COLUMBUS STATE COMMUNITY COLLEGE
FRANKLIN COUNTY, OHIO

FINANCIAL AUDIT

FOR THE YEAR ENDED JUNE 30, 2025

OHIO AUDITOR OF STATE
KEITH FABER

65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

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

We have reviewed the *Independent Auditor's Report* of Columbus State Community College, Franklin County, prepared by Plante & Moran, PLLC, for the audit period July 1, 2024 through June 30, 2025. 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. Columbus State Community College is responsible for compliance with these laws and regulations.

KEITH FABER
Ohio Auditor of State

Tiffany L Ridenbaugh

Tiffany L Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

January 21, 2026

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COLUMBUS STATE COMMUNITY COLLEGE
FRANKLIN COUNTY, OHIO
FOR THE YEAR ENDED JUNE 30, 2025

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Independent Auditor's Report

To the Board of Trustees
Columbus State Community College

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the 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, 2025 and the related notes to the financial statements, which collectively comprise Columbus State Community College's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and the discretely presented component unit of Columbus State Community College as of June 30, 2025 and the respective changes in its financial position and, where applicable, its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the College and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

To the Board of Trustees
Columbus State Community College

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 College's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of the College's proportionate share of the net pension liability, the schedule of the College's pension contributions, the schedule of the College's proportionate share of net OPEB (asset) liability, and the schedule of the College's OPEB contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Columbus State Community College's basic financial statements. The schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for the purpose of additional analysis 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 basic 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.

To the Board of Trustees
Columbus State Community College

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2025 on our consideration of Columbus State Community College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely 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 the effectiveness of Columbus State Community College's 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 Columbus State Community College's internal control over financial reporting and compliance.

Plante & Moran, PLLC

October 30, 2025, except as to the schedule of expenditures of federal awards, which is as of December 22, 2025

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, 2025; and financial activity for the fiscal year July 1, 2024 through June 30, 2025 (FY25), with selected comparative information for the fiscal year ended June 30, 2024 (FY24), 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 one of the largest and most comprehensive colleges in Ohio, providing affordable, high-quality programs to enhance the educational and employment opportunities of its increasingly diverse student body.

Founded in 1963 as the Columbus Area Technician School, Columbus State has been serving the Central Ohio region for over 60 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 78 programs leading to the Associate of Applied Science (A.A.S.) degree, and 9 programs leading to the Associate of Technical Studies (A.T.S.) degree. Columbus State has transfer agreements with dozens of four-year institutions. The College offers 24 programs leading to an Associate of Arts degree and 15 programs that lead to an Associate of Science degree. The Associate of Arts and Associate of Science degrees fulfill the requirements for the first two years of a bachelor's degree program offered by any public university in Ohio and *Preferred Pathway®* partnerships with nine universities that guarantee admission to students who successfully complete an associate degree at Columbus State. Effective autumn 2024, the College introduced its first bachelor's degree program, a fully online Bachelor of Science in Nursing program. The College's Office of Talent Strategy offers skills enhancement, customized training, professional development and business consulting for area industries, employers and individuals.

Columbus State has two campuses (Columbus, Ohio and Delaware County), and regional learning centers conveniently located throughout its four-county service district. These centers allow students to take courses closer to where they live and work. The College also offers degree-oriented college-level courses to qualified high school students through the *College Credit Plus* (*CCP*) program; courses are taught at the high schools, online, or at one of Columbus State's campuses or regional learning centers.

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, respectively. 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, the Columbus State Community Partners, 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

FY25 represented the final year of the College's planned three-year post-pandemic recovery plan, after enrollment declines through FY23 of about 12% compared to pre-pandemic enrollment. Key to the recovery plan, the College began to accelerate necessary restructuring and alignment of personnel and resources to the highest priority goals of student success and workforce development. This allowed the College to better focus on the work to achieve long-term success of students, meet the workforce developments needs of Central Ohio, and maintain the financial stability of the College.

Building upon the growth of FY24, the first year with enrollment growth since the pandemic, the FY25 enrollment increase was comparable to FY24 and surpassed the FY25 budgeted enrollment increase of 3.5%, with full-time equivalent (FTE, based on credit hours) enrollment for Autumn and Spring semesters combined for an increase of 20,598 credit hours, or 5.3%, while headcount (duplicated) increased by 3,073 or 5.9%. FTE enrollment for Summer 2024, with nearly half of the revenue accounted for in FY25, was up 7.8% compared to Summer 2023, while FTEs for Summer 2025, also with half of the associated revenue accounted for in FY25, was up 11.6% from Summer 2024, and headcount was up 9.6%. Overall, FTE enrollment for FY25 is projected at 5.7% higher than FY24.

Contributing to some of the recovery from enrollment decreases experienced from the pandemic was *Columbus Promise*, a three-year pilot program to boost college matriculation and student success for Columbus City School district students. A third cohort of 790 students from Columbus City Schools enrolled in Autumn 2025 as Columbus Promise Scholars for a total of 2,215 students enrolling across the three years of the pilot. A collaboration of the City of Columbus, Columbus City Schools, I Know I Can, The Columbus Foundation, and Columbus State, the program allows students to participate for up to six semesters at no cost to the student. *Columbus Promise* scholars also receive $500 per semester for educational expenses as well as exclusive advising and other services to support their success. Enrollment among district graduates is expected to remain roughly twice that of pre-Promise years, with dedicated program support further bolstering enrollment outcomes via improved retention rates. The pilot phase ended in June 2025 and *Columbus Promise 2.0* began in July 2025. Funding was secured for the next three cohorts in *Promise 2.0* (AU25, AU26, AU27). Corporate philanthropy from the local employer community is the primary funding source for the *Columbus Promise* program while discussions are underway for a more permanent, sustainable funding model beyond AU27 cohort.

The State's FY24-FY25 biennial budget, House Bill 33, allowed for a $5 per credit hour increase to the in-state tuition rate for both FY24 and FY25 (2.9% and 2.8%, respectively, across all tuition rates). These increases were approved by the Board of Trustees in May 2023, with the FY25 increase implemented in Autumn 2024. Overall, revenue from student tuition and fees, net of scholarship allowances, was $94.9 million, or 9.4%, higher than FY24, primarily the result of the 2.9% tuition rate increase and the 5.7% enrollment increase over FY24. While tuition increased by $8.2 million, it was offset by an increase of $14.3 million in Scholarship Allowances, so tuition and fees, net of scholarship allowances, as reported on the Statement of Revenues, Expenses, and Changes in Net Position decreased by $6.2

million from FY24. While most of the increase in Scholarship Allowances is attributed to a required change in calculating the allowance, an increase in Pell grants of $10.0 million contributed to the increased Scholarship Allowances as well as continued growth in programs such as *College Credit Plus*, *Columbus Promise,* and apprenticeship program partnerships.

The *College Credit Plus* program (*CCP*) is the State of Ohio's program that allows high school students to earn college credit while still in high school, making higher education more affordable to parents and students. At Columbus State, over 8,000 high school students earned credit through the *CCP* program in Autumn 2024 and nearly 7,600 students in the Spring 2025 semester, earning 74,519 credit hours, an increase of 561 from the prior year. As the *CCP* population typically takes fewer classes/credit hours per term than traditional students, the percentage change in headcount is often quite different, higher, than the percentage change in FTEs; for Autumn and Spring of FY25, the increases were 0.8% for FTEs and 3.2% for headcount. *CCP* courses taught at the high school, which account for about half of *CCP* credits, are more significantly discounted than those taken online or at one of the College's locations, the latter of which is closer to the College's tuition rate. Therefore, as *CCP* enrollment has exceeded the enrollment growth of traditional students in many recent years, more downward pressure has been placed on tuition revenue.

Overall, the College is reporting an increase in Change in Net Position of $66.7 million for the fiscal year ended June 30, 2025, compared to an increase of $29.3 million for FY24. Excluding entries related to pension and other postemployment benefits (OPEB) expenses discussed below under the section for Implementation of GASB 68 and GASB 75, the Change in Net Position was an increase of $56.2 million compared to an increase of $23.3 million for FY24.

Implementation of GASB Statement No. 101

GASB Statement No. 101, *Compensated Absences*. Statement 101 updates the recognition and measurement guidance for compensated absences through aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The standard is effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The College adopted Statement No. 101 during the year ended June 30, 2025. The impact is disclosed in Note 1 to the financial statements.

The College recognizes a liability for compensated absences for leave that (a) is attributable to services already rendered, (b) accumulates, and (c) is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The College has adopted a FIFO flows assumption which aligns with how compensated absences are likely to be paid/settled.

The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. A liability for compensated absences is recorded in the governmental funds only for amounts due and payable. The liability for compensated absences includes salary-related benefits, where applicable.

Government Accounting Standards and the effect of GASB Pension and OPEB Liabilities

The net pension liability (NPL) remains the largest single liability reported by the College at June 30, 2025 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," adopted by the College in FY15. In FY18, the College adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revised accounting for costs and liabilities related to other postemployment benefits (OPEB). 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 OPEB, the net pension liability, and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and net OPEB asset.

Unaudited

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and post-employment benefits (GASB 45) focused on a funding approach that limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability or net OPEB liability. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and State law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB asset or liability to equal the College's proportionate share of each plan's collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service

2. Minus plan assets available to pay these benefits

GASB notes that pension and OPEB 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 and other postemployment benefits. GASB noted that the unfunded portion of this 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 these liabilities. 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 Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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 retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *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 retirement system is responsible for the administration of the pension and OPEB plans.

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 or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required 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 and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68 and GASB 75, the College's statements prepared on an accrual basis of accounting include an annual pension credit of $17,021,457, and an annual OPEB credit of $7,358,788 (STRS credit $10,589,882, SERS credit $13,790,363) for their proportionate share of each plan's *change* in net pension liability and net OPEB asset or liability, respectively, not accounted for as deferred inflows/outflows.

Student Success Initiatives and Grant Support

Columbus State continues to strengthen its reputation as a national leader among community colleges in securing grant funding to advance strategic priorities. These priorities include advanced technologies, health sciences, nonacademic student supports, and overall student success. Guided by five institutional goals, the CSCC grant portfolio focuses on driving measurable impact in the following areas:

- Increase the percentage of students earning 12, 24, and 36 college credits.
  - 12 credit hours: 35% to 38%
- Increase the % of students completing gateway College courses within their first 30 credit hours.
  - English: 54.8% to 58%
  - Math: 37.2% to 40%
- Increase the % of students who persist from their first to their second year from 52.7% to 56%
- Increase the % of students completing a degree or certificate at any institution within 6 years to 35%
- Increase overall annual credit completion from 70% to 74%

Some of the new grants awarded in FY25 include:

Ohio Department of Higher Education Choose Ohio First Information Systems Technology
- 5-years, $861,696 spanning two awards
- Focus area: Student Success (Information Technologies)

Jobs for the Future ACESS
- 2-years, $300,000
- Focus Area: Workforce (Earn and Learn)

National Science Foundation ATE Enhancing Artificial Intelligence Skills for Technicians to Thrive in the Digital Workforce
- 3-years, $570,000
- Focus area: Workforce (Information Technologies)

National Science Foundation IUSE Linking Research, Mentorship, and Transfer Support for Two-Year College STEM Students
- 3-years, $471,986
- Focus area: Student Success (Biological Physical Sciences)

Ohio Department of Higher Education Super RAPIDS (Auto & Advanced Mobility)
- 1-years, $323,072
- Focus area: Workforce (Equipment)

The College experienced significant momentum in the first quarter of 2025, securing more than $10 million in new awards. Overall, Columbus State managed a portfolio of 83 federal, state, local, and private grants totaling approximately $66 million in FY25. These resources enable the College to meet enrollment growth and evolving regional workforce needs by funding essential personnel and infrastructure. Without this external support, these initiatives would rely heavily on the College's increasingly limited operating budget. Moving forward, Columbus State will continue its strategy of pursuing additional grant funding while also reallocating within the operating budget to integrate and sustain proven practices that advance strategic priorities.

Financial Accountability

Senate Bill 6 of the 122nd General Assembly, enacted into law in 1997, was designed to increase financial accountability of Ohio's public colleges and universities by using a standard set of measures by 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%

Columbus State's composite score for FY24 was 4.7 (adjusted to exclude the impact of GASB 68 and GASB 75). The College maintains an average score of 4.6 on a scale of 0-5 with "5" being a perfect score.

Capital Additions and Improvements

Capital additions and improvements were slightly higher in FY25 compared to the prior year with additions, net of deductions from construction in progress (CIP), totaling $27.8 million compared to $22.4 million in FY24. While capital planning and design work commenced on several new projects in FY25, there were several renovation and deferred maintenance projects that were completed or neared completion by June 30, 2025, resulting in $11.0 million transferred from CIP to buildings and other capital asset categories, compared to just $18.2 million transferred from CIP during FY24.

In the FY25-26 State capital appropriations legislation (HB 2), Columbus State's total appropriation was $16.1 million, providing funds for student success renovations. Funding totaling $851K was also appropriated for community projects.

The following describes some of the more significant projects in process during FY25 and the amount added to CIP as of June 30, 2025.

The Nestor Hall Center for Performing Arts (formerly, Nestor Hall Auditorium) renovation project upgraded the current facility, which serves as the home for Columbus State's theatre productions, musical presentations, and many special events. Additions to CIP for FY25 totaled $3.5 million and $10.4 million was moved from CIP to buildings in FY25. The project was completed during Autumn semester 2024 with open house and inaugural performances in the newly renovated facility in April 2025. This project was funded by bond proceeds.

The lower level of Rhodes Hall, which included 13,806 square feet of offices and conference room space, was renovated to serve students in the Columbus Promise, TRIO, Upward Bound and Weiler Scholar programs, which are part of the College's focus on student success. The project commenced in late summer 2024 and was substantially completed and occupied in late spring 2025. CIP at June 30, 2025 includes $1.1 million added for the Rhodes Hall lower-level project. This project was funded by state capital appropriations.

To address deferred maintenance needs, Rhodes Hall was approved for heating, ventilation, and air conditioning equipment improvements in September 2024. Improvements included relocating existing chillers from Moeller Hall on the Delaware Campus to be installed at Rhodes Hall and replacing existing Rhodes Hall cooling towers, chilled water pumps, and condensing water pumps with new equipment. Work began in autumn 2024 but extended beyond the planned completion in advance of the 2025 cooling season until after the start of the autumn 2025 semester. CIP at June 30, 2025 includes $1.6 million added during FY25. This project was funded by bond proceeds.

Together with industry partners, Columbus State Community College designed a healthcare sector strategy that relies on people, space, and equipment to double enrollment in five fields — nursing, surgical technology, medical imaging, respiratory therapy, and sterile processing — over the next 10 years. To enable this strategy, the College will build a new 80,000-square-foot classroom and laboratory building, OhioHealth Hall, on Columbus State's downtown campus. Columbus State will fund the building with voter-approved bond proceeds, while utilizing an endowment from OhioHealth to expand and sustain academic programs at the College. CIP at June 30, 2025 includes $2.4 million incurred for the design phase of the project. Groundbreaking occurred in autumn 2025 and completion is anticipated in autumn 2027. This project will be funded by bond proceeds.

Franklin Hall was identified as a building on campus with significant deferred maintenance issues which can most efficiently be addressed by performing a comprehensive full building renovation. While addressing the deferred maintenance issues, the College plans to convert Franklin Hall into a state-of-the-art classroom building for general education, transitioning the building from a current blend of administrative and instructional spaces. The renovated Franklin Hall will include modern classrooms, with sizes and configurations that align with the College's curriculum. These classrooms will provide flexibility for future campus renovation activities. CIP at June 30, 2025 includes $1.4 million incurred for the design phase of the project. Design commenced in autumn 2024 and the building was taken off-line in summer 2025 with expected reopening in advance of the spring 2027 semester. This project will be funded by bond proceeds and state capital appropriations.

In order for Franklin Hall to be repurposed as a classroom building, several enabling projects were also underway in FY25. The first was a relocation of classrooms and supporting offices from Franklin Hall, along with some related offices from Nestor Hall and the Center for Workforce Development to swing space at Phillips Hall on the campus of Franklin University, to primarily house the Language & Communications academic department, the Language Institute and the Noncredit Registration Office. Operations in Phillips Hall commenced in summer 2025. The second enabling project was a permanent relocation of other administrative offices in Franklin Hall, along with Facilities Planning, Design and Construction to the Center for Workforce Development. Costs included in CIP as of June 30, 2025 for these projects totaled $2.2 million. This project was funded by bond proceeds.

The renovation of an existing academic space in 330 Nestor Hall into a multipurpose lab for the biotechnology and nanotechnology programs will support bioscience growth to support a growing biosciences industry in Central Ohio, offering students the opportunity for good-paying jobs and sustainable growth for the people of Ohio. Once the renovation is completed, there will be a state-of-the-art science lab providing students with access to an environment that emulate real world biotechnology conditions. Costs included in CIP as of June 30, 2025 for these projects totaled $1.5 million This project will be funded by bond proceeds and state capital appropriations.

Several Information Technology upgrade and lifecycle replacement projects took place during FY25 with costs totaling $3.0 million included in CIP as of June 30, 2025. These projects were funded by state capital appropriations and included:

- The IT Network Wi-Fi Technology Upgrade project will replace equipment in the College's two data centers on the Columbus and Delaware campuses, replacing and upgrading its wireless network infrastructure to provide current technology offering wireless Ethernet access for student labs, faculty, and administrative users.
- The Safety Security System Upgrade Project will replace equipment in the Columbus State Police Department on the Columbus campus, permitting the Police Department to develop and maintain a robust fire system to meet existing fire code requirements, to align the facility with the newly established enhanced FBI security procedures, to upgrade and replace its electronic security access system to meet and maintain the requirements of a secured Police facility, and provide the College Threat Assessment Team access to the Police Department for safety discussions.
- The IT Virtual Environment Servers Upgrade project will replace the College's Virtual Environment Servers units, the optical server cables and hardware components.

