**CLARK STATE COLLEGE**
**CLARK COUNTY, OHIO**

**SINGLE AUDIT**

**FOR THE YEAR ENDED JUNE 30, 2022**

PLATTENBURG
Certified Public Accountants

OHIO AUDITOR OF STATE
KEITH FABER

88 East Broad Street
Columbus, Ohio 43215
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(800) 282-0370

Board of Trustees
Clark State College
570 E. Leffel Lane
Springfield, Ohio 45505

We have reviewed the *Independent Auditor's Report* of the Clark State College, Clark County, prepared by Plattenburg & Associates, Inc., for the audit period July 1, 2021 through June 30, 2022. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Keith Faber
Auditor of State
Columbus, Ohio

November 08, 2022

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**CLARK STATE COLLEGE**
**CLARK COUNTY, OHIO**
**FOR THE YEAR ENDED JUNE 30, 2022**

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**Clark State College**
**Clark County**
**Schedule of Expenditures of Federal Awards**
**For the Year Ended June 30, 2022**

| Federal Grantor/ Pass Through Grantor/ Program Title | Pass Through Entity Number | Assistance Listing Number | Federal Expenditures |
|---|---|---|---|
| **United States Department of Education** | | | |
| *Direct* | | | |
| *Student Financial Assistance Cluster:* | | | |
| Federal Pell Grant Program | N/A | 84.063 | $ 7,301,155 |
| Federal Supplemental Educational Opportunity Grants | N/A | 84.007 | 171,862 |
| Federal Work-Study Program | N/A | 84.033 | 109,894 |
| Federal Direct Student Loans | N/A | 84.268 | 8,009,557 |
| *Total Student Financial Assistance Cluster* | | | 15,592,468 |
| *TRIO Cluster:* | | | |
| TRIO-Student Support Services | N/A | 84.042 | 264,211 |
| *Total TRIO Cluster* | | | 264,211 |
| COVID-19 Higher Education Emergency Relief Fund - Student Aid Portion | N/A | 84.425E | 6,232,512 |
| COVID-19 Higher Education Emergency Relief Fund - Institutional Portion | N/A | 84.425F | 4,673,895 |
| COVID-19 Higher Education Emergency Relief Fund - Strengthening Institutions Program (SIP) | N/A | 84.425M | 752,285 |
| *Passed through the Ohio Department of Education* | | | |
| COVID-19 Governor's Emergency Education Relief Fund | 3HQ0 | 84.425C | 16,040 |
| *Total Education Stabilization Fund* | | | 11,674,732 |
| *Passed through the Ohio Department of Education* | | | |
| Career and Technical Education - Basic Grants to States | V048A200035 | 84.048 | 250,925 |
| Strengthening Institutions Program | P031A200242 | 84.031A | 339,954 |
| Adult Education - Basic Grants to States | V002A200036 | 84.002 | 131,521 |
| **Total United States Department of Education** | | | 28,253,811 |
| **United States Small Business Administration** | | | |
| *Direct* | | | |
| COVID-19 Shuttered Venue Operators Grant Program | N/A | 59.075 | 112,086 |
| **Total United States Small Business Administration** | | | 112,086 |
| **United States Department of Agriculture** | | | |
| *Passed through Regents of the University of Minnesota/Northcentral Technical College* | | | |
| Sustainable Agriculture Research and Education | 2018-38640-28416 | 10.215 | 4,279 |
| *Passed through the Ohio Department of Job and Family Services* | | | |
| *SNAP Cluster:* | | | |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | 202OH102S2519 | 10.561 | 12,466 |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | 202222S251942 | 10.561 | 19,537 |
| *Total SNAP Cluster* | | | 32,003 |
| *Passed through Northeast Community College* | | | |
| Soil and Water Conservation | NR203A750007C001-01-02 | 10.902 | 21,110 |
| **Total United States Department of Agriculture** | | | 57,392 |
| **United States Department of Defense** | | | |
| *Passed through Southwestern Ohio Council for Higher Education* | | | |
| Community Economic Adjustment Assistance for Advance Planning and Economic Diversification | DD1452-19-02 | 12.614 | 152,158 |
| *Passed through ARCTOS Technology Solutions, LLC* | | | |
| Air Force Research Laboratory (DOD-USAF-AFMC) Manufacturing Readiness and Process Technology Assessments for Hypersonics | FA865016D5524 | 12.800 | 587,429 |
| **Total United States Department of Defense** | | | 739,587 |
| **United States Department of Labor** | | | |
| *Direct* | | | |
| H-1B Job Training Grants | N/A | 17.268 | 1,004,187 |
| **Total United States Department of Labor** | | | 1,004,187 |
| **Institute of Museum and Library Services** | | | |
| *Passed through the State Library of Ohio* | | | |
| COVID-19 Grants to States | VII-71-21 | 45.310 | 377 |
| COVID-19 Grants to States | L-41-22 | 45.310 | 850 |
| *Total Grants to States - Libraries* | | | 1,227 |
| **Total Institute of Museum and Library Services** | | | 1,227 |

