
Career and Technical Education - Basic Grants to States	84.048	U.S.A.S. Fund # 524	346,803
Twenty-First Century Community Learning Centers	84.287	U.S.A.S. Fund #: 599; 7089, 6911, 6584	593,768
Passed through the Ohio Board of Regents			
Career and Technical Education - Basic Grants to States	84.048	BORFN042	16,899
Passed through Otterbein University			
National Professional Development Program	84.195N	NA	14,480
Total Department of Education			**97,655,720**
US DEPARTMENT OF AGRICULTURE			
Passed through Ohio Department of Education			
Summer Food Service Program for Children	10.559		7,876
US DEPARTMENT OF LABOR			
Employment and Training Administration			
Direct Recipient			
Trade Adjustment Assistance Community College and Career Training	17.282	TC-24992-13-60-A-39	157,375
Passed through Lorain County Community College			
Trade Adjustment Assistance Community College and Career Training	17.282	TC-26435-14-60-A-39	45,238
Passed through Ohio Board of Regents			
H-1B Job Training Grants	17.268	A1415150382	845,570
Passed through Franklin County Department of Job and Family Services			
WIA Adult Programs & Dislocated Workers	17.258 and 17.260		35,357
Passed through Ohio Department of Job and Family Services			
Trade Adjustment Assistance	17.245		87,306
Incentive Grants - WIA Section 503	17.267	JFSR1415158075	29,873
Total Department of Labor			**1,200,719**

COLUMBUS STATE COMMUNITY COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended June 30, 2015

	CFDA #	Pass Through Number	Expenditures
US DEPARTMENT OF VETERANS AFFAIRS, VETERANS			
Direct Recipient			
Vocational Rehabilitation for Disabled Veterans	64.116		522,997
US SMALL BUSINESS ADMINISTRATION			
Passed through Ohio Department of Development			
Small Business Development Centers	59.037	DEVFSB15, OSBG-15-201A; DEVFSBDC14, OSBG-14-105A; DEVFRSC14, OSBG-14-136	259,338
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE			
Direct Recipient			
AmeriCorps	94.006		43,370
NATIONAL SCIENCE FOUNDATION			
Direct Recipient			
Education and Human Resources	47.076		218,257
Passed through Ohio State University Research Foundation			
Education and Human Resources	47.076	60042097-CSCC; RF01144350	18,087
DEPARTMENT OF HEALTH and HUMAN SERVICES NATIONAL INSTITUTES of HEALTH			
Passed through Community College Consortium for Health and Safety Training			
NIEHS Hazardous Waste Worker Health and Safety Training	93.142	720118 & 7201226	698
TOTAL FEDERAL AWARD EXPENDITURES			**$99,927,062**

COLUMBUS STATE COMMUNITY COLLEGE

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2015

Note 1 - Significant Accounting Policies

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the College and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the College's financial statements.

Note 2 – Federal Direct Student Loan Program

The College is a direct lender for the Federal Direct Student Loan program. The following represents direct loans originated and disbursed during fiscal year 2015:

Federal Subsidized Direct Loans	$26,530,553
Federal Unsubsidized Direct Loans	34,224,314
Federal PLUS Loans	272,221
Total Direct Student Loans	$ 61,027,088

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Trustees
Columbus State Community College

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and discretely presented component unit of Columbus State Community College (the College), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated October 12, 2015, wherein we noted the College adopted GASB No. 68 and GASB No. 71 as disclosed in Note 1. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component unit, as described in our report on the College's basic financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Cincinnati, Ohio
October 12, 2015

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Board of Trustees
Columbus State Community College

Report on Compliance for Each Major Federal Program

We have audited Columbus State Community College's (the College) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2015. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the College's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the College's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the College's compliance.

Opinion on Each Major Federal Program

In our opinion, the College, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control over Compliance

Management of the College is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the College's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on

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www.plattenburg.com

compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the business-type activities and discretely presented component unit of the College, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the College's basic financial statements. We issued our report thereon dated October 12, 2015, which contained unmodified opinions on those financial statements, wherein we noted the College adopted GASB No. 68 and GASB No. 71 as disclosed in Note 1. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component unit, as described in our report on the College's basic financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Cincinnati, Ohio
October 12, 2015

COLUMBUS STATE COMMUNITY COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015

Section I – Summary of Auditor's Results

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other significant control deficiencies reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any material reported non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were the any other significant control deficiencies reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under Section .510?	No
(d)(1)(vii)	Major Programs (list): Student Financial Aid Cluster: CFDA# 84.007 Federal Supplemental Educational Opportunity Grants CFDA# 84.268 Federal Direct Student Loans CFDA# 84.033 Federal Work-Study Program CFDA# 84.063 Federal Pell Grant Program	
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > $1,166,999 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

Section II – Findings Related to the Financial Statements Required to be reported in Accordance with GAGAS

None

Section III – Federal Award Findings and Questioned Costs

None

COLUMBUS STATE COMMUNITY COLLEGE
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133
June 30, 2015

Columbus State Community College had no prior audit findings or questioned costs.

Dave Yost • Auditor of State

COLUMBUS STATE COMMUNITY COLLEGE

FRANKLIN COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
DECEMBER 15, 2015

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