- The IT Identity Security Technology Upgrade project will replace equipment in the College's two data centers on the Columbus and Delaware campuses, to allow Columbus State to improve its existing Identity Security Technology system and Edge Technology that supports telephones and wireless access points.
- The IT Network Firewall Security Technology Upgrade project will replace the perimeter firewalls and the server firewalls with NGFW (Next Generation Firewall) appliances in the College's two data centers, providing enhanced IPS (Intrusion Protection System) and SSL encryption/decryption within the firewall.
- The IT Network Technology Upgrade project will replace infrastructure and equipment in the 10 IT closets on the Columbus campus. This project will also include upgrading and replacing a portion of the wireless access points on campus.
- The IT Audiovisual Technology Upgrade project will involve updating several audio-visual controls and projectors, expanded network connectivity, and audio-visual switchers which are outdated.

$1.0 million was expended on ongoing classroom upgrades and renovations. These projects were funded by bond proceeds.

Local funds also supported nearly $4.2 million in FY25 additions to CIP for the ERP implementation.

General Obligation Bond Issues

As part of House Bill 166, the State's FY20-FY21 biennium budget, state community colleges were given the authority to levy a property tax for permanent improvements or a bond issuance for that purpose, subject to voter approval, an authority long-held by most of Ohio's community colleges. Per the new authority permitted by R.C. 3358.11 and in order to make the investments necessary in facilities and technology to continue meeting the growing and evolving educational and workforce needs of Central Ohio, the College's Board of Trustees approved a Resolution of Necessity in October 2019, followed by a Resolution to Procced in November 2019 to place a bond issue on the ballot in Franklin County, Ohio, for the March 17, 2020 Primary election (votes counted April 28, 2020 due to delay caused by COVID-19 concerns). The bond issue, Issue 21, was passed by a 60-40 margin, allowing for a bond issue in an amount not to exceed $300 million (0.65 mil, 24 years maximum maturity).

On October 8, 2020, the closing took place on the issuance of the first ever voted general obligation debt of the Columbus State Community College, Ohio, a state community college district of the State of Ohio, and the full faith, credit and revenue of the College are irrevocably pledged for the prompt payment of the principal of and interest on the Bonds: $30,000,000 Facilities Construction and Improvement Bonds, Series 2020A (Tax-Exempt) and $120,000,000 Facilities Construction and Improvement Bonds, Series 2020B (Federally Taxable). The Series 2020A Bonds are subject to redemption at the option of the College on any date on or after June 1, 2030. The Series 2020B Bonds maturing after December 1, 2029 are subject to redemption at the option of the College on any date on or after December 1, 2029. Interest on the Bonds will be paid each June 1 and December 1, beginning June 1, 2021.

On September 17, 2024, an official notice of sale was given that $75 million, Columbus State Community College, Ohio, Facilities Construction and Improvement Bonds, Series 2024, Federally Taxable, General Obligation – Unlimited Tax, would be offered for sale on September 24, 2024. This $75 million represents the second traunche of bonds issued under the authority of the 2020 $300 million voted bond issue. The bonds were sold on September 24, 2024 through a competitive sale and closing for Series 2024 bonds was completed on October 22, 2024. The Series 2024 Bonds maturing after December 1, 2034 are subject to redemption at the option of the College on any date on or after December 1, 2034. Interest on the Bonds will be paid each June 1 and December 1, beginning June 1, 2025.

In FY25, proceeds from the tax levied in Franklin County for the second half of tax year 2023 (received in August 2024) and the first half of tax year 2024 (received in March 2025), amounting to just over $15.65 million, are included in the amount reported on the Statement of Revenues, Expenses, and Changes in Net Position as Other Nonoperating Revenue (Expense), $35.1 million. Debt service (principal and interest) funded by these proceeds totaled $13.0 million in FY25.

The College plans to issue additional general obligation bonds in an amount not to exceed $75 million, which is the remaining voted authority from the $300 million voted bond issue, to finance additional capital projects, the timing of which is to be determined.

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, 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, 2025. The total amount of assets and deferred outflows minus liabilities and deferred inflows equals net position. The net position is categorized as follows:

- Net Investment in Capital Assets
- Restricted – Nonexpendable (permanent endowment funds of the Development Foundation)
- Restricted – Expendable (capital construction projects)
- Restricted – Expendable (pension and other postemployment benefits)
- 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 expenditures 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 expenditures (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 18 and in the separately issued Foundation financial statements and audit report.

Recall that the Statement of Net Position provides the perspective of the College as a whole. Condensed versions of the College's financial statements are presented below, along with a brief summary of the financial information contained therein.

Unaudited

Statements of Net Position (in thousands)

	2025	2024*	Difference $	Difference %
Assets				
Current assets	$ 192,026	$ 182,675	$ 9,351	5.1%
Noncurrent assets				
Capital, leased and subscription assets, net	240,660	215,197	25,463	11.8%
Other	246,216	151,290	94,926	62.7%
Total Assets	678,902	549,162	129,740	23.6%
Deferred Outflows of Resources				
Pension	28,532	32,314	(3,782)	-11.7%
OPEB	7,625	9,378	(1,753)	-18.7%
Unamortized loss on refunding	-	-	-	
Total Deferred Outflows of Resources	36,157	41,692	(5,535)	-13.3%
Total Assets and Deferred Outflows of Resources	$ 715,059	$ 590,854	$ 124,205	21.0%
Liabilities				
Current Liabilities				
Accounts payable and accrued	29,334	27,887	1,447	5.2%
Debt, current portion	18,919	11,019	7,900	71.7%
Lease liability, current portion	2,131	972	1,159	119.2%
Subscription liability, current portion	2,483	2,082	401	19.3%
Unearned revenue	7,799	8,768	(969)	-11.0%
Noncurrent liabilities				
Debt, long-term portion	180,821	122,933	57,888	47.1%
Lease liability	9,871	6,294	3,577	56.8%
Subscription liability	6,762	6,912	(150)	-2.2%
Net pension liability	143,639	160,661	(17,022)	-10.6%
Net OPEB liability	12,179	19,877	(7,698)	-38.7%
Long-term liabilities	11,599	1,513	10,086	666.6%
Total Liabilities	425,537	368,918	56,619	15.3%
Deferred Inflows of Resources				
Pension	17,348	10,970	6,378	58.1%
OPEB	25,281	23,319	1,962	8.4%
Total Deferred Inflows of Resources	42,629	34,289	8,340	24.3%
Total Liabilities and Deferred Inflows of Resources	468,166	403,207	64,959	16.1%
Net Position				
Invested in capital assets	202,687	165,011	37,676	22.8%
Restricted Expendable	43,592	49,344	(5,752)	-11.7%
Restricted Expendable - Net Pension/OPEB Asset	7,725	8,064	(339)	-4.2%
Unrestricted	(7,111)	(34,772)	27,661	-79.5%
Total Net Position	$ 246,893	$ 187,647	$ 59,246	31.6%

* Note: FY24 is as reported last year; FY24 is not restated to reflect changes in accounting for compensated absences

Assets

As of June 30, 2025, current assets totaled \$192.0 million compared to \$182.7 million in FY24, an increase of \$9.3 million, or 5.1%, primarily resulting from an increase in accounts receivable as enrollment and tuition rates increased over FY24.

Total current and noncurrent assets as of June 30, 2025 were \$678.9 million compared to \$549.2 million in FY24, an increase of \$129.7 million or 21.0%. Total cash and investments increased by \$94.8 million, representing over 75% of the increase in total assets, with \$75 million attributed to the Series 2024 bond issue in October 2024 in addition to increases in the market value of the investment portfolio as the market performed more favorably in FY25. Capital, lease and intangible (subscription) assets increased by \$25.5 million (see later discussion).

Liabilities

As of June 30, 2025, the College's current liabilities were \$60.7 million, compared to \$50.7 million at June 30, 2024. The current portion of long-term debt increased by \$7.9 million, primarily due to debt service for the Series 2024 bonds that were issued in October 2024. The current portion of subscription and lease liabilities were \$1.6 million higher due to new or renewal of leases and subscriptions.

Noncurrent liabilities as of June 30, 2025 were \$364.8 million, consisting of \$180.8 million in long-term debt (general receipts bonds and general obligation bonds), other long-term liabilities (primarily compensated absences) of \$11.6 million, net pension liability and OPEB liabilities of \$155.8 million, and subscription and lease liabilities totaling \$16.6 million. By comparison, noncurrent liabilities as of June 30, 2024 were \$318.2 million. Noncurrent liabilities increased by \$46.6 million over FY24 due to several factors. The biggest change in noncurrent liabilities came from the new debt resulting from the issuance of \$75 million in general obligation bonds (\$67.25 million noncurrent portion), offset by the reduction in outstanding debt for the Series 2020 and 2018 debt after FY25 debt service. Net pension liability and OPEB liabilities decreased by \$24.7 million in FY25 compared to an increase of \$5.6 million last year. And finally, due to the adoption of GASB 101 Compensated Absences in FY25, the noncurrent portion of the liability under the new accounting principle is \$10.1 million higher than reported for FY24. The beginning balance for compensated absences as of July 1, 2024 was restated, resulting in an overall increase of \$7.5 million from the \$8.7 million reported for total compensated absences last year at June 30, 2024.

Total current and noncurrent liabilities as of June 30, 2025 were \$425.5 million compared to \$368.9 million in FY24, an increase of \$56.6 million, 15.3%, with the most notable increases occurring in long-term debt and compensated absences liability, and most notable decreases occurring in net pension and OPEB liabilities.

Net Position

Net position increased by \$59.2 million in FY25, \$29.3 million higher than the increase in net position for FY24. Operating loss for FY25 was comparable to the operating loss for FY24, a \$112.4 million loss compared to a \$114.2 million loss in the prior year, with most of the changes, \$31.5 million, occurring in nonoperating revenues and expenses. Significant changes in nonoperating revenues and expenses included a \$17.5 million increase in other non-operating revenues due to a \$20 million grant from the State of Ohio to Columbus State Community Partners and an increase of nearly \$10 million in Pell grant revenue. Capital appropriations and gifts, primarily revenues from state capital appropriations also increased by \$4.1 million. Excluding GASB entries, net position increased by \$56.2 million in FY25 compared to \$23.3 million in FY24, an increase of \$32.9 million.

Condensed versions of the College's revenues, expenses, and changes in net position for the years ended June 30, 2025 and 2024 are presented below, along with a brief summary of the financial information contained therein.

Unaudited

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

	2025	2024*	Difference $	Difference %
OPERATING REVENUES				
Student tuition and fees (net of scholarship allowances of $52.4 and $29.1 million in 2025 and 2024, respectively)	$ 51,523	$ 57,673	$ (6,150)	-10.7%
Federal, state, and private grants and contracts	28,293	24,635	3,658	14.9%
Auxiliary enterprises	11,517	10,265	1,252	12.2%
Other	1,472	1,719	(247)	-14.4%
Total operating revenues	92,805	94,292	(1,487)	-1.6%
OPERATING EXPENSES				
Educational and general	180,654	182,419	(1,765)	-1.0%
Scholarships and fellowships	2,552	6,333	(3,781)	-59.7%
Depreciation and amortization expense	12,121	10,457	1,664	15.9%
Auxiliary and Other enterprises	9,881	9,243	638	6.9%
Total operating expenses	205,208	208,452	(3,244)	-1.6%
Operating income (loss)	(112,403)	(114,160)	1,757	-1.5%
NONOPERATING REVENUES (EXPENSES)				
State appropriations	79,002	78,173	829	1.1%
Investment income (net of expense)	17,749	14,521	3,228	22.2%
Pell grant revenue	44,449	34,469	9,980	29.0%
Other non-operating revenues	30,037	12,528	17,509	139.8%
Net nonoperating revenues	171,237	139,691	31,546	22.6%
Income before capital appropriations	58,834	25,531	33,303	130.4%
Capital appropriations and gifts	7,909	3,803	4,106	108.0%
Increase in net position	66,743	29,334	37,410	127.5%
Net position, beginning of year	180,150	158,313	21,837	13.8%
Net position, end of year	$ 246,893	$ 187,647	$ 59,247	31.6%

* Note: FY24 is as reported last year; FY24 is not restated to reflect changes in accounting for compensated absences and scholarship allowances

Revenues

FY25 revenues totaled $214.8 million, an increase of $23.5 million (12.3%), compared to $191.2 million in FY24. The largest increase in revenues was within other nonoperating revenues which was $20 million higher than the prior year. Operating revenues decreased by $1.5 million. Auxiliary enterprises were $1.3 million higher while other operating revenue, primarily grants and contracts, increased by $3.4 million.

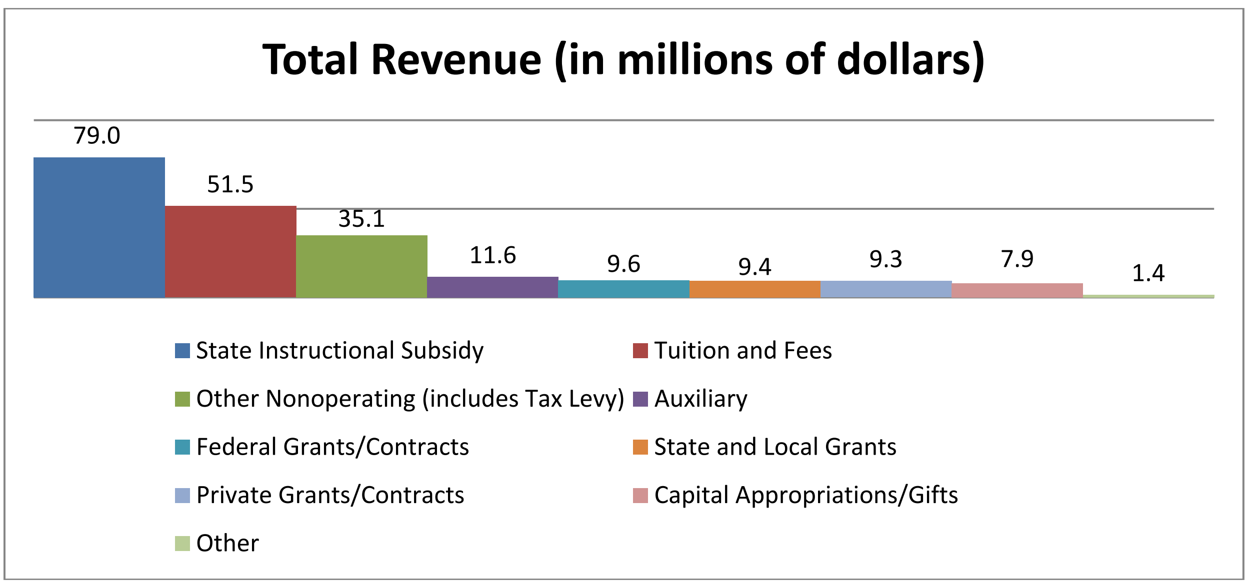
The largest component of operating revenues, student tuition and fees, net of scholarship allowances, decreased by $6.1 million, primarily due to a required change in the calculation of scholarship allowances. Excluding scholarship allowances, tuition and fees increased from $86.8 million to $103.9 million, an increase of $17.1 million, 19.7%, reflecting the higher enrollment for FY25 as well as the higher tuition rates. Due to the required change in the calculation, scholarship allowances increased by $23.3 million, 80.1%. By NACUBO Advisory Report 2000-05 Accounting and Reporting Scholarship Discounts and Allowances to Tuition and Other Fee Revenues by Public Institutions of Higher Education, NACUBO (National Association of College and University Business Officers) had recommended an "Alternate Method" of calculating the estimated discount to tuition and fees for financial aid. This

Advisory had been practice guidance for public institutions for interpreting and applying provision of GASB Statements 34 and 35, which first required that revenues be presented net of discounts and allowances on the Statement of Revenues, Expenses, and Changes in Net Assets (later retitled Statement of Revenues, Expenses, and Changes in Net Position). NACUBO Advisory 2023-01 Public Institutions: Accounting for and Reporting Financial Aid as a Discount was issued, superseding Advisory 2000-05. Advisory 2023-01 was recommended to be implemented no later than fiscal year 2025. This change in methodology has no impact on the change in net position for prior years. A change was determined to be necessary, using actual student-level data to enhance the accuracy and consistency in reporting net student revenues, as the Alternate Method was believed to result in a less accurate estimate of the discount.

Nonoperating revenues and expenses combined to increase by $31.5 million in FY25. Other Nonoperating revenues and expenses increased by $20 million as a result of a grant from the State of Ohio to Columbus State Community Partners for One Time Strategic Community Investments, pursuant to Section 200.20 of Substitute House Bill 2. Pell Grant Revenue increased by $10.0 million from the prior fiscal year in large part due to higher enrollment.

The majority of College revenues come from three sources: 1) State instructional subsidy ($79.0 million), 2) Student tuition and fees ($49.7 million), and 3) Federal, state, and private grants and contracts, including Pell grant revenue ($72.7 million). Of $63.5 million in federal and state grants and contracts, 72.0% are awarded to students through the federal Pell grant and Supplemental Educational Opportunity Grant (SEOG) programs. These funds ($45.7 million) are used for student tuition and education-related expenses.