| | | | |
|---|---|---|---|
| **National Science Foundation** | | | |
| *Direct* | | | |
| Education and Human Resources (Cybersecurity) | N/A | 47.076 | 83,672 |
| *Passed through Whatcom Community College* | | | |
| Education and Human Resources (Cybersecurity) | DGE-1842096 | 47.076 | 6,094 |
| *Total Education and Human Resources* | | | 89,766 |
| **Total National Science Foundation** | | | 89,766 |
| **United States Department of Health and Human Services** | | | |
| *Passed through the Clark County Department of Job and Family Services* | | | |
| Foster Care - Title IV-E | 2020-0407 | 93.658 | 252,118 |
| Mental and Behavioral Health Education and Training Grants | T97HP33386 | 93.732 | 664,682 |
| **Total United States Department of Health and Human Services** | | | 916,800 |
| **Total Expenditures of Federal Awards** | | | $ 31,174,856 |

See accompanying notes to the Schedule of Expenditures of Federal Awards

**Clark State College**
**Clark County**
**Notes to the Schedule of Expenditures of Federal Awards**
**For the Year Ended June 30, 2022**

## NOTE 1 - GENERAL

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Clark State College under programs of the federal government for the year ended June 30, 2022. The information in this 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* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Clark State College, it is not intended to and does not present the financial position, changes in net position, or cash flows of Clark State College.

## NOTE 2 – BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the College's financial statements. Expenditures are recognized following, as applicable, to 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, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available. In addition, the College did not pass-through any federal awards to subrecipients during the year ended June 30, 2022.

The College has elected not to use the 10 percent de minimis indirect cost rate to recover indirect costs as allowed under the Uniform Guidance.

## NOTE 3 – FEDERAL WORK-STUDY AND FEDERAL SEOG WAIVER

For the year ended June 30, 2022, the College received a waiver from the Department of Education for the Institutional Share Requirement under the Federal Work-study and Federal Supplemental Educational Opportunity Grant programs.

## NOTE 4 – LOAN PROGRAMS

The College originates but does not provide funding under the Direct Loan Program. The amount presented represents the value of new Direct Loans awarded by the Department of Education during the year.

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Board of Trustees
Clark State College
Springfield, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and discretely presented component unit of Clark State College (the College), a component unit of the State of Ohio, as of and for the year ended June 30, 2022, 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 14, 2022. We noted the College adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*.

**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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

**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*.



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**Purpose of this Report**

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

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Cincinnati, Ohio
October 14, 2022

# INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AND ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Board of Trustees
Clark State College
Springfield, Ohio

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the Clark State College (the College) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2022. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the College, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

***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; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; 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 (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 programs.



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### *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 generally accepted auditing standards, *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 generally accepted auditing standards, *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.

### Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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.

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the business-type activities and the discretely presented component unit of the College, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the College's basic financial statements. We issued our report thereon dated October 14, 2022, which contained unmodified opinions on those financial statements, wherein we noted the College adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. We have not performed any procedures to the audited financial statements subsequent to October 14, 2022. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Cincinnati, Ohio
October 28, 2022

**CLARK STATE COLLEGE**
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**
**For the Year Ended June 30, 2022**

**Section I – Summary of Auditor's Results**

**Financial Statements**

| | |
|---|---|
| Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP: | Unmodified |
| Internal control over financial reporting: | |
| • Material weakness(es) identified? | No |
| • Significant Deficiency(s) identified? | None reported |
| Noncompliance material to financial statements noted? | No |