The major sources of College revenues for FY25 are presented below:

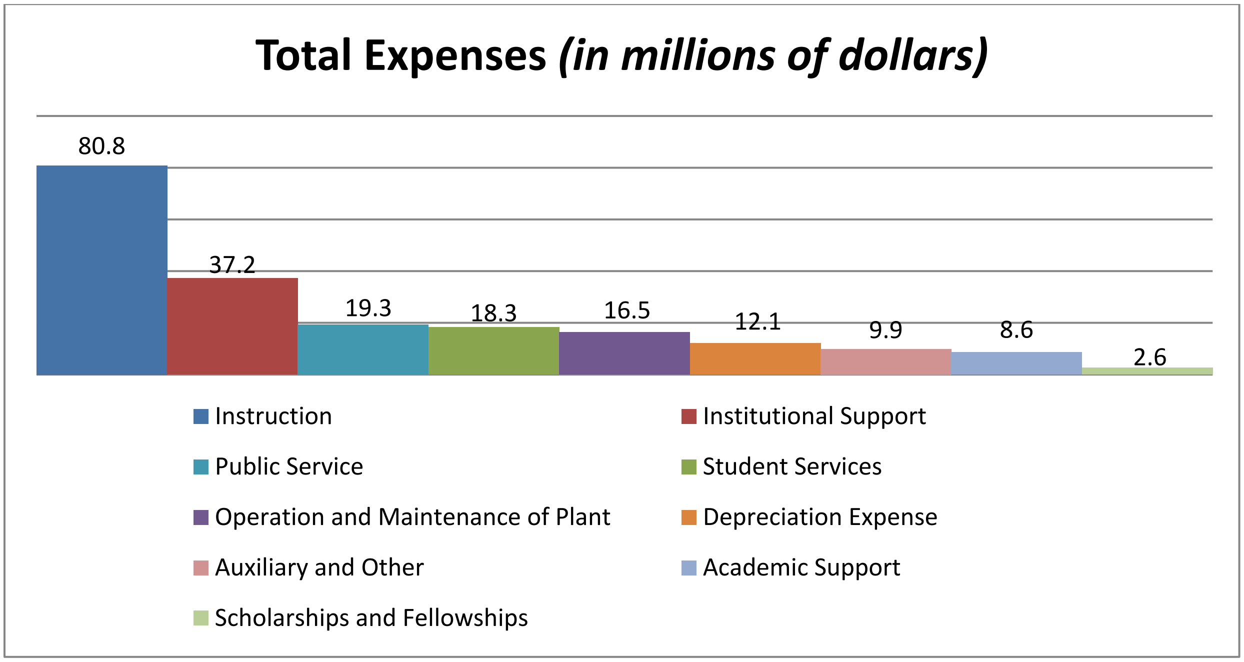


Expenses

FY25 expenses totaled $205.2 million compared to $208.5 million in FY24, a decrease of $3.2 million, or 1.6%. Scholarships and Fellowships decreased by $3.8 million as a result of the change in methodology in reporting scholarships and student aid as allowances from tuition and fees revenues instead of Scholarships and Fellowships expense. Scholarships and fellowships for FY24 for current year comparisons are based on the amount reported last year and have not been restated. GASB adjustments for net pension and OPEB liabilities resulted in a decrease of

$10.5 million of FY25 operating expenses, primarily reflected in educational and general expenses; GASB adjustments resulted in a decrease of $6.0 million of FY24 operating expenses. Excluding the GASB adjustments, operating expenses increased by just $1.2 million or 1.6%, $215.7 million in FY25 compared to $214.5 million in FY24.

FY25 expenses are shown below:



Statement of Cash Flows (in thousands)

Net cash provided (used) by:	2025	2024
Operation activities	($117,499)	($105,847)
Noncapital financing activites	158,993	125,206
Capital financing activities	35,595	(33,211)
Investing activities	(77,795)	17,115
Net increase/(decrease) in cash	(706)	3,263
Cash - beginning of year	13,196	9,933
Cash - end of year	$12,490	$13,196

Ending cash balances for fiscal years 2025 and 2024 were $12.5 million and $13.2 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 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 semester).

Major sources of cash in FY25 were state appropriations of $79.0 million, tuition and fees of $49.7 million, gifts, grants, and contracts totaling $21.1 million, and proceeds from new debt, including premium, of $76.9 million.

The most significant uses of cash were payments for salaries and benefits of $155.8 million, payments to suppliers of $41.2 million, $37.6 million for purchases of capital assets and payments on leased and subscription assets, and $16.1 million for principal and interest paid on debt.

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, typically 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 budget 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. Estimates for the State's instructional subsidy (State Share of Instruction or SSI) is provided by the Ohio Department of Higher Education. SSI 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 FY25 Budget Comparison below, general fund revenue was $1.0 million, 0.61%, above what was budgeted in the revised FY25 budget while general fund operating expenses, including budgeted transfers, were $2.6 million, 1.54%, less than budgeted, resulting in net revenues of $3.5 million, $3.7 million favorable to the revised budget. Of the $3.5 million net revenues, $0.7 million represents excess lab fee revenues over lab fee expenses and will be allocated to the accumulated lab fees reserve fund for future restricted use.

FY25 was the third year of an anticipated 3-year recovery period from the pandemic. After a 12% decrease in credit hours through FY23, FY24 FTE enrollment increased by 4.3% over FY23, and FY25 FTE enrollment is projected to be 5.7% over FY24 and surpass the initial budgeted increase of 3.5%. The revised FY25 budget assumed that summer 2025 enrollment would be 4% above summer 2024 and annualized enrollment for FY25 would be 5.5% above FY24; summer 2025 landed at over 11% above summer 2024 and annualized enrollment is projected to be 5.7% higher than last year, accounting for nearly half of the $1.1 million, 1.3%, tuition revenue being higher than the revised budget. The remainder of the favorable tuition revenue variance to budget was the result of lower discounts for *CCP* than budgeted.

The balance of the $3.7 million favorable budget variance, $2.6 million, is the result of expenses that were 1.6% below the revised budget. Expenses were initially budgeted to increase $4.5 million, 2.7%, over the prior year as operations adjusted to enrollment increases as well as an expectation for higher personnel costs after one-time vacancy savings resulting from continued challenges with hiring in FY24. The revised FY25 budget adjusted expenses down $1.4 million and the expected increase over FY24 to $3.1 million, 1.8%. FY25 budgets were planned with continued cost-control measures designed to advance progress toward a balanced budget for FY26. FY25 results achieved the goal of breaking even a year earlier than planned, with no reliance on Recovery Reserve funds to support FY25 operations. The areas representing the majority of expense savings were Student Services and Institutional Support, $1.2 million and $1.4 million below their respective budgets. Expenses for Student Services were below budget for much of the year due to vacancies that took longer to fill than anticipated, while savings in Institutional Support resulted from approximately $500,000 in contingency funds not used and some savings in payroll and related benefits due to unfilled vacancies.

Interest income/(loss) is not budgeted pursuant to the Board's *Resource Planning Principles*; realized interest income added $4.5 million to overall net operating results not reflected in the Budget Comparison below.

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

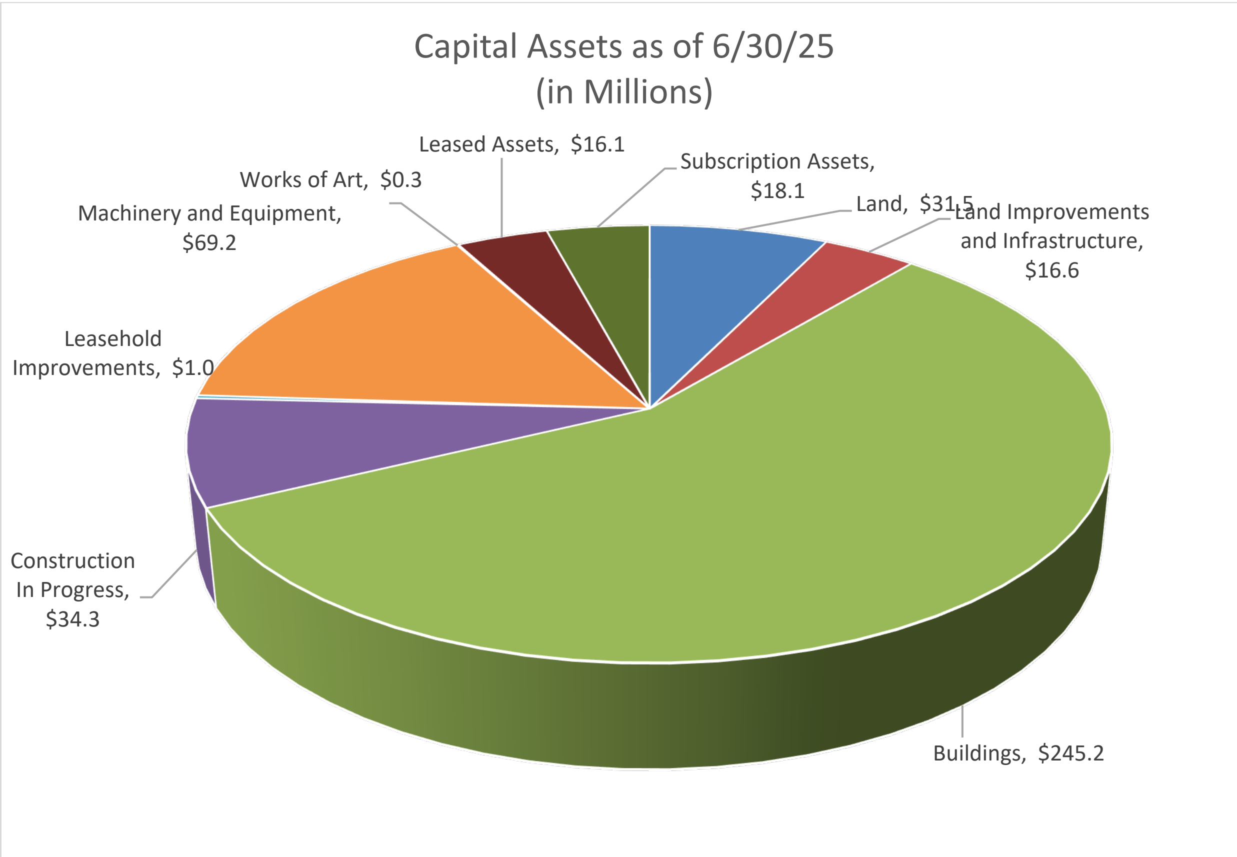
Columbus State Community College
Budget Comparisons – Budget to Actual
FY 25 (in thousands)

Budgeted Operations	Original Budget	Revised Budget	Percent % Change	Actual	Percent % Change
Revenues					
College	$169,782	$171,631	1.09%	$172,673	0.61%
Auxiliary	9,677	10,725	10.83%	11,517	7.38%
Total Revenues	$179,459	$182,356	1.61%	$184,190	1.01%
Expenditures					
College	$173,208	$171,779	-0.83%	$169,134	-1.54%
Auxiliary	9,227	9,772	5.91%	9,864	0.94%
Total Expenditures	$182,435	$181,551	-0.48%	$178,998	-1.41%
Net Revenues	($2,976)	$805	-127.05%	$5,192	545.99%

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, 2025, the College had $398.1 million in capital assets and $180.7 million in accumulated depreciation, for a total of $217.4 million in net capital assets. The most significant changes from the prior year were an increase in additions to construction in progress (CIP) of $27.3 million in FY25 compared to $19.7 million in FY24, for projects discussed under Capital Additions and Improvements including: Nestor Hall Center for Performing Arts, Rhodes Hall Lower Level, Rhodes Hall HVAC, OhioHealth Hall, Franklin Hall and enabling projects (Phillips Hall and Center for Workforce Development), IT upgrades and lifecycle replacements, Nestor Hall biotechnology lab, classroom upgrades and renovations, and ERP implementation costs (that will be subscription assets). Approximately $11.0 million was transferred from CIP to buildings in FY25, primarily related to Nestor Hall Center for Performing Arts; $18.2 million was transferred from CIP to depreciable asset categories. Also, included in the chart below are leased assets recorded in accordance with GASB 87 and subscription assets recorded in accordance with GASB 96. Leased assets represent the value of College contracts that convey the control to use their nonfinancial assets for classroom, lab and office space and equipment. These leased assets are amortized over the term of the respective contracts ranging from 3 years to 25 years, plus applicable renewal terms ranging up to 10 years for up to two renewal terms. At June 30, 2025, the College had $16.1 million in leased assets and $4.6 million in accumulated amortization, for a total of $11.5 million in total leased assets, net. Subscription assets represent the value of College contracts that convey the control of the right to use another party's information technology software, alone or in combination with tangible capital assets. These subscription assets are amortized over the term of the contracts ranging from 3 years to 10 years after the commencement date, plus applicable renewal terms ranging from 1 year to 3 years for up to four renewal terms. At June 30, 2025, the College had $18.1 million in subscription assets and $6.3 million in accumulated amortization, for a total of $11.8 million in total subscription assets, net.

The chart below illustrates the College's capital, leased, and subscription assets (by classification) as of June 30, 2025, which totals $432.3 million in capital, leased, and subscription assets and $191.6 million in accumulated depreciation and amortization.



By comparison, as of June 30, 2024, the College had recorded $395.0 million in capital, leased, and subscription assets and $179.8 million in accumulated depreciation and amortization, for a total of $215.2 million in net capital, leased and subscription assets. A detailed summary of additions, deletions, depreciation and amortization of assets can be found in Note 5 – Capital, Leased, and Subscription Assets.

Outstanding Bond Debt

As of June 30, 2025, the College had $199.7 million of outstanding bond debt, which includes a premium of $4.9 million on the 2018A, 2020A, 2020B and 2024 bonds, as follows:

(amounts in millions)

	Series	Principal Outstanding	Premium Outstanding	Total Outstanding
General Receipts Bonds:	2018A	$ 12.2	$ 1.1	$ 13.3
General Receipts Bonds:	2018B	4.6	-	4.6
General Obligation Bonds:	2020A	30.0	1.2	31.2
General Obligation Bonds:	2020B	73.0	0.8	73.8
General Obligation Bonds:	2024	75.0	1.8	76.8
Total		$ 194.8	$ 4.9	$ 199.7

A detailed summary of new debt issued, principal payments, amortization of premium, and future debt service requirements can be found in Note 7 – Long Term Obligations.

FACTORS IMPACTING FUTURE PERIODS

State Support and Enrollment

Of the many factors that impact the budget for the College, there are three that are discussed below: state support, tuition rates and enrollment. State support is appropriated in the State's biennial budget bill as State Share of Instruction (SSI) and is distributed by formula. SSI is projected to represent nearly 44% of the College's operating revenues for FY26. Tuition policy, including caps, are also established in the biennial budget bill.

State Support
While the State's biennial budget for FY26 and FY27, Am. Sub. House Bill 96, provided a statewide increase of 1.0% in SSI for each year, the FY26 increase in SSI for Columbus State is estimated at 4.9% based on the latest estimate from the Ohio Department of Higher Education, with most of the increase, $3.1M of a total $3.9M increase over FY25, attributed to a reallocation of SSI among the remaining institutions in the community college sector after the closure of Eastern Gateway Community College

The state funding formula for SSI is changing significantly, starting in FY26. In prior years, all SSI funding was distributed based on a formula utilizing course completion, success points, and completion milestones. In FY26, $100 million of SSI funding will be allocated for a new component of the formula for post-graduation employment outcomes. Of this amount, $23.2 million is allocated to community colleges. This new formula includes factors such as:

- Number of employed graduates, 1 year after graduation (includes the 2016-2020 graduates)
- Earnings after graduation measured at 1-, 5-, and 10-years post-graduation
- Sum of earnings above average regional earnings for those with a high school diploma only

The formula also contains adjustment factors for an efficiency index that includes the cost of instruction and fees, the number of Pell Grant students served, and SSI eligibility to focus the funding on Ohioans.

Columbus State expected to perform well on this new post-graduation employment outcome. The College is estimated to receive 18.8% of the community college allotment under this formula. By comparison, Columbus State is projected to receive 16.9% of the traditional SSI allocation for community colleges in FY26.

Tuition and Enrollment
Tuition increases are limited by the State Legislature. Am. Sub. H.B. 96 allowed for a $10 increase for in-state tuition charged per credit hour in both FY26 and FY27, which represents a 5.5% and 5.2% increase, respectively. The State

does not place limits on increases on out-of-state and international students; those tuition rates will increase proportionally to in-state in both FY26 and FY27. The College assumed that enrollment for FY26 would grow by 8.0%. This growth estimate was based on the following enrollment strategies: continued growth in College Credit Plus and growth in high-demand industries, including advanced technology and healthcare.

<u>Workday</u>

The College started implementation of a new Enterprise Resource Planning and Student Information System (ERP/SIS), Workday, to support and streamline processes in a single cloud-based system in spring 2021. Columbus State will use the Workday project as the catalyst for building consistent, efficient, and sustainable capabilities in systems and processes; ensuring equitable outcomes and a seamless experience for students; and enabling faculty and staff to effectively deliver services. The College went live with the first phase of this initiative, Platform, representing financial and human resources systems and processes, in March 2023. Implementation work for the student information system officially kicked off in October 2023 with go live on the first of four moves to production on schedule to go live in October 2025.

<u>Grant and Philanthropy</u>

Columbus State has a strong history of using grants, philanthropy, and other temporary resources to pilot transformational initiatives that advance the College's student success and workforce development priorities. Uncertainty regarding the stability of grant funding, particularly from the federal government, has increased significantly in FY25 and is expected to continue in FY26.

<u>YMCA Partnership</u>

Columbus State Community College and the YMCA of Central Ohio are partnering to propose a state-of-the-art YMCA facility on the college's downtown campus that would support student and community wellness, including drop-in childcare to student parents while on campus. The College conducted a student vote in September 2025 to determine support for the project, including a proposed student fee to fund most of the costs of the Columbus State YMCA and services. A majority of eligible voting students overwhelmingly supported the fee. The plan will move forward for consideration by the Columbus State Board of Trustees and the Ohio Department of Higher Education.

The 50,000-square-foot Columbus State YMCA would be built at the northeast corner of Long Street and Cleveland Avenue on land currently serving as a college surface parking lot. The project cost, estimated at $38 million, would be funded by a bond issue. Eligible Columbus State students would receive access to all regional and most national YMCA locations starting in summer 2026, two years before the fee would be assessed. The partners anticipate that the facility would open, and fee assessment would begin in Autumn Semester 2028.

COLUMBUS STATE COMMUNITY COLLEGE

STATEMENTS OF NET POSITION
As of June 30, 2025

	2025	
	Columbus State Community College	Component Unit Development Foundation
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 12,319,915	$ 7,810,042
Investments - Short-Term	31,988,662	41,617,672
Investments - Current Restricted	120,122,473	-
Accounts, Loans and Pledges Receivable	23,644,173	4,932,026
Inventories	1,076,921	-
Other Assets	2,873,739	-
Total Current Assets	192,025,883	54,359,740
Noncurrent Assets		
Cash and Cash Equivalents	169,928	-
Investments	123,830,654	4,708,648
Investments - Noncurrent Restricted	114,489,848	-
Other Noncurrent Assets - Pledges Receivable	-	1,968,271
Net OPEB Asset - STRS	7,725,256	-
Capital, Leased and Subscription Assets, Net	240,660,451	-
Total Noncurrent Assets	486,876,137	6,676,919
TOTAL ASSETS	**678,902,020**	**61,036,659**
DEFERRED OUTFLOWS OF RESOURCES		
Pension STRS	17,556,300	-
Pension SERS	10,975,765	-
OPEB STRS	1,344,514	-
OPEB SERS	6,280,780	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	**36,157,359**	**-**
TOTAL ASSETS AND DEFERRED OUTFLOWS	**$ 715,059,379**	**$ 61,036,659**

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

COLUMBUS STATE COMMUNITY COLLEGE

STATEMENTS OF NET POSITION
As of June 30, 2025

	2025	
	Columbus State Community College	Component Unit Development Foundation
LIABILITIES		
Current Liabilities		
Accounts Payable and Accrued Liabilities	$ 29,333,688	$ 1,382,841
Debt, Current Portion	18,919,044	-
Lease Liability, Current Portion	2,131,415	-
Subscription Liability, Current Portion	2,483,333	-
Unearned Revenue	7,799,380	86,778
Total Current Liabilities	60,666,860	1,469,619
Noncurrent Liabilities		
Debt, Long-Term Portion	180,821,417	-
Long-Term Liabilities		
Compensated Absences	11,598,762	-
Net Pension Liability STRS	78,366,569	-
Net Pension Liability SERS	65,272,087	-
Net OPEB Liability STRS	-	-
Net OPEB Liability SERS	12,178,823	-
Lease Liability, Long-Term Portion	9,870,898	-
Subscription Liability, Long-Term Portion	6,761,872	-
Total Noncurrent Liabilities	364,870,428	-
TOTAL LIABILITIES	**425,537,288**	**1,469,619**
DEFERRED INFLOWS OF RESOURCES		
Pension STRS	12,642,983	-
Pension SERS	4,705,367	-
OPEB STRS	4,680,990	-
OPEB SERS	20,599,711	-
TOTAL DEFERRED INFLOWS OF RESOURCES	**42,629,051**	**-**
TOTAL LIABILITIES AND DEFERRED INFLOWS	**468,166,339**	**1,469,619**
NET POSITION		
Net Investment in Capital Assets	202,686,943	-
Restricted		
Nonexpendable	-	32,225,849
Expendable - scholarships	-	21,023,316
Expendable - capital construction projects	43,592,281	-
Expendable - pension and other postemployment benefits	7,725,256	-
Unrestricted	(7,111,440)	6,317,875
TOTAL NET POSITION	**$ 246,893,040**	**$ 59,567,040**

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

COLUMBUS STATE COMMUNITY COLLEGE

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the Year Ended June 30, 2025

	2025	
	Columbus State Community College	**Component Unit Development Foundation**
REVENUES		
Operating Revenues		
Student Tuition and Fees (Net of Scholarship Allowance of $52,439,874 in 2025)	$ 51,523,239	-
Federal Grants and Contracts	9,609,607	-
State and Local Grants and Contracts	9,414,369	-
Private Grants and Contracts	9,268,377	13,336,881
Sales and Services of Educational Departments	335,106	-
Auxiliary Enterprises		
Bookstore	9,987,618	-
Other	1,529,258	-
Columbus State Community Partners	50,000	-
Other Operating Revenues	1,087,038	-
Total Operating Revenues	**92,804,612**	**13,336,881**
EXPENSES		
Operating Expenses		
Educational and General		
Instruction and Departmental Research	80,821,750	-
Public Service	19,287,477	-
Academic Support	8,585,197	-
Student Services	18,298,124	-
Institutional Support	37,201,921	8,289,701
Operation and Maintenance of Plant	16,459,339	-
Scholarships and Fellowships	2,551,550	2,940,040
Depreciation and Amortization Expense	12,121,169	-
Auxiliary Enterprises		
Bookstore	9,248,762	-
Other	449,457	-
Columbus State Community Partners	182,822	-
Total Operating Expense	**205,207,568**	**11,229,741**
Operating Income (Loss)	**(112,402,956)**	**2,107,140**
NONOPERATING REVENUES (EXPENSES)		
State Appropriations	79,001,586	-
Unrestricted Investment Income (Net of Investment Expense)	10,062,128	349,874
Restricted Investment Income (Net of Investment Expense)	7,686,631	3,674,287
Interest on Capital Asset Related Debt	(5,016,077)	-
Pell Grant	44,449,056	-
Other Nonoperating Revenue (Expense)		
State grant for Columbus State Community Partners	20,000,000	-
Tax Levy	15,652,874	-
Other	(599,957)	-
Net Nonoperating Revenues	**171,236,241**	**4,024,161**
Income (Loss) Before Other Revenues and Expenses	**58,833,285**	**6,131,301**
Capital Appropriations	7,909,326	-
Change in Net Position	**66,742,611**	**6,131,301**
NET POSITION		
Net Position-Beginning of Year, as restated	**180,150,429**	**53,435,739**
Net Position-End of Year	**246,893,040**	**59,567,040**

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

COLUMBUS STATE COMMUNITY COLLEGE

STATEMENTS OF CASH FLOWS
For the Year Ended June 30, 2025

	2025	
	Columbus State Community College	Component Unit Development Foundation
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and Fees	$ 49,714,238	$ 214,128
Grants, Gifts and Contracts	21,117,789	12,024,490
Payments to Suppliers	(41,195,194)	(6,912,858)
Payments for Salaries and Benefits	(155,798,787)	-
Payments for Scholarships	(2,551,550)	(2,940,040)
Auxiliary Enterprise Receipts	9,792,670	-
Other Receipts (Payments)	1,422,144	-
Net Cash (Used In) Provided By Operating Activities	**(117,498,690)**	**2,385,720**
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Appropriations	79,001,586	-
Pell Grant	44,449,056	-
Other Nonoperating Revenues/(Expense)	35,542,045	-
Net Cash Provided By Noncapital Financing Activities	**158,992,687**	**-**
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Capital Appropriations	7,909,326	-
Purchases of Capital, Leased and Subscription Assets	(37,584,167)	-
Principal Paid on Capital Debt	(11,114,042)	-
Proceeds from New Debt	76,902,407	
Interest Paid on Capital Debt	(5,016,077)	-
Proceeds from Lease and Subscription Obligations	4,986,538	-
Interest Paid on Lease and Subscription Obligations	(489,128)	-
Net Cash Provided by Capital Financing Activities	**35,594,857**	**-**
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale (Purchases) of Investments	(95,543,811)	(22,250,635)
Income on Investments	17,748,759	4,024,161
Net Cash Provided By (Used In) Investing Activities	**(77,795,052)**	**(18,226,474)**
NET CHANGE IN CASH AND CASH EQUIVALENTS	**(706,198)**	**(15,840,754)**
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	**13,196,041**	**23,650,796**
CASH AND CASH EQUIVALENTS - END OF YEAR	**$ 12,489,843**	**$ 7,810,042**

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

COLUMBUS STATE COMMUNITY COLLEGE

STATEMENTS OF CASH FLOWS
For the Year Ended June 30, 2025

	2025	
	Columbus State Community College	Component Unit Development Foundation
RECONCILIATION OF NET OPERATING REVENUES (EXPENSES) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating Loss	$ (112,402,956)	$ 2,107,140
Adjustments to Reconcile Net Operating Loss to Net Cash Provided (Used) By Operating Activities:		
Depreciation and Amortization Expense	12,121,169	-
Changes in Assets and Liabilities and Deferred Inflows of Resources and Deferred Outflows of Resources Which Provided (Used) Cash:		
Receivables, Net	(9,789,264)	(1,098,263)
Inventory	200,459	-
Other Assets	(189,507)	-
Accounts Payable & Accrued Liabilities	4,035,894	1,376,843
Unearned Revenue	(968,507)	-
Net Pension Asset/Liability	(17,021,457)	-
Net OPEB Asset/Liability	(7,358,788)	-
Deferred Outflows of Resources - Net Pension Expense	3,782,347	-
Deferred Outflows of Resources - Net OPEB Expense	1,752,270	-
Deferred Inflows of Resources - Net Pension Expense	6,378,062	-
Deferred Inflows of Resources - Net OPEB Expense	1,961,588	-
Net Cash (Used In) Provided By Operating Activities	**$ (117,498,690)**	**$ 2,385,720**
NONCASH CAPITAL, OPERATING, AND FINANCING ACTIVITIES		
Lease Obligations Incurred for Lease Assets	$ 6,147,101	$ -
Subscription Obligations Incurrred for Subscription Assets	3,833,996	-
Donations of Equipment and Services	-	846,681
TOTAL NONCASH CAPITAL, OPERATING AND FINANCING ACTIVITIES	**$ 9,981,097**	**$ 846,681**

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 College's component units.

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.

Columbus State Community Partners ("CSCP") is a legally separate, tax-exempt organization that provides expertise in real estate planning, strategy, and corresponding activities throughout the regions served by the College. CSCP, incorporated June 13, 2019, is a component unit of the College and is presented as a blended entity in accordance with GASB Statement No. 80, Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14, The Financial Reporting Entity.

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 Ohio Revised Code 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

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 available for expenditure by the College but must be spent for purposes as determined by donors or external entities that have placed time and purpose restrictions on the use of the assets. The net position includes amounts for scholarships.

  - *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 includes amounts for specified capital construction projects.

  - *Expendable* – Pension and other postemployment benefits: Resources related pension and other postemployment benefits, whose use is subject to externally imposed restrictions including limitations on the use of net assets imposed by enabling legislation.

- 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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 collectability of receivables and compensated absences.

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, 2025, 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 acquisition 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 10 years for land improvements, 10-45 years for buildings and fixed equipment, 5 years for library books and 5-20 years for equipment. Depreciation expense is not allocated to the functional expenditure categories.

Note 1 - Summary of Significant Accounting Policies (Continued)

Leased Assets

A leased asset is a lessee's right to use an asset over the life of a lease. The asset is calculated as the initial amount of the lease liability, plus any lease payments made to the lessor before the lease commencement date, plus any initial direct costs incurred, minus any lease incentives received. The amortization period of the leased asset is from the lease commencement date to the earlier of the end of the lease term or the end of the useful life of the asset. At the termination of the lease, the leased asset and associated lease liability are removed from the books of the lessee. The difference between the two amounts is accounted for as a gain or loss at that time.

Subscription Assets

A subscription asset is a subscriber's right to use an asset over the life of a subscription-based information technology arrangement (SBITA). The asset is calculated as the initial subscription liability, plus any payments made to the SBITA supplier before commencement of the subscription term, and any capitalizable implementation costs. Amortization of the subscription asset is recognized as an outflow of resources over the subscription term. Preliminary project activity outlays for costs such as selecting a SBITA supplier are expensed as incurred. Initial implementation costs, including ancillary charges to place the subscription asset into service, are capitalized. Operational and any subsequent implementation activities are expensed as incurred unless they meet specific capitalization criteria. At the termination of the subscription, the subscription asset and associated liability are removed from the books of the lessee. The difference between the two amounts is accounted for as a gain or loss at that time.

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, 2025.

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 the College's non-grant 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.

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 Uniform Guidance audit.

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

As prescribed by the National Association of College and University Business Officers (NACUBO), updated scholarship allowance methodology has been adopted for fiscal year 2025 that replaces the previously used alternative method. The change in methodology has no impact on the change in net position for prior years. Under the updated approach, scholarship allowances are calculated based on actual student-level data, including the type and source of aid, and are allocated proportionally across tuition, fees, and other applicable charges. This method enhances accuracy and consistency in reporting net student 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, 2025, for pension and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in Note 12 and Note 13.

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 and OPEB plans have been recorded on the statement of net position and are also explained further in Note 12 and Note 13.

Pensions and Other Postemployment Benefits (OPEB)

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

Implementation of New Accounting Principles and Effect on Previously Reported Net Position

For fiscal year 2025, the College implemented the following Governmental Accounting Standards issued by the Governmental Accounting Standards Board (GASB):

- GASB Statement No. 101, *Compensated Absences*
- GASB Statement No. 102, *Certain Risk Disclosures*

Note 1 - Summary of Significant Accounting Policies (Continued)

GASB 101 establishes a unified recognition and measurement model for compensated absences that enhances the consistency and relevance of financial reporting. Under the provisions of this Statement, the College recognizes liabilities for leave that employees have earned but not yet taken and for leave that has been taken but remains unpaid or unsettled.

The implementation of the GASB 101 pronouncement had the following effect on the net position as reported at June 30, 2024:

Net Position, June 30, 2024	$ 187,647,030
Compensated Absences	(7,496,601)
Restated Net Position, June 30, 2024	$ 180,150,429

GASB 102 requires disclosure of vulnerabilities from significant concentrations or constraints that could impact the College's financial health or service delivery. No significant concentrations or constraints have been identified that would require disclosure under this standard for fiscal year 2025. The implementation of this statement had no impact on the College's financial statements or disclosures.

Upcoming GASB Pronouncements
The GASB has recently issued the following new accounting pronouncements that will be effective in fiscal year 2026 and may be relevant to the College:

- GASB Statement No. 103, *Financial Reporting Model Improvements*
- GASB Statement No. 104, *Disclosure of Certain Capital Assets*

Management has not yet determined the effect that these Statements will have on the College's financial statements and disclosures.

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. Restricted investments on the statement of net position represent primarily unspent bond proceeds with a small portion of capital component funds received from the State of Ohio, held for debt service on long-term debt and long-term capital projects.

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

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, 2025, $250,000 of the bank balances were covered by federal deposit insurance and the remaining portions, $14,993,988 were 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, 2025:

Description	Fair Value
STAR Ohio	$ 16,779,718
Money Market Funds	16,918,098
Commercial Paper	40,006,307
Municipal Bonds	36,578,755
Corporate Bonds	96,213,663
U.S. Government Obligations	101,036,707
U.S. Agency Obligations	82,898,389
Total	$ 390,431,637

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 resource planning principals limit the long-term investment portfolio to an average-weighted maturity of three years or less.

As of June 30, 2025, 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	$ 16,779,718	$ 16,779,718	$ -	$ -	$ -
Money Market Funds	16,918,098	16,918,098	-	-	-
Commercial Paper	40,006,307	40,006,307	-	-	-
Municipal Bonds	36,578,755	12,164,658	24,414,097	-	-
Corporate Bonds	96,213,663	17,509,572	78,704,091	-	-
U.S. Gov't Obligations	101,036,707	37,884,790	63,151,917	-	-
U.S. Agency Obligations	82,898,389	10,847,992	72,050,397	-	-
Total	$ 390,431,637	$ 152,111,135	$ 238,320,502	$ -	$ -

The College held $16,779,718 in STAR Ohio as of June 30, 2025. 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. 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, 2025, Standard & Poor rated STAR Ohio as AAAm.

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

The credit ratings of the College's interest-bearing investments at June 30, 2025, are as follows:

Credit Rating (S&P)	Total	STAR Ohio	Money Market	Commercial Paper	Corporate Bonds	US Govt Obligations & Muni Bonds	US Agency Obligations
AAAm	$ 33,028,614	$ 16,779,718	$ -	$ -	$ 13,999,437	$ 1,543,815	$ 705,644
AA+/AA/AA-	$ 101,373,478	-	-	-	19,141,597	20,559,413	61,672,468
A+/A/A-	$ 46,343,283	-	-	-	45,258,334	1,084,949	-
BBB	$ 3,754,655	-	-	-	2,811,599	943,056	-
Unrated	$ 205,931,607	-	16,918,098	40,006,307	15,002,696	113,484,229	20,520,277
Total	$ 390,431,637	$ 16,779,718	$ 16,918,098	$ 40,006,307	$ 96,213,663	$ 137,615,462	$ 82,898,389

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, 2025:

Total	STAR Ohio	Money Market	Commercial Paper	US Govt Obligations & Bonds	U.S. Agency Oblig.
100.0%	4.3%	4.3%	10.3%	59.9%	21.2%

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, 2025, 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, 2025.

Note 3 - Pledges, Grants and Accounts Receivable

2025	Gross Receivable	Allowance	Net Receivable
Students' and other	$ 42,671,099	$ (30,547,074)	$ 12,124,025
Grants and contracts	11,520,148	-	11,520,148
Total	$ 54,191,247	$ (30,547,074)	$ 23,644,173

Note 4 – Fair Value Measurements

The College categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalents) as a practical expedient are not classified in the fair value hierarchy below.

In instances whereby inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The College's assessment of the significance of particular inputs to these fair value measurements requires judgement and considers factors specific to each asset or liability.