**Federal Awards**

| | |
|---|---|
| Internal control over major federal programs: | |
| • Material weakness(es) identified? | No |
| • Significant Deficiency(s) identified? | None reported |
| Type of auditor's report issued on compliance for major federal programs: | Unmodified |
| Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | No |

Identification of major federal programs:

Education Stabilization Fund
- ALN 84.425C-GEER
- ALN 84.425E-HEERF Student Aid Portion
- ALN 84.425F-HEERF Institutional Portion
- ALN 84.425M-HEERF Strengthening Institutions Program

H-1B Job Training Grants ALN 17.268

| | |
|---|---|
| Dollar threshold used to distinguish between Type A and Type B Programs | $935,246 |
| Auditee qualified as low-risk auditee? | Yes |

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

None

**Section III – Federal Award Findings and Questioned Costs**

None

**CLARK STATE COLLEGE**
**SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS**
**FOR THE YEAR ENDED JUNE 30, 2022**

| Finding Number | Finding Summary | Finding Corrected | Initial Occurrence | Explanation |
|---|---|---|---|---|
| 2021-001 | Federal Direct Student Loans ALN 84.268. One student in a sample of 25 was awarded a Direct Unsubsidzed Loan in excess of the aggregate limit. | Fully corrected. | FY 2021 | The College corrected this error. |
| 2021-002 | Federal Pell Grant ALN 84.063. One student in a sample of 25, the College ncorrectly calculated and awarded a Federal Pell Grant. | Fully corrected. | FY 2021 | The College corrected this error. |


PLATTENBURG
Certified Public Accountants

**CLARK STATE COLLEGE**
**CLARK COUNTY, OHIO**

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

PLATTENBURG
Certified Public Accountants

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PLATTENBURG
Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Clark State College
Springfield, Ohio

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of the Clark State College (the College), a component unit of the State of Ohio, as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the College, as of June 30, 2022 and the respective changes in financial position and, where applicable, cash flows thereof for the years 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 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.

#### *Emphasis of Matter*

As discussed in Note 1 to the financial statements, during 2022, the College adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.


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***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 generally accepted auditing standards 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.

In performing an audit in accordance with generally accepted auditing standards 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, and schedules of pension information and other postemployment information to 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 who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 2022, on our consideration of the College's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 the 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 the College's internal control over financial reporting and compliance.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Cincinnati, Ohio
October 14, 2022

This section of the Clark State College ("College") annual financial report presents an overview of its financial condition and assists readers in focusing on significant financial issues of the College for the fiscal year ended June 30, 2022.

This discussion has been prepared by management and should be read in conjunction with and is qualified in its entirety by the accompanying financial statements and footnotes. The discussion and analysis is designed to focus on current activities, resulting change, and current known facts. The financial statements, footnotes, and this discussion are the responsibility of management.

## USING THE ANNUAL FINANCIAL REPORT

This annual financial report includes three financial statements:

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

These financial statements are prepared in accordance with Governmental Accounting Standards Board ("GASB") Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities* and subsequent statements. The Clark State College Foundation (the "Foundation") has been determined to be a component unit of the College. Accordingly, the Foundation is discretely presented in the College's financial statements. The Foundation is excluded from Management's Discussion and Analysis. Complete financial statements for the Foundation can be obtained from the Controller at the College.

One of the most important questions asked about the College's finances is whether the College, as a whole, is better off or worse off as a result of the year's activities. The three financial statements should assist readers of the annual report in answering this question. These statements present financial information in a form similar to that used by the private sector.

The College's net position is one indicator of its financial health. Over time, increases or decreases in net position is one indicator of the improvement or erosion of the College's financial health when considered with non-financial facts such as enrollment levels and the condition of the facilities.

The Statement of Revenues, Expenses and Changes in Net Position presents the revenues earned and expenses incurred during the year. Activities are reported as either operating or non-operating. The College's (as well as all other public colleges) dependency on State aid, grants and gifts will result in operating deficits because the financial reporting model classifies State appropriations, Pell grants and gifts as non-operating revenues. The utilization of long-lived assets referred to as Capital Assets is reflected in the financial statements as depreciation, which amortizes the cost of an asset over its expected useful life.

Another important factor to consider when evaluating financial viability is the College's ability to meet financial obligations as they mature. The Statement of Cash Flows presents the information related to cash inflows and outflows summarized by operating, capital and non-capital financing and investing activities.

## FINANCIAL AND OTHER COLLEGE HIGHLIGHTS

- Net position invested in capital assets (net of related debt) increased by $10.2 million (25.7%). The College was able to pay off a bond that was not scheduled to be paid off until 2035. Due to the availability of Reserves and Capital Component, the College made the strategic decision to pay it off early, reducing the College's debt and reducing the strain of the operating cost on the college in future years to fund the debt-service payment. Phase III of the Rhodes Hall project came to a close in fiscal year 2022. The College looks forward to Phase IV of the Rhodes Hall renovation and the addition of the Applied Science Center to the renovations funded by State capital. The College continues to invest in its buildings with other various projects around campus. This year, due to the HEERF allocations from the Department of Education, the College has invested in a door access system project for contact-tracing purposes, and improvements to the HVAC systems to promote better air quality and circulations – which aides in the mitigation of Covid-19. Projects like these benefit the College in many ways and will for years to come.

- Unrestricted net position (exclusive of pension/OPEB adjustments) decreased by $5.4 million (29.8%) as a result of paying off the college bond. This reduced cash in reserves as well as Capital Component, which had been saved in prior years to help the college pay the yearly bond payment in future years. Unrestricted net position (including pension/OPEB adjustments) decreased by $2.1 million (12.2%).

- Student tuition and fees revenue (net of scholarship allowances) decreased by $1.4 million (15.8%). Gross tuition and fees revenue decreased by $996,000 (7.0%). Scholarship allowances were up $436,500 (8.3%). The College did not raise instructional fees in fiscal year 2021 in light of the pandemic. The College experienced a drop in enrollment as a result of the pandemic.

- Net accounts receivable decreased by $1.6 million (17.7%). This was mainly due to a decrease in enrollment and due to timing of drawdowns of federal receivables prior to year-end.

- Current liabilities decreased $1.0 million (19.9%). There was a decrease in the amount due at year end through state capital projects, the reduction of the current portion of notes payable as well as interest payable, as the College paid off a bond. The College still has one bond outstanding as of June 30, 2022. Payroll liabilities were also lower due to timing of payments. Noncurrent liabilities, not including net OPEB & pension liabilities, decreased $5.0 million (49.5%) due to paying off the bond.

- Federal operating grants increased $2.5 million (151.1%). This is mostly due to increased activity in grants such as the H1B One Workforce Department of Labor grant and a HRSA grant. Additional money, reflected under federal non-operating revenue, was also received from the federal government's response to the COVID-19 pandemic for students. After the initial CARES Act, two more rounds of support were received, Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) and (American Rescue Plan (ARP), which are collectively referred to as HEERF. A major component of these funds is to aid our students with emergency funding. The college distributed $6.2 million in funds this year to help students in addition to the funds distributed over the past two years. State and local grants decreased $299,300 (46.1%). Nongovernmental grants and contracts decreased by $24,500 (30.1%). The college's major youth program, Project Jericho, continues to be funded through Clark County Department of Job and Family Services and the many generous donations received by our community through the Foundation.

- Auxiliary enterprises revenue, in total, increased by $145,800 (19.9%). Bookstore revenues (net of scholarship allowances) increased $13,200 (6.5%) with gross revenue up $107,500 (40.7%). The College continues to partner with eCampus to provide affordable textbook options to students. The College no longer subsidizes food service on campus and is now partnering with Fresh Abilities to offer food on the premise. Parking revenues decreased $1,900 (5.2%). Commercial Transportation Training Center revenues increased $134,700 (27.4%) due to an increase in enrollment which has been partially spurred by the return of State support for a student loan/grant program for these students, as well as a national need for the CDL drivers.

## STATEMENT OF NET POSITION

The Statement of Net Position includes all assets, deferred outflows of resources, liabilities and deferred inflows of resources. It is prepared under the accrual basis of accounting, whereby revenues and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged. Net position is simply the difference between the total assets and deferred outflows of resources, less the total liabilities and deferred inflows of resources. The change in net position during the fiscal year is an indicator of the change in the overall financial condition of the College during the year.