The College had the following recurring fair value measurements of June 30, 2025:

Assets and Liabilities Measured at Fair Value on a Recurring Basis

		Fair Value Measurements Using		
	Balance at June 30, 2025	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level:				
Money Market Funds	$ 16,918,098	$ -	$ 16,918,098	$ -
Commercial Paper	40,006,307	-	40,006,307	-
Municipal Bonds	36,578,755	-	36,578,755	-
Corporate Bonds	96,213,663	-	96,213,663	-
U.S. Gov't Obligations	101,036,707	101,036,707	-	-
U.S. Agency Obligations	82,898,389	-	82,898,389	-
Total investments by fair value level	$ 373,651,919	$ 101,036,707	$ 272,615,212	$ -

Note 5- Capital, Leased, and Subscription Assets

Capital, leased, and subscription asset activity for the year ended June 30, 2025, was as follows:

	Balance June 30, 2024	Additions	Deductions	Balance June 30, 2025
Capital Assets:				
Land	$ 31,479,820	$ -	$ -	$ 31,479,820
Works of Art	324,654	-	-	324,654
Construction in Progress	17,970,085	27,320,414	(11,036,223)	34,254,276
Total Cost of Nondepreciable Capital Assets	49,774,559	27,320,414	(11,036,223)	66,058,750
Buildings	234,734,685	10,494,856	-	245,229,541
Leasehold Improvements	970,841	84,620	-	1,055,461
Improvements other than Buildings	16,598,330	-	-	16,598,330
Moveable Equip, Furniture and Library Books	68,768,256	872,250	(480,669)	69,159,837
Total Cost of Depreciable Capital Assets	321,072,112	11,451,726	(480,669)	332,043,169
Total Cost of Capital Assets	370,846,671	38,772,140	(11,516,892)	398,101,919
Less Accumulated Depreciation				
Buildings	105,076,970	5,046,357	(765,824)	109,357,503
Improvements other than Buildings	11,338,425	529,728	-	11,868,153
Moveable Equip, Furniture and Library Books	56,596,131	2,503,645	418,002	59,517,778
Total Accumulated Depreciation	173,011,526	8,079,730	(347,822)	180,743,434
Total Capital Assets, Net	197,835,145	30,692,410	(11,169,070)	217,358,485
Leased Assets:				
Buildings	9,158,970	4,919,345	-	14,078,315
Equipment	787,311	1,227,756	-	2,015,067
Total Cost of Leased Assets	9,946,281	6,147,101	-	16,093,382
Less Accumulated Amortization	3,277,938	1,290,995	-	4,568,933
Total Leased Assets, Net	6,668,343	4,856,106	-	11,524,449
Subscription Assets	14,235,011	3,833,996	-	18,069,007
Less Accumulated Amortization	3,541,046	2,750,444	-	6,291,490
Total Subscription Assets, Net	10,693,965	1,083,552	-	11,777,517
Total Capital, Leased, and Subscription Assets, Net	$ 215,197,453	$ 36,632,068	$ (11,169,070)	$ 240,660,451

Note 6 - Accounts Payable and Accrued Liabilities

	2025
Payable to vendors and contractors	$ 7,396,382
Accrued expenses, primarily payroll and vacation leave	17,312,833
Employee withholdings and deposits payable to third parties	16,223,235
	$ 40,932,450
Current	$ 29,333,688
Noncurrent	11,598,762

Note 7 - Long Term Obligations

Long-term obligations as of June 30, 2025, is summarized as follows:

	Restated Balance June 30, 2024	New Debt	Reduction	Balance June 30, 2025	Current Portion	Noncurrent Portion
Series 2024 bonds with interest rates ranging from 4.0% to 6.0% due serially through 2044	$ -	$ 75,000,000	$ -	$ 75,000,000	$ 7,750,000	$ 67,250,000
Premium on Bonds	-	1,902,407	(95,120)	1,807,287	95,120	1,712,167
Total Series 2024	-	76,902,407	(95,120)	76,807,287	7,845,120	68,962,167
Series 2020B bonds with interest rates ranging from .4% to 3% due serially through 2036	82,910,000	-	(9,875,000)	73,035,000	9,930,000	63,105,000
Premium on Bonds	883,550	-	(80,323)	803,227	80,323	722,904
Total Series 2020B	83,793,550	-	(9,955,323)	73,838,227	10,010,323	63,827,904
Series 2020A bonds with interest rates ranging from 2.1% to 3% due serially through 2041	30,000,000	-	-	30,000,000	-	30,000,000
Premium on Bonds	1,313,069	-	(82,067)	1,231,002	82,067	1,148,935
Total Series 2020A	31,313,069	-	(82,067)	31,231,002	82,067	31,148,935
Series 2018B bonds with an interest rate of 1.67% due serially through 2026	5,517,933	-	(894,800)	4,623,133	894,800	3,728,333
Series 2018A bonds with interest rates ranging from 3% to 5% due serially through 2038	12,200,000	-	-	12,200,000	-	12,200,000
Premium on Bonds	1,127,546	-	(86,734)	1,040,812	86,734	954,078
Total Series 2018A	13,327,546	-	(86,734)	13,240,812	86,734	13,154,078
Total Bonds	133,952,098	76,902,407	(11,114,044)	199,740,461	18,919,044	180,821,417
Net Pension Liability						
STRS	89,295,658	-	(10,929,089)	78,366,569	-	78,366,569
SERS	71,364,455	-	(6,092,368)	65,272,087	-	65,272,087
Total Net Pension Liability	160,660,113	-	(17,021,457)	143,638,656	-	143,638,656
Net OPEB Liability						
STRS	-	-	-	-	-	-
SERS	19,876,818	-	(7,697,995)	12,178,823	-	12,178,823
Total Net OPEB Liability	19,876,818	-	(7,697,995)	12,178,823	-	12,178,823
Compensated Absences	16,220,109	-	(469,625)	15,750,484	4,151,722	11,598,762
Lease Liability	7,266,107	6,181,318	(1,445,112)	12,002,313	2,131,415	9,870,898
Subscription Liability	8,994,873	2,995,036	(2,744,704)	9,245,205	2,483,333	6,761,872
Total Long-Term Obligations	$ 346,970,118	$ 86,078,761	$ (40,492,937)	$ 392,555,942	$ 27,685,514	$ 364,870,428

Note 7 - Long Term Obligations (Continued)

Principal and interest amounts on bond obligations are as follows:

Years ended June 30	Principal	Interest	Total
2026	18,574,800	5,989,059	24,563,859
2027	15,483,333	5,492,834	20,976,167
2028	12,140,000	5,089,203	17,229,203
2029	12,550,000	4,660,739	17,210,739
2030	9,645,000	4,309,230	13,954,230
2031-2035	49,545,000	17,433,483	66,978,483
2036-2040	49,905,000	9,516,799	59,421,799
2041-2045	27,015,000	2,542,034	29,557,034
	$ 194,858,133	$ 55,033,381	$ 249,891,514

The Series 2018A and Series 2018B bonds are serviced by the general receipts of the College, except for receipts expressly excluded as stated in the trust indentures dated June 28, 2018 and August 1, 2018. The Series 2020A Serial Bonds are due December 1, 2036, through December 1, 2040, inclusive, and the Series 2020B Serial Bonds are due December 1, 2021, through December 1, 2035, inclusive. The 2020A and 2020B bonds are voted general obligation debt of the College. The series 2024 Serial Bonds are due December 1, 2024 through December 1, 2044, inclusive. The 2024 bonds are voted general obligation debt of the College.

Note 8 –Lease Liability – Leased Assets

The College has entered into contracts that convey the control of the right to use another party's nonfinancial assets (the underlying assets) for classroom, lab and office space and equipment as specified in the contracts for a period of time. The basis and terms of these contracts range from 2 years to 20 years after the commencement date with renewal terms ranging from 1 year to 10 years for up to two terms. There were three new leases that were added during fiscal year 2025.

Principal and interest amounts are as follows:

Years ended June 30	Principal	Interest	Total
2026	2,131,415	516,437	2,647,852
2027	2,245,913	415,674	2,661,587
2028	2,291,971	309,513	2,601,484
2029	2,344,222	197,520	2,541,742
2030	1,844,197	92,493	1,936,690
2031-2035	1,021,130	85,059	1,106,189
2036-2040	80,750	27,019	107,769
2041	42,715	3,361	46,076
	$ 12,002,313	$ 1,647,076	$ 13,649,389

Note 8 –Lease Liability – Leased Assets (Continued)

During the period, there were no outflows of resources recognized for variable payments not previously included in the measurement of the lease liability. Also, there were no outflows of resources recognized for other payments, such as residual value guarantees or termination penalties, not previously included in the measurement of the lease liability during the period. There were no commitments under leases before the commencement of the lease term.

Note 9 –Subscription Liability – Subscription Assets

The College has entered into contracts that convey the control of the right to use another party's information technology (IT) software, alone or in combination with tangible capital assets. The basis and terms of these contracts range from 2 years to 10 years after the commencement date with renewal terms ranging from 1 year to 3 years for up to four terms. The subscription term includes any periods of noncancellable right to use the underlying IT assets. The subscription term also includes periods covered by an option to extend when it is reasonably certain that the College or SBITA supplier will exercise the option or to terminate when it is reasonably certain that the College or SBITA supplier will not exercise the option.

Principal and interest amounts are as follows:

Years ended June 30	Principal	Interest	Total
2026	2,483,333	311,092	2,794,425
2027	2,261,539	219,354	2,480,893
2028	1,420,421	139,796	1,560,217
2029	1,334,361	93,940	1,428,301
2030	1,391,186	53,093	1,444,279
2031	354,365	10,779	365,144
	$ 9,245,205	$ 828,054	$ 10,073,259

During the period, there were no outflows of resources recognized for variable payments not previously included in the measurement of the subscription liability. Also, there were no outflows of resources recognized for other payments, such as termination penalties, not previously included in the measurement of the subscription liability during the period. There were no commitments under SBITAs before the commencement of the subscription term.

Short-term SBITAs with a maximum possible term of 12 months or less, including any options to extend, regardless of their probability of being exercised are recognized as outflows of resources.

On September 1, 2024, the College entered into a multi-year, consulting agreement to implement additional modules of an existing SBITA. The full amount of the increase to the asset and liability is not known at this time. Right-of-use of this asset will not occur prior to June 30, 2025. There were five new subscriptions recognized, while two subscriptions lapsed.

Note 10 - Compensated Absences

Fulltime College administrators and staff accrue vacation benefits. For all classes of employees, any earned but unused vacation benefit is payable upon separation. 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 a liability for compensated absences when the leave is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid or settled. To determine the likelihood of payment, the College evaluates employment policies as well as historical usage and retirement-related payouts patterns. The liability is measured using current compensation rates and includes salary-related costs that are directly and incrementally associated with the leave obligation.

The liability for the cost of vacation and sick leave benefits is approximately $15,750,484 as of June 30, 2025.

Note 11 - 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 turned 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 12 - Defined Benefit Pension Plans

Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. and 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 reported on the statement of net position represents a liability to employees for pensions.

Net Pension Liability

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 retirement systems to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could 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, 2025.

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, 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.

Note 12 - Defined Benefit Pension Plans (Continued)

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.

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost of living adjustment (COLA) on the first anniversary date of the benefit. New benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. The COLA is indexed to the percentage increase in the CPI-W, not to exceed 2.5 percent and with a floor of 0 percent. The Retirement Board approved a 2.5 percent COLA for calendar year 2024.

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, 2025, the allocation to pension, death benefits, and Medicare B was 14 percent. The Retirement Board did not allocate any employer contribution to the Health Care Fund for fiscal year 2025.

The College's contractually required contribution to SERS were $6,966,215 for fiscal year 2025.

Plan Description - State Teachers Retirement System (STRS)

Plan Description – College licensed teachers and other 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 https://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.

Note 12 - Defined Benefit Pension Plans (Continued)

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. The calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. Effective August 1, 2023, any member can retire with unreduced benefits with 34 years of services credit at any age; or five years of service credit and age 65. Effective June 1, 2025 - July 1, 2027, any member can retire with unreduced benefits with 33 years of service credit at any age; or five years of service credit and age 65. Effective on or after August 1, 2027, any member can retire with unreduced benefits with 34 years of service credit at any age; or five years of service credit and age 65.

In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0 percent upon a determination by its actuary that it was necessary to preserve the fiscal integrity of the retirement system. Benefit recipients' base benefit and past cost-of living increases are not affected by this change. Effective July 1, 2022, an ad-hoc COLA of 3 percent of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2023 as long as they retired prior to July 1, 2018. Effective July 1, 2023, a permanent 1 percent COLA of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2024 as long as they retired prior to July 1, 2019. Pursuant to Ohio Revised Code 3307.67(E) the STRS Ohio Retirement Board may adjust the COLA upon a determination by the board's actuary that a change will not materially impair the fiscal integrity of the system or is necessary to preserve the fiscal integrity of the system. Eligibility changes were phased in until August 1, 2023, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 34 years of service credit and any age.

Eligibility changes for DB Plan members who retire with actuarially reduced benefits were effective August 1, 2023, when retirement eligibility is 29 years of service credit and any age or five years of qualifying service credit and age 60. Effective June 1, 2025 - July 1, 2027, retirement eligibility for reduced benefits is 28 years of service credit at any age; or five years of service credit and age 60. Effective on or after August 1, 2027, retirement eligibility for reduced benefits is 29 years of service credit at any age; or five years of service credit and age 60.

The DC Plan allows members to place all their member contributions and 11.09 percent of the 14 percent employer contributions into an investment account. The member determines how to allocate the member and employer money amount to various investment choices offered by STRS. The remaining 2.91 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, 12 percent of the 14 percent member rate is deposited into the member's DC account and the remaining 2 percent is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member 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 service. 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 and after termination of employment.

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

Note 12 - Defined Benefit Pension Plans (Continued)

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.

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. 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. Eligible survivors of members who die before service retirement may qualify for monthly benefits. 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 fiscal year 2025 employer and employee contribution rate of 14 percent was equal to the statutory maximum rates. For fiscal year 2025, the full employer contribution was allocated to pension.

The College's contractually required contribution to STRS was $8,116,450 for fiscal year 2025.

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

For the fiscal year ended June 30, 2025, the net pension liability was measured as of June 30, 2024, 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	$ 65,272,087	$ 78,366,569	$ 143,638,656
Proportion of the Net Pension Liability:			
Current Measurement Date	1.27594280%	0.40727645%	
Prior Measurement Date	1.29154390%	0.41465482%	
Change in Proportionate Share	-0.01560110%	-0.00737837%	
Pension Expense	$ 5,435,396	$ 2,786,222	$ 8,221,618

Note 12 - Defined Benefit Pension Plans (Continued)

At June 30, 2025, 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	$ 2,492,033	$ 4,935,044	$ 7,427,077
Changes of assumptions	583,908	3,611,562	4,195,470
Changes in proportionate share and difference between employer contributions and proportionate share of contributions	933,609	893,244	1,826,853
College contributions subsequent to the measurement date	6,966,215	8,116,450	15,082,665
Total Deferred Outflows of Resources	$ 10,975,765	$ 17,556,300	$ 28,532,065
Deferred Inflows of Resources			
Differences between expected and actual experience	$ -	$ 42,912	$ 42,912
Changes of assumptions	-	2,718,468	2,718,468
Net difference between projected and actual earnings on pension plan investments	4,082,732	6,737,931	10,820,663
Changes in proportionate share and difference between employer contributions and proportionate share of contributions	622,635	3,143,672	3,766,307
Total Deferred Inflows of Resources	$ 4,705,367	$ 12,642,983	$ 17,348,350

$15,082,665 reported at June 30, 2025, 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, 2026. 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:			
2026	(2,876,490)	(6,217,367)	(9,093,857)
2027	4,178,918	7,068,568	11,247,486
2028	(797,702)	(2,113,463)	(2,911,165)
2029	(1,200,543)	(1,940,871)	(3,141,414)
Total	$ (695,817)	$ (3,203,133)	$ (3,898,950)

Changes between Measurement Date and the Report Date

The pension information is measured as of June 30, 2024 (measurement date) and used for the fiscal ending June 30, 2025 (reporting date). There were no changes between the measurement date and the reporting date.

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

Note 12 - Defined Benefit Pension Plans (Continued)

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. Future benefits for all current plan members are projected through 2137.

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, 2024, and compared with June 30, 2023, are presented below:

	June 30, 2024	June 30, 2023
Inflation	2.4 percent	2.4 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent	3.25 percent to 13.58 percent
COLA or Ad Hoc COLA	2 percent, on or after April 1, 2018, COLAs for future retirees will be delayed for three years following commencement	2 percent, on or after April 1, 2018, COLAs for future retirees will be delayed for three years following commencement
Investment Rate of Return	7 percent net of system expenses	7 percent net of system expenses
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)	Entry Age Normal (Level Percent of Payroll)

Mortality rates were based on the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.2 percent for males and set forward 2 years and adjusted 81.35 percent for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

The most recent experience study was completed for the five-year period ended June 30, 2020.

The long-term return expectation for the Pension Plan Investments has been determined by using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. Ohio Revised Code Section 3309.15 and the SERS Board-adopted Investment Policy govern investment activity. 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

Note 12 - Defined Benefit Pension Plans (Continued)

an arithmetic weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalanced uncorrelated asset classes.

Asset Class	As of June 30, 2024 Target Allocation	Long-Term Expected Real Rate of Return (geometric)
Cash	3.00%	0.97%
US Equity	22.00%	4.68%
Non-US Equity Developed	12.00%	4.96%
Non-US Equity Emerging	6.00%	5.66%
Fixed Income/Global Bonds	18.00%	2.38%
Private Equity	14.00%	7.10%
Real Estate	13.00%	3.64%
Infrastructure	7.00%	4.80%
Private Debt/Private Credit	5.00%	5.86%
Total	100.00%	

Discount Rate The total pension liability for 2024 was calculated using the discount rate of 7 percent. The discount rate determination did not use a municipal bond rate. The projection of cash flows used to determine the discount rate assumed that employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 20-year amortization period of the unfunded actuarial accrued liability. The actuarially determined contribution rate for fiscal year 2024 was 14 percent. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7 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. The annual money weighted rate of return, calculated as the internal rate of return on pension plan investments, for fiscal year 2024 was 9.31 percent.

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 current discount rate, as well as what the plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

	1% Decrease (6 percent)	Current Discount Rate (7 percent)	1% Increase (8 percent)
College's proportionate share of the net pension liability as of:			
June 30, 2025	$ 99,857,254	$ 65,272,087	$36,153,239

Note 12 - Defined Benefit Pension Plans (Continued)

Actuarial Assumptions - STRS

Key methods and assumptions used in the June 30, 2024, actuarial valuation compared to those used in the June 30, 2023, actuarial valuation are presented below:

	June 30, 2024	June 30, 2023
Inflation	2.5 percent	2.5 percent
Projected Salary Increases	From 2.5 percent to 8.5 percent based on service	From 2.5 percent to 8.5 percent based on service
Investment Rate of Return	7 percent net of investments expense, including inflation	7 percent net of investments expense, including inflation
Discount Rate of Return	7 percent	7 percent
Payroll Increases	3 percent	3 percent
Cost-of-Living Adjustments (COLA)	0 percent	0 percent

Post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2024, valuation are based on the results of an actuarial experience study for the period July 1, 2016, through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation *	Long-Term Expected Rate of Return **
Domestic Equity	26.00%	6.90%
International Equity	22.00%	7.70%
Alternatives	19.00%	9.10%
Fixed Income	22.00%	4.50%
Real Estate	10.00%	5.10%
Liquidity Reserves	1.00%	2.40%
Total	100.00%	

*Final target weights reflected October 1, 2022.
**10-Year annualized geometric nominal returns, which include the real rate of return and inflation of 2.4 percent and is net of investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Note 12 - Defined Benefit Pension Plans (Continued)

Discount Rate The discount rate used to measure the total pension liability was 7 percent as of June 30, 2024. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with the 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. 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, 2024. Therefore, the long-term expected rate of return on pension plan investments of 7 percent was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2024.