A summary of the College's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position as of June 30, 2022 and 2021 is as follows:

| | 2022 | Restated 2021 |
|---|---|---|
| | (all dollar amounts in thousands) | |
| Current assets | $ 18,306 | $ 26,017 |
| Noncurrent assets | 56,736 | 52,774 |
| Total assets | 75,042 | 78,791 |
| Deferred outflows of resources | 7,257 | 6,381 |
| Current liabilities | 4,073 | 5,083 |
| Noncurrent liabilities | 27,599 | 49,310 |
| Total liabilities | 31,672 | 54,393 |
| Deferred inflows of resources | 18,014 | 5,353 |
| Net position | | |
| Net investment in capital assets | 50,081 | 39,832 |
| Restricted | | |
| Nonexpendable | 250 | 250 |
| Expendable | 612 | 2,224 |
| Unrestricted | (18,937) | (16,880) |
| Total net position | $ 32,006 | $ 25,426 |

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/OPEB and the net pension/OPEB liability to the reported net position and subtracting the net OPEB asset and deferred outflows related to pension and OPEB.

A review of the summary indicates a relatively strong financial position as of June 30, 2022. Total net position increased $6.6 million primarily due to Federal HEERF funding and an increase in capital assets. Net position increased $3.2 million (5.3%) (exclusive of pension and OPEB adjustments).

Net position represents the remaining amount of the College's assets and deferred outflows after deducting liabilities and deferred inflows.

Net investment in capital assets represents the College's capital assets after subtracting accumulated depreciation and the principal amount of outstanding debt attributable to the acquisition, construction, or improvement of those assets. Net investment in capital assets had a $10.2M increase 25.7%. This is primarily due to the early payoff of a bond.

Restricted nonexpendable net position represents the College's permanent endowments.

Restricted expendable net position represents funds that are externally restricted to specific purposes such as student financial aid, grants and capital component funds.

Unrestricted net position (exclusive of net pensions) are funds that the College has at its disposal to use for whatever purposes the Board determines appropriate. While not subject to external restrictions, the College has designated these funds internally for various academic, student services, student aid, and capital purposes.

## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSTION

The Statement of Revenues, Expenses and Changes in Net Position presents the results of operations for the College. A summary of the College's revenues, expenses and changes in net position for the years ended June 30, 2022 and 2021 is as follows:

| | 2022 | 2021 |
|---|---|---|
| | (all dollar amounts in thousands) | |
| Operating revenues | | |
| Student tuition and fees, net | $ 7,635 | $ 9,067 |
| Grants and contracts | 4,501 | 2,362 |
| Auxiliary enterprises | 877 | 732 |
| Other | 1,339 | 502 |
| Total | 14,352 | 12,663 |
| Operating expenses | 43,180 | 38,987 |
| Operating loss | (28,828) | (26,324) |
| Nonoperating revenues (expenses) | | |
| State appropriations | 16,237 | 15,698 |
| Federal grants | 18,688 | 15,721 |
| Investment Income | 39 | 55 |
| Other | (224) | (11) |
| Interest expense | (256) | (368) |
| Nonoperating project expense | 0 | (837) |
| Capital appropriations | 656 | 1,186 |
| Capital grants | 268 | 360 |
| Total | 35,408 | 31,804 |
| Increase (decrease) in net position | $ 6,580 | $ 5,480 |

The College relies primarily on state appropriations and student tuition and fees to fund its ongoing programs and operations. Although classified by GASB 35 as a non-operating revenue source, state appropriations over the years have been the largest single source of revenue for the College up until fiscal year 2004. The amount received each year is no longer a function of student enrollment. Funding is based on student success measures – course completion, success points and completion metrics. FTE Enrollment decreased 7.4% in fiscal year 2022. Student fees were not increased for FY 2022. As the table below demonstrates, the State of Ohio has dramatically shifted the burden for funding the cost of higher education to students and their families. Although in recent years, the trend is reversing due to a combination of tuition restraint and the college's success in the appropriation model based on student success and completion.