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, 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 or one-percentage-point higher than the current rate:

	1% Decrease (6 percent)	Current Discount Rate (7 percent)	1% Increase (8 percent)
College's proportionate share of the net pension liability as of:			
June 30, 2025	$ 126,419,010	$ 78,366,569	$ 37,722,460

Changes between Measurement Date and the Report Date

The following changes were approved at the April 2025 STRS Board meeting:

- Beginning July 1, 2025, a 1.5% COLA increase to be paid to eligible benefit recipients on their anniversary date in fiscal year 2026; and
- Temporarily make 32 years of service credit the minimum requirement for unreduced benefits and adjust the years of service credit required for reduced retirement benefits to twenty-seven or more years of service credit at any age for the period effective June 1, 2025 through May 1, 2030, then temporarily make 33 years of service credit the minimum requirement for unreduced benefits and adjust the years of service credit required for reduced retirement benefits to 28 or more years of service at any age from June 1, 2030 through May 1, 2032, with a return to a minimum of 34 years of service credit (29 years or more for reduced retirement benefits) effective June 1, 2032 going forward.

Any effect on the net pension liability is unknown.

Note 13 – Defined Benefit Other Postemployment Benefit (OPEB) Plans

OPEB is a component of exchange transactions-–between an employer and its employees—of salaries and benefits for employee services. OPEB 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 net OPEB liability (asset) reported on the statement of net position represents a liability (asset) to employees for OPEB.

Net OPEB Liability (Asset)

The net OPEB liability (asset) represents the College's proportionate share of each OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan's fiduciary net position. The net OPEB liability (asset) 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 these estimates 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 OPEB are financed; however, the College does receive the benefit of employees' services in exchange for compensation including OPEB.

GASB 75 assumes the liability (asset) is solely the obligation of the employer, because they benefit from employee services. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. Any change to benefits or funding could significantly affect the net OPEB liability (asset). Resulting adjustments to the net OPEB liability (asset) 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 OPEB liability (asset)* on the accrual basis of accounting. The College does not have any contractually-required OPEB contribution liability recorded at June 30, 2025.

Plan Description - School Employees Retirement System (SERS)

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 75 purposes, this plan is considered a cost-sharing OPEB plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. The following types of credit purchased after January 29, 1981, do not count toward health care coverage eligibility: military, federal, out-of-state, municipal, private school, exempted, and early retirement incentive credit. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan;

Note 13 – Defined Benefit Other Postemployment Benefit (OPEB) Plans (Continued)

however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Annual Comprehensive Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

The Health Care program is financed through a combination of employer contributions, recipient premiums, investment returns, and any funds received on behalf of SERS' participation in Medicare programs. The System's goal is to maintain a health care reserve account with a 20-year solvency period in order to ensure that fluctuations in the cost of health care do not cause an interruption in the program. However, during any period in which the 20-year solvency period is not achieved, the System shall manage the Health Care Fund on a pay-as-you-go basis.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Active employee members do not contribute to the Health Care Plan. The SERS Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, 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 pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2025, no allocation was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2025, this amount was $30,000. 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 statewide SERS-covered payroll for the health care surcharge. For fiscal year 2025, the College's surcharge obligation was $233,361. The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. Of this amount, $0 was reported as accrued liabilities.

Plan Description - State Teachers Retirement System (STRS)

Plan Description – STRS administers a cost-sharing Health Plan administered 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 partial reimbursement of monthly Medicare Part B premiums. Health care premiums were reduced by a Medicare Part B premium credit beginning in 2023. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Note 13 – Defined Benefit Other Postemployment Benefit (OPEB) Plans (Continued)

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary 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 pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2025, STRS did not allocate any employer contributions to post-employment health care.

Net OPEB Liabilities (Assets), OPEB Expense (Income), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2025, the net OPEB liability (asset) was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The College's proportion of the net OPEB liability (asset) was based on the College's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	SERS	STRS	Total
Proportion of the Net OPEB Liability	$ 12,178,823	$ -	$12,178,823
Proportion of the Net OPEB Asset	-	(7,725,256)	(7,725,256)
Proportion of the Net OPEB Liability/Asset			
Current Measurement Date	1.19576620%	0.40727645%	
Prior Measurement Date	1.20652370%	0.41465482%	
Change in Proportionate Share	-0.01075750%	-0.00737837%	
OPEB (Recovery)	$ (1,759,809)	$ (1,651,747)	$ (3,411,556)

Note 13 – Defined Benefit Other Postemployment Benefit (OPEB) Plans (Continued)

At June 30, 2025, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$ -	$ 335,833	$ 335,833
Changes of assumptions	5,227,144	950,869	6,178,013
Net difference between projected and actual earnings on OPEB plan investments	59,462	-	59,462
Changes in proportionate share and difference between employer contributions and proportionate share of contributions	760,813	57,812	818,625
College contributions subsequent to the measurement date	233,361	-	233,361
Total Deferred Outflows of Resources	$ 6,280,780	$ 1,344,514	$ 7,625,294
Deferred Inflows of Resources			
Differences between expected and actual experience	$ 13,131,936	$ 832,533	$ 13,964,469
Changes of assumptions	5,594,505	3,484,042	9,078,547
Net difference between projected and actual earnings on OPEB plan investments	-	331,699	331,699
Changes in proportionate share and difference between employer contributions and proportionate share of contributions	1,873,270	32,716	1,905,986
Total Deferred Inflows of Resources	$ 20,599,711	$ 4,680,990	$ 25,280,701

$233,361 reported as deferred outflows of resources related to OPEB resulting from College contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense/recovery as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2026	(3,629,885)	(1,177,393)	(4,807,278)
2027	(2,565,594)	(516,692)	(3,082,286)
2028	(1,994,883)	(662,861)	(2,657,744)
2029	(1,738,119)	(615,616)	(2,353,735)
2030	(1,720,215)	(497,737)	(2,217,952)
Thereafter	(2,903,596)	133,823	(2,769,773)
Total	$ (14,552,292)	$ (3,336,476)	$ (17,888,768)

Note 13 – Defined Benefit Other Postemployment Benefit (OPEB) Plans (Continued)

Actuarial Assumptions - SERS

The total OPEB liability is determined by SERS' actuaries in accordance with GASB Statement No. 74, as part of their annual actuarial valuation for each 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 terminations). 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 OPEB liability in the latest actuarial valuation date of June 30, 2024, compared with June 30, 2023, are presented below:

	June 30, 2024	June 30, 2023
Inflation	2.4 percent	2.4 percent
Future Salary Increases, Including Inflation		
Wage Increases	3.25 percent to 13.58 percent	3.25 percent to 13.58 percent
Investment Rate of Return	7 percent net of investment expense	7 percent net of investment expense
Actuarial Cost Method	Entry Age Normal (Level percent of payroll)	Entry Age Normal (Level percent of payroll)
Fiduciary Net Position is Projected to be Depleted	2059	2048
Municipal Bond Index Rate:		
Measurement Date	3.93 percent	3.86 percent
Prior Measurement Date	3.86 percent	3.69 percent
Single Equivalent Interest Rate (SEIR):		
Measurement Date	4.88 percent	4.27 percent
Prior Measurement Date	4.27 percent	4.08 percent
Health Care Cost Trend Rate, Medical Rate Assumption:		
Measurement Date	7 percent to 4.4 percent	6.75 percent to 4.4 percent
Prior Measurement Date	6.75 percent to 4.4 percent	7 percent to 4.4 percent

Mortality rates among healthy retirees were based on the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.2 percent for males and set forward 2 years and adjusted 81.35 percent for

Note 13 – Defined Benefit Other Postemployment Benefit (OPEB) Plans (Continued)

females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females. Mortality rates for contingent survivors were based on PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5 percent for males and adjusted 122.5 percent for females. Mortality rates for actives is based on PUB-2010 General Amount Weighted Below Median Employee mortality table. Mortality rates are projected using a fully generational projection with Scale MP-2020.

The most recent experience study was completed for the five-year period ended June 30, 2020.

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2016 through 2020 and was adopted by the Board in 2021. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a long-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The long-term expected nominal rate of return has been determined by calculating a weighted average 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. They are summarized as follows:

	As of June 30, 2024	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (geometric)
Cash	3.00%	0.97%
US Equity	22.00%	4.68%
Non-US Equity Developed	12.00%	4.96%
Non-US Equity Emerging	6.00%	5.66%
Fixed Income/Global Bonds	18.00%	2.38%
Private Equity	14.00%	7.10%
Real Estate	13.00%	3.64%
Infrastructure	7.00%	4.80%
Private Debt/Private Credit	5.00%	5.86%
Total	100.00%	

Note 13 – Defined Benefit Other Postemployment Benefit (OPEB) Plans (Continued)

Discount Rate The discount rate used to measure the total OPEB liability at June 30, 2024, was 4.88 percent. The discount rate used to measure the total OPEB liability at June 30, 2023, was 4.27 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the contribution rate of 1.5 percent of projected covered payroll each year, which includes a 1.5 percent payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position is projected to be depleted in 2059 by SERS' actuaries. The Fidelity General Obligation 20-year Municipal Bond Index Rate was used in the determination of the single equivalent interest rate for both the June 30, 2024, and the June 30, 2023, total OPEB liability. The Municipal Bond Index Rate is the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion. The Municipal Bond Index Rate was 3.93 percent at June 30, 2024, and 3.86 percent at June 30, 2023.

Sensitivity of the College's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following tables present the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower and higher than the current discount rate. Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower and higher than the current rate.

Note 13 – Defined Benefit Other Postemployment Benefit (OPEB) Plans (Continued)

As of June 30, 2025:

	1% Decrease (3.88 percent)	Current Discount Rate (4.88 percent)	1% Increase (5.88 percent)
College's proportionate share of the net OPEB liability	$ 16,240,027	$ 12,178,823	$ 8,951,647

	1% Decrease (6% decreasing to 3.4%)	Current Trend Rate (7% decreasing to 4.4%)	1% Increase (8% decreasing to 5.4%)
College's proportionate share of the net OPEB liability	$ 8,232,429	$ 12,178,823	$ 17,366,038

Changes between Measurement Date and the Report Date

The pension information is measured as of June 30, 2024 (measurement date) and used for the fiscal ending June 30, 2025 (reporting date). There were no changes between the measurement date and the reporting date.

Actuarial Assumptions – STRS

Key methods and assumptions used in the June 30, 2024, and the June 30, 2023, actuarial valuation are presented below:

	June 30, 2024	June 30, 2023
Projected salary increases	Varies by service from 2.5 percent to 8.5 percent	Varies by service from 2.5 percent to 8.5 percent
Investment Rate of Return	7 percent, net of investment expenses, including inflation	7 percent, net of investment expenses, including inflation
Payroll Increases	3 percent	3 percent
Discount Rate of Return	7 percent	7 percent
Health Care Cost Trends:		
Medical		
Pre-Medicare	7.5 percent initial, 3.94 percent ultimate	7.5 percent initial, 4.14 percent ultimate
Medicare	-112.22 percent initial, 3.94 percent ultimate	-10.94 percent initial, 4.14 percent ultimate
Prescription Drug		
Pre-Medicare	8 percent initial, 3.94 percent ultimate	-11.95 percent initial, 4.14 percent ultimate
Medicare	-15.14 percent initial, 3.94 percent ultimate	1.33 percent initial, 4.14 percent ultimate

Projections of benefits include the historical pattern of sharing benefit costs between the employers and retired plan members.

Healthy retirees post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Note 13 – Defined Benefit Other Postemployment Benefit (OPEB) Plans (Continued)

Actuarial assumptions used in the June 30, 2024, valuations are based on the results of an actuarial experience study for the period July 1, 2016, through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation*	Long-Term Expected Rate of Return**
Domestic Equity	26.00%	6.90%
International Equity	22.00%	7.70%
Alternatives	19.00%	9.10%
Fixed Income	22.00%	4.50%
Real Estate	10.00%	5.10%
Liquidity Reserves	1.00%	2.40%
Total	100.00%	

*Target allocation percentage is effective as of July 1, 2022. Target weights will be phased in over a 3-moonth period concluding on October 1, 2022.
**10-Year annualized geometric nominal returns, which include the real rate of return and inflation of 2.4 percent and is net of investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate The discount rate used to measure the total OPEB liability was 7 percent as of June 30, 2024. The projection of cash flows used to determine the discount rate assumes STRS continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2024. Therefore, the long-term expected rate of return on health care plan investments of 7 percent was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2024.

Sensitivity of the College's Proportionate Share of the Net OPEB (Asset) Liability to Changes in the Discount and Health Care Cost Trend Rate The following table represents the net OPEB (asset) liability, calculated using the current period discount rate assumption, as well as what the net OPEB (asset) liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current assumption. Also shown is the net OPEB (asset) liability as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

Note 13 – Defined Benefit Other Postemployment Benefit (OPEB) Plans (Continued)

	1% Decrease (6 percent)	Current Discount Rate (7 percent)	1% Increase (8 percent)
College's proportionate share of the net OPEB (asset) liability June 30, 2025	$ (6,281,144)	$ (7,725,256)	$ (8,981,949)

	1% Decrease	Current Trend Rate	1% Increase
College's proportionate share of the net OPEB (asset) liability June 30, 2025	$ (9,066,837)	$ (7,725,256)	$ (6,111,831)

Changes between Measurement Date and the Fiscal Year End

At the May 2025 STRS Board meeting, the Board approved the following changes:

- Increasing the health care subsidy for 27 years of service to the maximum subsidy minus the subsidy for 3 years of service for anyone who retires between August 1, 2023, and July 1, 2032, effective June 1, 2025, through July 1, 2032.
- The maximum subsidy for Healthcare Plan participants who retire August 1, 2032, or later will align with the eligibility for unreduced pensions, and all others eligible for subsidies receive one less year of subsidy for each year below the minimum years of service required to receive unreduced subsidy at any age.

Any effect on the net OPEB asset is unknown.

Note 14 - 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, vision and workers compensation 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

Note 14 - Risk Management (Continued)

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. Claims liabilities of $3,998,722 were reported at June 30, 2025, 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.

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
2025	$4,192,586	$19,709,164	$19,903,028	$3,998,772
2024	$3,190,465	$19,770,072	$18,767,951	$4,192,586
2023	$2,214,317	$18,647,203	$17,671,055	$3,190,465

In addition to the expense incurred in claim payments, the College paid $2,283,679, $2,863,190, and $1,789,978 in fees for administration of the self-insurance plans for 2025, 2024, and 2023, respectively.

Note 15 - Capital Projects Commitments

At June 30, 2025, the College was committed to future capital expenditures as follows:

Contractual commitments:		2025
Nestor Hall Auditorium	$	1,459,725
Switchgear Upgrades		2,352,096
Nestor Hall 330 Lab		1,542,116
Health Sciences		65,466,296
Union Hall Café HVAC Upgreades		58,716
WD Adminstrative Offices Renovation		152,069
Automotive Technology Academic Center		160,000
Rhodes Hall Chiller Replacement		773,624
Franklin Hall Renovation		26,741,644
	$	98,706,286

Note 16 - Operating Expenses By Natural Classification

The College's operating expenses by natural classification were as follows for the year ended June 30, 2025:

	2025
Salaries and wages	$ 122,167,649
Employee benefits	36,433,440
Impact of GASB 68	(6,861,048)
Impact of GASB 75	(3,644,930)
Utilities	3,451,029
Supplies and other services	38,988,709
Depreciation and amortization	12,121,169
Student scholarships and financial aid	2,551,550
	$ 205,207,568

Note 17 - 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, 2025. Uninsured cash funds held by banks are subject to a collateral agreement covering all public funds held by the bank. As of June 30, 2025, the Foundation had bank balances of $6,886,446.

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.

Note 17 - Component Unit Disclosures (Continued)

The following summarizes the cost and fair value of investments of the Foundation at June 30, 2025:

	2025	
	Cost	Fair Value
Equity Funds	$ 18,985,894	$ 20,189,561
Common & Preferred Stock	6,642,088	11,525,931
Corporate Debt	18,167,354	14,610,828
	$ 43,795,336	$ 46,326,320

Promises to Give

Unconditional promises to give consist of the following as of June 30, 2025:

	2025
Outstanding Pledges at Year End	$ 6,422,254
Less: Discounts and allowances for uncollectible pledges	(182,828)
Unconditional provises to give, net	$ 6,239,426

As of June 30, 2025:

Amounts to be received in:	Gross Amount	Allowance/ Discount	Net Amount
Less than one year	$ 3,892,254	$ -	$ 3,892,254
One to five years	2,530,000	(182,828)	2,347,172
Total	$ 6,422,254	$ (182,828)	$ 6,239,426

Note 18 - 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, 2025, $3,900,000 has been paid to the annuitants.

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 Ten Fiscal Years

SERS	College's Proportion of the Net Pension Liability	College's Proportionate Share of the Net Pension Liability	College's Covered-Employee Payroll	College's Proportionate Share of the Net Pension Liability as a Percentage of College's Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2025	1.27594280%	$ 65,272,087	$ 53,486,850	122.03%	78.52%
2024	1.29154390%	71,364,455	51,238,957	139.28%	76.06%
2023	1.25363820%	67,806,505	46,831,457	144.79%	75.82%
2022	1.29234150%	47,683,654	44,611,664	106.89%	82.86%
2021	1.26119180%	83,417,883	44,221,507	188.64%	68.55%
2020	1.25565080%	75,127,789	43,068,978	174.44%	70.85%
2019	1.26613130%	72,513,685	42,480,643	170.70%	71.36%
2018	1.27561730%	76,215,316	41,068,521	185.58%	69.50%
2017	1.27263630%	93,145,235	39,531,879	235.62%	62.98%
2016	1.27403160%	72,697,478	38,392,578	189.35%	69.16%

Note: Amounts presented as of the College's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

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 Ten Fiscal Years

STRS	College's Proportion of the Net Pension Liability	College's Proportionate Share of the Net Pension Liability	College's Covered-Employee Payroll	College's Proportionate Share of the Net Pension Liability as a Percentage of College's Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2025	0.40727645%	$ 78,366,569	$ 55,972,257	140.01%	82.55%
2024	0.41465482%	89,295,658	55,617,993	160.55%	80.02%
2023	0.40742764%	90,571,678	52,397,071	172.86%	78.88%
2022	0.43207888%	55,245,168	52,611,171	105.01%	87.78%
2021	0.44123352%	106,762,812	52,709,929	202.55%	75.48%
2020	0.43796917%	96,854,250	50,874,957	190.38%	77.40%
2019	0.43818461%	96,346,957	49,308,179	195.40%	77.31%
2018	0.43341646%	102,959,009	46,931,536	219.38%	75.30%
2017	0.44265122%	148,168,706	45,732,807	323.99%	66.80%
2016	0.45597031%	126,016,857	47,744,310	263.94%	72.10%

Note: Amounts presented as of the College's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

COLUMBUS STATE COMMUNITY COLLEGE

Required Supplementary Information

Schedule of the College Contributions--Pension

School Employees Retirement System of Ohio

Last Ten Fiscal Years

SERS	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	College's Covered-Employee Payroll	Contributions as a Percentage of Covered Payroll
2025	$ 6,966,215	$ (6,966,215)	$ -	$ 49,758,679	14.00%
2024	7,488,159	(7,488,159)	-	53,486,850	14.00%
2023	7,173,454	(7,173,454)	-	51,238,957	14.00%
2022	6,556,404	(6,556,404)	-	46,831,457	14.00%
2021	6,245,633	(6,245,633)	-	44,611,664	14.00%
2020	6,191,011	(6,191,011)	-	44,221,507	14.00%
2019	5,814,312	(5,814,312)	-	43,068,978	13.50%
2018	5,734,888	(5,734,888)	-	42,480,643	13.50%
2017	5,749,593	(5,749,593)	-	41,068,521	14.00%
2016	5,534,463	(5,534,463)	-	39,531,879	14.00%

See accompanying notes to the required supplementary information.

COLUMBUS STATE COMMUNITY COLLEGE

Required Supplementary Information
Schedule of the College Contributions--Pension
State Teachers Retirement System of Ohio
Last Ten Fiscal Years

STRS	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	College's Covered-Employee Payroll	Contributions as a Percentage of Covered Payroll
2025	$ 8,116,450	$ (8,116,450)	$ -	$ 57,974,643	14.00%
2024	7,836,116	(7,836,116)	-	55,972,257	14.00%
2023	7,786,519	(7,786,519)	-	55,617,993	14.00%
2022	7,335,590	(7,335,590)	-	52,397,071	14.00%
2021	7,365,564	(7,365,564)	-	52,611,171	14.00%
2020	7,379,390	(7,379,390)	-	52,709,929	14.00%
2019	7,122,494	(7,122,494)	-	50,874,957	14.00%
2018	6,903,145	(6,903,145)	-	49,308,179	14.00%
2017	6,570,415	(6,570,415)	-	46,931,536	14.00%
2016	6,402,593	(6,402,593)	-	45,732,807	14.00%

See accompanying notes to the required supplementary information.

COLUMBUS STATE COMMUNITY COLLEGE

Required Supplementary Information

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

School Employees Retirement System of Ohio

Last Ten Fiscal Years (1)

SERS	College's Proportion of the Net OPEB Liability	College's Proportionate Share of the Net OPEB Liability	College's Covered-Employee Payroll	College's Proportionate Share of the Net OPEB Liability as a Percentage of College's Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2025	1.19576620%	$ 12,178,823	$ 53,486,850	22.77%	44.50%
2024	1.20652370%	19,876,818	51,238,957	38.79%	30.02%
2023	1.18252520%	16,602,777	46,831,457	35.45%	30.34%
2022	1.21408800%	22,977,611	44,611,664	51.51%	24.08%
2021	1.19577590%	25,988,124	44,221,507	58.77%	18.17%
2020	1.18843810%	29,886,719	43,068,978	69.39%	15.57%
2019	1.20838870%	33,523,967	42,480,643	78.92%	13.57%
2018	1.22301850%	32,822,603	41,068,521	79.92%	12.46%
2017	1.21682486%	34,684,010	39,531,879	87.74%	11.49%

(1) Information prior to 2017 is not available.

Note: Amounts presented as of the College's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

COLUMBUS STATE COMMUNITY COLLEGE

Required Supplementary Information

Schedule of the College's Proportionate Share of the Net OPEB Liability (Asset)

State Teachers Retirement System of Ohio

Last Ten Fiscal Years (1)

STRS	College's Proportion of the Net OPEB Liability (Asset)	College's Proportionate Share of the Net OPEB Liability (Asset)	College's Covered-Employee Payroll	College's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of College's Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2025	0.40727645%	$ (7,725,256)	$ 55,972,257	-13.80%	158.01%
2024	0.41465482%	(8,064,463)	55,617,993	-14.50%	168.52%
2023	0.40742764%	(10,549,656)	52,397,071	-20.13%	230.73%
2022	0.43207888%	(9,110,030)	52,611,171	-17.32%	174.73%
2021	0.44123352%	(7,754,676)	52,709,929	-14.71%	182.13%
2020	0.43796917%	(7,253,819)	50,874,957	-14.26%	174.74%
2019	0.43818461%	(7,041,179)	49,308,179	-14.28%	176.00%
2018	0.43341646%	16,910,311	46,931,536	36.03%	47.10%
2017	0.44265120%	23,179,225	45,732,807	50.68%	37.30%

(1) Information prior to 2017 is not available.

Note: Amounts presented as of the College's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

COLUMBUS STATE COMMUNITY COLLEGE

Required Supplementary Information
Schedule of the College's Contributions--OPEB
School Employees Retirement System of Ohio
Last Ten Fiscal Years (1)

SERS	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	College Covered - Employee Payroll	Contributions as a Percentage of Covered Payroll
2025	$ 233,361	$ (233,361)	$ -	$ 49,758,679	0.47%
2024	258,456	(258,456)	-	53,486,850	0.48%
2023	221,227	(221,227)	-	51,238,957	0.43%
2022	264,209	(264,209)	-	46,831,457	0.56%
2021	232,871	(232,871)	-	44,611,664	0.52%
2020	233,914	(233,914)	-	44,221,507	0.53%
2019	479,775	(479,775)	-	43,068,978	1.11%
2018	527,246	(527,246)	-	42,480,643	1.24%
2017	336,136	(336,136)	-	41,068,521	0.82%
2016	303,128	(303,128)	-	39,531,879	0.77%

(1) Includes Surcharge

See accompanying notes to the required supplementary information.

COLUMBUS STATE COMMUNITY COLLEGE

Required Supplementary Information

Schedule of the College's Contribution--OPEB

State Teachers Retirement System of Ohio

Last Ten Fiscal Years

STRS	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	College's Covered-Employee Payroll	Contributions as a Percentage of Covered Payroll
2025	$ -	$ -	$ -	$ 57,974,643	0.00%
2024	-	-	-	55,972,257	0.00%
2023	-	-	-	55,617,993	0.00%
2022	-	-	-	52,397,071	0.00%
2021	-	-	-	52,611,171	0.00%
2020	-	-	-	52,709,929	0.00%
2019	-	-	-	50,874,957	0.00%
2018	-	-	-	49,308,179	0.00%
2017	-	-	-	46,931,536	0.00%
2016	-	-	-	45,732,807	0.00%

See accompanying notes to the required supplementary information.

Note 1- Net Pension Liability

School Employees Retirement System (SERS)

Changes in Benefit Terms:
2025: Effective August 1, 2024, HB 33 established a Contribution-Based Benefit Cap (CBBC). Under this provision, a member's retirement allowance (and any survivor benefit derived from that allowance) will be limited if the calculated benefit under the statutory formula exceeds the CBBC amount.

2023-2024: There were no changes in benefit terms since the prior measurement period.

2022: Cost of Living Adjustments (COLA) increased from 0.5 percent to 2.5 percent.

2020-2021: There were no changes in benefit terms from the amounts reported for this fiscal year.

2019: With the authority granted the Board under Senate Bill 8, the Board has enacted a three year COLA delay for future benefit recipients commencing benefits on or after April 1, 2018.

2018: SERS changed from a fixed 3 percent annual increase to a Cost of Living Adjustment (COLA) based on the changes in the Consumer Price Index (CPI-W), with a cap of 2.5 percent and a floor of 0 percent.

2016-2017: There were no changes in benefit terms from the amounts reported for these fiscal years.

Changes in Assumptions:
2023-2025: Cost of Living Adjustments (COLA) increased from 2 percent to 2.5 percent beginning for calendar year 2023. This change in assumptions affected the total pension liability since the prior measurement date.

2022: The following changes of assumptions affected the total pension liability since the prior measurement date:
(1) The assumed rate of inflation was reduced from 3 percent to 2.4 percent,
(2) Payroll growth assumption was reduced from 3.5 percent to 1.75 percent,
(3) Assumed real wage growth was increased from 0.5 percent to 0.85 percent,
(4) Cost of Living Adjustments (COLA) was reduced from 2.5 percent to 2 percent,
(5) The discount rate was reduced from 7.5 percent to 7 percent,
(6) Rates of withdrawal, compensation, participation, spouse coverage assumption, retirement, and disability were updated to reflect recent experience, and,
(7) Mortality among active members, service retirees and beneficiaries, and disabled members were updated.

2018-2021: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for these fiscal years.

2017: The following changes of assumptions affected the total pension liability since the prior measurement date:
(1) The assumed rate of inflation was reduced from 3.25 percent to 3 percent,
(1) Payroll growth assumption was reduced from 4 percent to 3.5 percent,
(2) Assumed real wage growth was reduced from 0.75 percent to 0.5 percent,
(3) Rates of withdrawal, retirement and disability were updated to reflect recent experience,
(4) Mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females,

(5) Mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120 percent of male rates, and 110 percent of female rates,
(6) Mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90 percent for male rates and 100 percent for female rates, set back five years is used for the period after disability retirement, and
(7) The discount rate was reduced from 7.75 percent to 7.5 percent.

2016: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for these fiscal years.

State Teachers Retirement System (STRS)

Changes in Benefit Terms:
2025: In March 2024, the Board adopted a change in the service retirement eligibility requirements for both unreduced and actuarially reduced benefits. This change is effective for retirements beginning June 1, 2024. The change allows for unreduced retirement at 34 years of service indefinitely (was previously set to increase to 35 years beginning August 1, 2029). The change also allows for an actuarially reduced retirement at any age with 29 years of service.

2019-2024: There were no changes in benefit terms from the amounts reported for this fiscal year.

2018: STRS decreased the Cost of Living Adjustment (COLA) to zero.

2016-2017: There were no changes in benefit terms from the amounts reported for these fiscal years.

Changes in Assumptions:
2025: Retirement rates were extended to younger ages intended to ensure that the ranges in retirement eligibility impacted participants at such ages. Demographic assumptions were changed based on the actuarial experience study for the period July 1, 2015 through June 30, 2021.

2024: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for this fiscal year.

2023: The following changes of assumptions affected the total pension liability since the prior measurement date:
(1) Post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table:
    a. Adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020
(2) Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table:
    a. Adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020
(3) Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table:
    a. Projected forward generationally using mortality improvement scale MP-2020
(4) Projected salary increases changed from 2.5 percent to 12.5 percent to 2.5 percent to 8.5 percent

2022: There were changes in assumptions since the prior measurement date, which the discount rate was adjusted to 7 percent from 7.45 percent.

2019-2021: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for this fiscal year.

2018: The following changes of assumptions affected the total pension liability since the prior measurement date:

(1) The long term expected rate of return was reduced from 7.75 percent to 7.45 percent,
(2) The inflation assumption was lowered from 2.75 percent to 2.5 percent,
(3) The payroll growth assumption was lowered to 3 percent,
(4) Total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25 percent due to lower inflation,
(5) The healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016, and
(6) Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

2016-2017: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for these fiscal years.

Note 2 - Net OPEB (Asset)/Liability

School Employees Retirement System (SERS)

Changes in Benefit Terms:
2025: The SERS Board increased the minimum compensation used for determining the health care surcharge from $25,000 to $30,000.

2024: Effective January 1, 2025, the non-Medicare disability health care subsidy amounts were changed to reflect amounts equal to that of service retirees by years of service.

2017-2023: There were no changes in benefit terms from the amounts reported for these fiscal years.

Changes in Assumptions:
2025: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

(1) Discount Rate:
   Prior Measurement Date 4.27%
   Measurement Date 4.88%
(2) Municipal Bond Index Rate:
   Prior Measurement Date 3.86%
   Measurement Date 3.93%
(3) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:
   Prior Measurement Date 4.27%
   Measurement Date 4.88%
(4) Health care trend rates were updated.
(5) Fiduciary Net Position projected depletion changed from 2048 to 2059.

2024: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

(1) Discount Rate:
  Prior Measurement Date 4.08%
  Measurement Date 4.27%
(2) Municipal Bond Index Rate:
  Prior Measurement Date 3.69%
  Measurement Date 3.86%
(3) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:
  Prior Measurement Date 4.08%
  Measurement Date 4.27%
(4) The assumption for percent of pre-Medicare eligible retirees who choose the Wraparound plan increased from 10 percent to 20 percent.
(5) The health care trend assumption on retiree premiums was updated to not apply trend to the $35 surcharge.
(6) The morbidity factors were updated based on the Society of Actuaries' June 2013 research report Health Care Costs—From Birth to Death by Dale Yamamoto and from the ASOP 6 practice note developed by the American Academy of Actuaries.
(7) An assumption was added to assume that 15 percent of pre-65 retirees who waive will elect coverage upon Medicare eligibility.

2023: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

(1) Discount Rate:
  Prior Measurement Date 2.27%
  Measurement Date 4.08%
(2) Municipal Bond Index Rate:
  Prior Measurement Date 1.92%
  Measurement Date 3.69%
(3) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:
  Prior Measurement Date 2.27%
  Measurement Date 4.08%
(4) Health care trend rates were updated.

2022: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

(1) Discount Rate:
  Prior Measurement Date 2.63%
  Measurement Date 2.27%
(2) Investment Rate of Return:
  Prior Measurement Date 7.50%
  Measurement Date 7.00%
(3) Assumed Rate of Inflation:
  Prior Measurement Date 3.00%
  Measurement Date 2.40%
(4) Payroll Growth Assumption:
  Prior Measurement Date 3.50%
  Measurement Date 1.75%

(5) Assumed Real Wage Growth:
 Prior Measurement Date 0.50%
 Measurement Date 0.85%
(6) Municipal Bond Index Rate:
 Prior Measurement Date 2.45%
 Measurement Date 1.92%
(7) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:
 Prior Measurement Date 2.63%
 Measurement Date 2.27%
(8) Rates of withdrawal, retirement and disability were updated to reflect recent experience.
(9) Rate of health care participation for future retirees and spouses was updated to reflect recent experience.
(10) Mortality among active members was updated to the following:
 a. PUB-2010 General Amount Weighted Below Median Employee mortality table.
(11) Mortality among service retired members was updated to the following:
 a. PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.2 percent for males and set forward 2 years and adjusted 81.35 percent for females.
(12) Mortality among beneficiaries was updated to the following:
 a. PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5 percent for males and adjusted 122.5 percent for females.
(13) Mortality among disabled member was updated to the following:
 a. PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females.
(14) Mortality rates are projected using a fully generational projection with Scale MP-2020.

2021: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

(1) Discount Rate:
 Prior Measurement Date 3.22%
 Measurement Date 2.63%
(2) Municipal Bond Index Rate:
 Prior Measurement Date 3.13%
 Measurement Date 2.45%
(3) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:
 Prior Measurement Date 3.22%
 Measurement Date 2.63%

2020: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

(1) Discount Rate:
 Prior Measurement Date 3.70%
 Measurement Date 3.22%
(2) Municipal Bond Index Rate:
 Prior Measurement Date 3.62%
 Measurement Date 3.13%

(3) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:

Prior Measurement Date	3.70%
Measurement Date	3.22%

2019: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

(1) Discount Rate:

Prior Measurement Date	3.63%
Measurement Date	3.70%

(2) Municipal Bond Index Rate:

Prior Measurement Date	3.56%
Measurement Date	3.62%

(3) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:

Prior Measurement Date	3.63%
Measurement Date	3.70%

2018: Amounts reported for the fiscal year incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

(1) Discount Rate:

Fiscal Year 2018	3.63%
Fiscal Year 2017	2.98%

(2) Municipal Bond Index Rate:

Fiscal Year 2018	3.56%
Fiscal Year 2017	2.92%

(3) Single Equivalent Interest Rate, net of plan investment expense, including price inflation:

Fiscal Year 2018	3.63%
Fiscal Year 2017	2.98%

2017: The following changes of assumptions affected the total OPEB liability since the prior measurement date:

(1) The assumed rate of inflation was reduced from 3.25 percent to 3 percent,
(2) Payroll growth assumption was reduced from 4 percent to 3.5 percent,
(3) Assumed real wage growth was reduced from 0.75 percent to 0.5 percent,
(4) Rates of withdrawal, retirement and disability were updated to reflect recent experience,
(5) Mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females,
(6) Mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120 percent of male rates, and 110 percent of female rates, and
(7) Mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90 percent for male rates and 100 percent for female rates, set back five years is used for the period after disability retirement.