**State Operating Appropriations per Dollar of Gross Tuition**

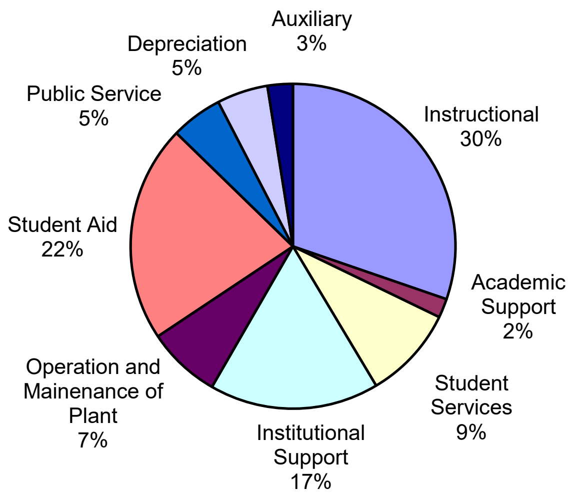
| Fiscal Year | Gross Tuition | State Operating Appropriations | Net State Appropriations per Dollar of Gross Tuition |
|---|---|---|---|
| 1980 | $ 1,144,925 | $ 2,160,717 | $1.89 |
| 1990 | 2,781,764 | 4,491,168 | 1.61 |
| 2000 | 4,964,992 | 6,069,435 | 1.22 |
| 2010 | 12,626,366 | 9,367,573 | 0.74 |
| 2011 | 14,417,217 | 9,938,577 | 0.69 |
| 2012 | 15,137,415 | 9,404,245 | 0.62 |
| 2013 | 16,680,297 | 10,137,875 | 0.61 |
| 2014 | 15,693,399 | 10,819,671 | 0.69 |
| 2015 | 16,636,325 | 11,164,635 | 0.67 |
| 2016 | 14,640,107 | 11,987,351 | 0.82 |
| 2017 | 15,169,101 | 13,164,123 | 0.87 |
| 2018 | 14,124,922 | 13,804,624 | 0.98 |
| 2019 | 14,498,916 | 14,631,745 | 1.01 |
| 2020 | 14,645,431 | 14,588,472 | 1.00 |
| 2021 | 14,312,734 | 15,559,047 | 1.09 |
| 2022 | 13,316,705 | 16,022,928 | 1.20 |

In FY 1980, the State contributed $1.89 to Clark State for every dollar of gross tuition. As of 2022, that figure has dropped to $1.20. In FY 2022, state appropriations exceed gross tuition by approximately $3.3 million.

The increase in state support helps offset the tuition rate. It is a continual challenge to generate sufficient funds to attract qualified staff and faculty, maintain state-of-the art facilities, implement student retention/ academic support services, address deferred maintenance, develop new academic programs to meet the workforce, and provide the latest technology and equipment to be able to furnish our students with a quality learning experience at an affordable cost. It is imperative to adequately fund these initiatives in the interest of student success.

Total state appropriations increased 2.9% in FY 2022. Net student tuition and fees decreased 15.80% from $9.07 million in FY 2021 to $7.63 million in FY 2022.

The following is a graphic illustration of expenses by function for the year ended June 30, 2022:




Operating expenses increased in comparison to the prior year. There was a decrease in spending in FY 2021 primarily due to the pandemic. Expenses in FY 2022 increased as the College returned to campus and the College continued to use HEERF funds to assist in the return to campus as the pandemic continued to subside. Expenses relating to the results of pension and OPEB adjustments did reduce the Colleges overall expenses for the year.

Expenses increased in all functional categories, exclusive of the pension and OPEB adjustments. Most areas increased spending using the federal HEERF funds. Instruction was able to add more equipment for social distancing in the classroom, operation of maintenance of plant increased their spending, IT embarked on several projects to boost remote learning, system resiliency, and work from home capabilities. Student aid saw a significant increase due to the support of HEERF funds for students.