State Teachers Retirement System (STRS)

Changes in Benefit Terms:
2025: Healthcare trends were updated to reflect emerging claims and recoveries experience as well as benefit changes effective January 1, 2025. The larger Medicare trends for Years 2027 and 2028 reflect the assumed impact of the expiration of current Medicare Advantage contract on December 31, 2028.

2024: Healthcare trends were updated to reflect emerging claims and recoveries experience as well as benefit changes effective January 1, 2024. The change in the subsidy percentage and the base amount for all retiree Non-Medicare Eligible (NME) participants, from 2.2 percent per year in last year's valuation to 2.5 percent per year, capped at 75 percent, as well as the unfreezing of the NME subsidy, the removal of the 6 percent cap on the year over year subsidy increase for Medicare Eligible (ME) participants, the changes in deductible and office visits copays for Aetna's Medicare Advantage plan, and updates in the medical and PBM vendor contracts. In addition, there were benefit changes related to the change in eligibility for unreduced pension benefits.

2023: Salary increase rates were updated based on the actuarial experience study for the period July 1, 2016, through June 30, 2021, and were changed from age based to service based. Healthcare trends were updated to reflect emerging claims and recoveries experience.

2022: The non-Medicare subsidy percentage was increased effective January 1, 2022, from 2.055 percent to 2.1 percent. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D subsidy was updated to reflect it is expected to be negative in CY2022. The Part B monthly reimbursement elimination date was postponed indefinitely.

2021: There was no change to the claims costs process. Claim curves were updated to reflect the projected fiscal year end 2021 premium based on June 30, 2020, enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2021, from 1.984 percent to 2.055 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021, to 2.1 percent for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

2020: There was no change to the claims costs process. Claim curves were trended to the fiscal year ending June 30, 2020, to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 2020, from 1.944 percent to 1.984 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021, to 2.1 percent for the Medicare plan. The Medicare Part B monthly partial reimbursement elimination date was postponed to January 1, 2021.

2019: The subsidy multiplier for non-Medicare benefit recipients was increased from 1.9 percent to 1.944 percent per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased effective January 1, 2019, and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020. The Board is extending the current Medicare Part B partial reimbursement program for one year. Under this program, benefit recipients currently enrolled in the STRS Ohio Health Care Program and Medicare Part B receive $29.90 per month to reimburse a portion of the Medicare Part B premium. The reimbursement was set to be reduced to $0 beginning January 1, 2020. This impacts about 85,000 benefit recipients.

2018: The subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2019.

2017: There were no changes in benefit terms from the amounts reported for this fiscal year.

Changes in Assumptions:
2025: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for this fiscal year.

2024: Healthcare trends were updated to reflect emerging claims and recoveries experience as well as benefit changes effective January 1, 2024. The change in the subsidy percentage and the base amount for all retiree Non-Medicare Eligible (NME) participants, from 2.2 percent per year in last year's valuation to 2.5 percent per year, capped at 75 percent, as well as the unfreezing of the NME subsidy, the removal of the 6 percent cap on the year over year subsidy increase for Medicare Eligible (ME) participants, the changes in deductible and office visits copays for Aetna's Medicare Advantage plan, and updates in the medical and PBM vendor contracts. In addition, there were benefit changes related to the change in eligibility for unreduced pension benefits.

2023: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for this fiscal year.

2022: There were changes in assumptions since the prior measurement date, which the discount rate was adjusted to 7 percent from 7.45 percent.

2021: There were changes in assumptions during the measurement year, which decreased the total OPEB liability by approximately $0.26 billion. The assumption changes included changes in healthcare costs and trends.

2020: There were changes in assumptions during the measurement year, which increased the total OPEB liability by approximately $0.04 billion. The assumption changes included changes in healthcare costs and trends.

2019: The discount rate was increased from the blended rate of 4.13 percent to the long-term expected rate of return of 7.45 percent based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB). Valuation year per capita health care costs were updated.

2018: The discount rate was increased from 3.26 percent to 4.13 percent based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and the long term expected rate of return was reduced from 7.75 percent to 7.45 percent. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

2017: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for this fiscal year.

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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*

Independent Auditor's Report

To Management and the Board of Trustees
Columbus State Community College

We have audited, 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 (*Government Auditing Standards*), the financial statements of the business-type activities and the 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, 2025 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 30, 2025.

Report on 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) as a basis for designing 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 College'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, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as Finding 2025-001, that we consider to be a significant deficiency.

Report on 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 financial statements. 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*.

To Management and the Board of Trustees
Columbus State Community College

The College's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the College's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The College's response was not subjected to the other auditing procedures applied in the audit of the financial statements, and, accordingly, we express no opinion on it.

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 College'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 College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plante & Moran, PLLC

October 30, 2025

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Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

Independent Auditor's Report

To the Board of Trustees
Columbus State Community College

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Columbus State Community College's (the "College") compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the College's major federal program for the year ended June 30, 2025. The College's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the College complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the College and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the College's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the College's federal program.

To the Board of Trustees
Columbus State Community College

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the College's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the College's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the College's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matter

The results of our auditing procedures disclosed an instance of noncompliance that is required to be reported in accordance with the Uniform Guidance, which is described in the accompanying schedule of findings and questioned costs as Finding 2025-002. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the College's response to the noncompliance finding identified in our compliance audit and described in the accompanying schedule of findings and questioned costs. The College's response was not subjected to the other auditing procedures applied in the audit of compliance, and, accordingly, we express no opinion on it.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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 a 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as Finding 2025-002 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the College's response to the internal control over compliance finding identified in our audit described in the accompanying schedule of findings and questioned costs. The College's response was not subjected to the other auditing procedures applied in the audit of compliance, and, accordingly, we express no opinion on it.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Plante & Moran, PLLC

December 22, 2025

COLUMBUS STATE COMMUNITY COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended June 30, 2025

	Assistance Listing Number	Pass Through Number	Expenditures	Passed Through to Subrecipient
US DEPARTMENT OF EDUCATION				
Direct Recipient				
Student Financial Assistance Cluster:				
Federal Supplemental Educational Opportunity Grants	84.007	N/A	$ 1,120,466	$ -
Federal Direct Student Loans	84.268	N/A	23,710,636	-
Federal Work-Study Program	84.033	N/A	444,129	-
Federal Pell Grant Program	84.063	N/A	44,449,689	-
Total Student Financial Assistance Cluster			**69,724,920**	**-**
TRIO Cluster:				
TRIO Upward Bound	84.047	N/A	269,517	-
TRIO Student Support Services	84.042	N/A	527,978	-
TRIO Talent Search	84.044	N/A	251,936	-
Total TRIO Cluster			**1,049,431**	**-**
Fund for the Improvement of Postsecondary Education	84.116N	N/A	265,964	-
Child Care Access Means Parents in School	84.335A	N/A	137,159	-
Passed through Ohio Department of Education				
Career and Technical Education - Basic Grants to States	84.048	3L90	537,998	-
Passed through Ohio Department of Higher Education				
Adult Education - Basic Grants to States	84.002	N/A	216,398	-
Total US Department of Education			**71,931,870**	**-**
US DEPARTMENT OF LABOR				
Direct Recipient				
Workforce Data Quality Initiative	17.261	N/A	718,525	102,295
Passed through Franklin County Department of Job and Family Services				
WIOA Cluster:				
WIA Adult Program	17.258	N/A	28,818	-
Total WIOA Cluster			**28,818**	**-**
Passed through Ohio State University				
WIOA National Dislocated Worker Grants/WIA National Emergency Grants	17.277	N/A	139,428	28,882
Total US Department of Labor			**886,771**	**131,177**
NATIONAL SCIENCE FOUNDATION				
Direct Recipient				
Research and Development Cluster:				
STEM Education	47.076	N/A	1,577,932	158,480
Passed through The Ohio State University Research Foundation				
Research and Development Cluster:				
STEM Education	47.076	N/A	21,117	-
Passed through Lorain County Community College				
Research and Development Cluster:				
STEM Education	47.076	N/A	381	-
Passed through Marion Technical College				
Research and Development Cluster:				
STEM Education	47.076	N/A	33,279	-
Passed through Research Foundation for the State University of New York				
Research and Development Cluster:				
STEM Education	47.076	N/A	43,796	-
Passed through Ohio University				
Research and Development Cluster:				
STEM Education	47.076	N/A	35,215	-
Passed through Pasadena City College				
Research and Development Cluster:				
STEM Education	47.076	N/A	86,998	-

See accompanying notes to the schedule of expenditures of federal awards.

COLUMBUS STATE COMMUNITY COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended June 30, 2025

	Assistance Listing Number	Pass Through Number	Expenditures	Passed Through to Subrecipient
NATIONAL SCIENCE FOUNDATION (Continued)				
Passed through Pennsylvania State University				
Research and Development Cluster:				
STEM Education	47.076	N/A	12,307	-
Passed through Tunxis Community College				
Research and Development Cluster:				
STEM Education	47.076	N/A	15,753	-
Passed through University of Missouri				
Research and Development Cluster:				
STEM Education	47.076	N/A	1,067	-
Direct Recipient				
Research and Development Cluster:				
NSF Technology, Innovation and Partnerships	47.084	N/A	68,532	-
Total National Science Foundation			**1,896,377**	**158,480**
THE INSTITUTE OF MUSEUM AND LIBRARY SERVICES				
Passed through the State Library of Ohio				
Grants to States	45.310	N/A	1,507	-
Total the Institute of Museum and Library Services			**1,507**	**-**
US DEPARTMENT OF DEFENSE				
Passed through Lorain County Community College				
National Defense Education Program	12.006	N/A	26,965	-
Total US Department of Defense			**26,965**	**-**
US DEPARTMENT OF COMMERCE				
Passed through Ohio Department of Development		MEPG20246132		
Manufacturing Extension Partnership	11.611	MEPG20246962 MEPG20250272	703,483	-
Total US Department of Commerce			**703,483**	**-**
US DEPARTMENT OF VETERANS AFFAIRS				
Direct Recipient				
Veteran Readiness and Employment	64.116	N/A	351,517	-
Total US Department of Veterans Affairs			**351,517**	**-**
US DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Direct Recipient				
Health Careers Opportunity Program (HCOP)	93.822	N/A	56,511	-
Total US Department of Health and Human Services			**56,511**	**-**
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE				
Direct Recipient				
AmeriCorps State and National	94.006	N/A	41,879	-
Total Corporation for National and Community Service			**41,879**	**-**
US DEPARTMENT OF THE TREASURY				
Passed through the City of Columbus				
Emergency Rental Assistance Program	21.023	N/A	204,675	142,608
Passed through the City of Columbus				
COVID 19: Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	217,499	-
Passed through the Workforce Development Board of Central Ohio				
COVID 19: Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	341,259	-
Total US Department of the Treasury			**763,433**	**142,608**

See accompanying notes to the schedule of expenditures of federal awards.

COLUMBUS STATE COMMUNITY COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended June 30, 2025

	Assistance Listing Number	Pass Through Number	Expenditures	Passed Through to Subrecipient
US DEPARTMENT OF ENERGY				
Passed through Ohio Department of Development				
Manufacturing and Energy Supply Chain Demonstrations and Commercial Applications	81.253		27,430	-
Passed through the West Virginia University Research Corporation				
Conservation Research and Development	81.086	N/A	6,474	-
Total US Department of Energy			**33,904**	**-**
US SMALL BUSINESS ADMINISTRATION				
Passed through Ohio Department of Development				
Small Business Development Centers	59.037	OSBG-24-301 OSBG-25-301	146,346	-
Total US Small Business Administration			**146,346**	**-**
			$ 76,840,563	**$ 432,265**

See accompanying notes to the schedule of expenditures of federal awards.

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal grant activity of Columbus State Community College (the “College”) under programs of the federal government for the year ended June 30, 2025. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the “Uniform Guidance”). Because the Schedule presents only a selected portion of the operations of the College, it is not intended to and does not present the financial position, changes in net position, or cash flows of the College.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the Schedule are reported on accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The pass-through entity identifying numbers are presented where available.

The College has elected not to use the *de minimis* indirect cost rate to recover indirect costs, as allowed under the Uniform Guidance.

Note 3 - Loans Balances

The College is a direct lender for the Federal Direct Student Loan program under ALN 84.268. The following represents direct loans originated and disbursed during fiscal year 2025:

Program Name	Loan Balances
Federal Subsidized Direct Loans	$ 12,941,585
Federal Unsubsidized Direct Loans	10,339,417
Federal PLUS Loans	429,634
	$ 23,710,636

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ____ Yes __X__ No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? __X__ Yes ____ None reported

Noncompliance material to financial statements noted? ____ Yes __X__ None reported

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ____ Yes __X__ No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? __X__ Yes ____ None reported

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? __X__ Yes ____ No

Identification of major programs:

Assistance Listing Number	Name of Federal Program or Cluster	Opinion
84.007, 84.268, 84.033, 84.063	Student Financial Assistance Cluster	Unmodified

Dollar threshold used to distinguish between type A and type B programs: $2,305,217

Auditee qualified as low-risk auditee? __X__ Yes ____ No

Section II - Financial Statement Audit Findings

Reference Number	Finding
2025-001	**Finding Type** - Significant deficiency

Criteria - General ledger account balances for payroll liabilities and unbilled receivables should be reconciled and reviewed by proper individuals on a timely basis in order to ensure the balance in the general ledger is accurate and appropriately reconciles to underlying records.

Condition - Account reconciliation and timely review were not consistently performed for certain cycles during the year, including payroll liabilities and unbilled receivables. This led to errors in reconciliations wherein the general ledger balances did not reconcile to underlying records.

Context - Lack of timely reconciliation and review of certain cycles, including payroll liabilities and unbilled receivables, resulted in proposed adjusting journal entries. This led to passed adjustments to increase assets by approximately $250,000, decrease liabilities by approximately $3,510,000, increase net position by approximately $4,400,000, and increase expenses by approximately $640,000.

Cause - There was a lack of timely and accurate preparation and review of account reconciliations for certain accounts, including certain payroll liabilities and unbilled receivables.

Effect - The lack of oversight and monitoring of financial reporting and general ledger balances could lead to a misstatement of the financial statements.

Recommendation - We recommend the College put controls in place to ensure account reconciliations are properly completed and reviewed by appropriate personnel on a timely basis to ensure general ledger balances reconcile to underlying books and records.

Views of Responsible Officials and Planned Corrective Actions - The College recognizes that it is behind on some account reconciliations due to staffing turnover and competing priorities. The College continues to work out issues from the Workday implementation, such as how Workday handles some transactions, which have caused many challenges. The College engaged a postimplementation partner, Alchemy, in the spring, and while several issues have been identified, the work to fix those issues is just beginning. The College will prioritize efforts to get current on reconciliations, creating more reports from Workday to facilitate reconciliations while also examining and making appropriate changes to the Workday business processes and account structure. Management will develop processes and procedures to complete reconciliations in a timely manner.

Section III - Federal Program Audit Findings

Reference Number	Finding
2025-002	**Assistance Listing Number, Federal Agency, and Program Name** - ALNs 84.063; Department of Education; Federal Pell Grant Program

Federal Award Identification Number and Year - N/A

Pass-through Entity - N/A

Finding Type - Significant deficiency and material noncompliance with laws and regulations

Repeat Finding - No

Criteria - Institutions are required to report enrollment information under the Pell Grant program via the NSLDS (OMB No. 1845-0035) (Pell, 34 CFR 690.83(b)(2). The administration of the Title IV programs depends heavily on the accuracy and timeliness of the enrollment information reported by institutions.

Condition - Columbus State Community College did not report student status changes accurately for certain students who withdrew during the year.

Questioned Costs - None

If Questioned Costs are not Determinable, Description of Why Known Questioned Costs Were Undetermined or Otherwise Could not be Reported - N/A

Identification of How Questioned Costs Were Computed - N/A

Context - Of the 40 students tested for student status change, 2 student status changes were not properly reported.

Cause and Effect - The College did not have a process in place to ensure proper reporting for all student status changes. As a result, there were instances where reporting of a student who withdrew did not occur.

Recommendation - We recommend that the College modify its control process in place to ensure all student status changes are reported timely and accurately

Views of Responsible Officials and Corrective Action Plan - Looking into this finding further, both students identified as not reported had status adjustments after the end of the spring semester. As a solution to this issue, the enrollment services operations office at Columbus State Community College, currently responsible for National Student Clearinghouse (NSC) reporting, will create a report to monitor for any post-semester enrollment changes that occur due to processes such as end of semester grade adjustments or the retroactive withdrawal and administrative withdrawal to make sure that status changes are reported to the NSC in a timely manner. This report will be monitored, and updates will be made monthly, like the enrollment verification reporting cadence that happens during the semester.

COLUMBUS STATE
COMMUNITY COLLEGE

Columbus State Community College
6/30/2025
Corrective Action Plan

Finding Number: 2025-001

Condition: Account reconciliation and timely review were not consistently performed for certain cycles during the year, including payroll liabilities and unbilled receivables. This led to errors in reconciliations wherein the general ledger balances did not reconcile to underlying records.

Planned Corrective Action: These accounts will be specifically reviewed and reconciled at the start of calendar year 2026 and a process/procedure to keep them reconciled will be developed with named positions/departments to ensure that this is done timely.

Contact person responsible for corrective action: Jan Ellis

Anticipated Completion Date: 5/1/2026

Finding Number: 2025-002

Condition: Columbus State Community College did not report student status changes accurately for certain students who withdrew during the year.

Planned Corrective Action: As a solution to this issue, the Enrollment Services Operations office at Columbus State Community College, currently responsible for National Student Clearinghouse (NSC) reporting, will create a report to monitor for any post-semester enrollment changes that occur due to processes such as end-of-semester grade adjustments or the retroactive withdrawal and administrative withdrawal, to make sure that status changes are reported to the NSC in a timely manner. This report will be monitored, and updates will be made monthly, like the enrollment verification reporting cadence that happens during the semester.

Contact person responsible for corrective action: Dina Galley

Anticipated Completion Date: 03/01/2026

OHIO AUDITOR OF STATE
KEITH FABER

COLUMBUS STATE COMMUNITY COLLEGE

FRANKLIN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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

Certified for Release 2/3/2026

65 East State Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370