The following table shows a comparison of total operating expenses per FTE for FY 2022 and FY 2021. Total operating expenses per FTE student increased by $2,479 during FY 2022.

| | 2022 | 2021 | Difference | Change |
|---|---|---|---|---|
| Total operating expenses | $ 43,200,284 | $ 38,986,985 | $ 4,213,299 | 10.8% |
| FTE Enrollment | 2,867 | 3,097 | (230) | (7.4%) |
| Total operating expenses per FTE | $ 15,068 | $ 12,589 | $ 2,479 | 19.7% |

## STATEMENT OF CASH FLOWS

The Statement of Cash Flows also provides information about the College's financial health by reporting the cash receipts and cash payments of the College during the year ended June 30, 2022. The following is a summary of the Statement of Cash Flows for the years ended June 30, 2022 and 2021 are as follows:

| | 2022 | 2021 |
|---|---|---|
| | (all dollar amounts in thousands) | |
| Cash provided (used) by: | | |
| Operating activities | $ (28,897) | $ (23,539) |
| Noncapital financing activities | 34,702 | 27,075 |
| Capital and related financing activities | (12,032) | (768) |
| Investing activities | 528 | 59 |
| Net change in cash and cash equivalents | (5,699) | 2,827 |
| Cash and cash equivalents | | |
| Beginning of year | 15,744 | 12,917 |
| End of year | $ 10,045 | $ 15,744 |

Cash and cash equivalents decreased by 36.2% primarily due the increase in capital and related financing activities.

## GASB STATEMENT NO. 68

In accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, the College is required to recognize its proportionate share of the net pension liability to more comprehensively measure the annual costs of pension benefits. For Clark State, the net pension liability reflected on the FY 2022 Statement of Net Position is $18.0 million.

## GASB STATEMENT NO. 75

In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions (OPEB),* the College is required to recognize its OPEB asset/liability to more comprehensively measure the annual costs of its post-employment benefits other than pensions. For Clark State, a net OPEB asset of $1.5 million and a net OPEB liability of $4.5 million is reported on the FY 2022 Statement of Net Position.

## CAPITAL ASSETS AND DEBT

*Capital Assets*

The College had $53.0 million invested in capital assets net of accumulated depreciation of $49.2 million at June 30, 2022. Depreciation expense for the years ended June 30, 2022 was $2.2 million and 2021 was $2.0 million.

A summary of net capital assets for the years ended June 30, 2022 and 2021 is as follows:

| | 2022 | 2021 |
|---|---|---|
| | (all dollar amounts in thousands) | |
| Land, building improvements and infrastructure | $ 3,863 | $ 3,969 |
| Building | 42,067 | 42,792 |
| Furniture and equipment | 3,507 | 2,466 |
| Library books | 64 | 73 |
| Vehicles | 156 | 170 |
| Construction in progress | 3,597 | 536 |
| Total capital assets, net | $ 53,254 | $ 50,006 |

Capital projects during FY 2022 included the conclusion of Phase III of renovations to Rhodes Hall, the continuation of a door replacement project for contact tracing purposes that will also benefit the safety and security of our campuses as well as extend the life of the College doors, and an HVAC upgrade project to benefit the air quality, ventilation and circulation. See Note 5 of the financial statements for additional details.

*Debt*

In fiscal year 2022, the College was able to pay off a bond. The College still holds one bond and had $3.1 million of bonds and notes payable at June 30, 2022. Interest rates range from 2.0% to 4.0% and mature in 2032. See Note 6 of the financial statements for additional details.

## STRATEGIC PLAN

The College embarked on a strategic planning process in Spring 2023. Faculty, staff, students, Trustees, Foundation Directors, business leaders and the community at large were invited to participate in the process. Initiatives relating to the new goals for this strategic planning cycle will be decided upon during the 2023 academic year.

The new goals that will be implemented over 2023-2026 are:

- Develop and strengthen quality, innovative academic programs
- Improve enrollment, student success, retention and completion
- Facilitate and support an equitable and inclusive culture of care that recognizes, embraces, and reflects the diversity of the communities we serve
- Cultivate effective and efficient communication strategies and collaboration throughout the college
- Promote and support collaboration with diverse communities, businesses and industry partners

Clark State College
Statement of Net Position
June 30, 2022

| | | 2022 |
|---|---|---|
| Assets | | |
| | | |
| Current Assets | | |
| Equity in pooled cash and cash equivalents | | 9,887,295 |
| Cash with fiscal agent | | 157,961 |
| Investments | | 235,155 |
| Accounts receivable, net | | 7,565,369 |
| Prepaid expenses | | 285,423 |
| Inventory | | 145,256 |
| Employee loans receivable | | 3,751 |
| Total current assets | | 18,280,210 |
| | | |
| Noncurrent assets | | |
| Capital assets, not being depreciated | | 6,039,369 |
| Capital assets, net of depreciated | | 47,245,453 |
| Lease asset, net of amortization | | 1,399,873 |
| Net OPEB asset | | 1,469,916 |
| Total noncurrent assets | | 56,154,611 |
| | | |
| Total assets | | 74,434,821 |
| | | |
| Deferred outflows of resources | | 1,217,957 |
| OPEB | | 6,039,536 |
| Pension | | 7,257,493 |
| Total deferred outflows of resources | | |
| | | |
| Liabilities | | |
| | | |
| Current liabilities | | |
| Accounts payable and other accrued liabilities | | 1,365,650 |
| Bonds and notes payable, current portion | | 225,000 |
| Wages payable | | 2,042,697 |
| Accrued payroll tax liabilities | | 36,709 |
| Unearned revenue | | 95,922 |
| Unclaimed funds | | 236,245 |
| Lease liability, current portion | | 69,873 |
| Total current liabilities | | 4,072,096 |
| | | |
| Noncurrent liabilities | | |
| Bonds and notes payable, less current portion | | 2,905,775 |
| Deposits held in trust for others | | 64,524 |
| Accrued compensated absences | | 821,707 |
| Lease liability, less current portion | | 1,343,583 |
| Net OPEB liability | | 4,450,049 |
| Net pension liability | | 18,014,833 |
| Total noncurrent liabilities | | 27,600,471 |
| | | |
| Total liabilities | | 31,672,567 |
| | | |
| Deferred inflows of resources | | |
| OPEB | | 4,666,225 |
| Pension | | 13,347,049 |
| Total deferred inflows of resources | | 18,013,274 |
| | | |
| Net position | | |
| Net investment in capital assets | | 50,152,003 |
| Restricted | | |
| Nonexpendable | | 250,000 |
| Expendable | | 457,289 |
| Unrestricted (deficit) | | (18,852,819) |
| Total net position | $ | 32,006,473 |

See accompanying notes to financial statements.

| | | 2022 |
|---|---|---|
| **Assets** | | |
| Cash and cash equivalents | $ | 277,592 |
| Investments | | 26,130,255 |
| Pledges receivable | | 30,431 |
| Student loans receivable, net of allowance for doubtful loans of $8,506 in 2022 and $93,609 in 2021 | | 57,099 |
| Other receivables | | 34 |
| Prepaid expenses | | 10,871 |
| | $ | 26,506,282 |
| **Liabilities and Net Assets** | | |
| Liabilities | | |
| Accounts payable | $ | 1,540 |
| Accounts payable, Clark State College | | 52,267 |
| Deferred revenue | | 360 |
| Wages payable | | 7,788 |
| | | 61,956 |
| Net assets | | |
| Without donor restrictions | | 831,524 |
| With donor restrictions | | 25,612,802 |
| | | 26,444,326 |
| | $ | 26,506,282 |

See accompanying notes to financial statements.

| | | 2022 |
|---|---|---|
| Operating revenues | | |
| Student tuition and fees, net of scholarship allowance of $5,682,104 | | 7,634,601 |
| Federal grants and contracts | | 4,093,858 |
| State and local grants and contracts | | 350,204 |
| Nongovernmental grants and contracts | | 56,920 |
| Auxiliary enterprises | | |
| Bookstore, net of scholarship allowances of $155,252 | | 215,999 |
| Parking | | 35,162 |
| Truck driving | | 626,320 |
| Other operating revenues | | 1,338,904 |
| Total operating revenues | | 14,351,967 |
| Operating expenses | | |
| Educational and general | | |
| Instruction | | 13,077,281 |
| Academic support | | 820,421 |
| Student services | | 3,999,518 |
| Institutional support | | 7,295,217 |
| Operation and maintenance of plant | | 3,155,585 |
| Student aid | | 9,336,729 |
| Public service | | 2,217,171 |
| Depreciation expense | | 2,196,827 |
| Auxiliary enterprises | | 1,095,016 |
| Total operating expenses | | 43,193,765 |
| Operating loss | | (28,841,798) |
| Nonoperating revenues (expenses) | | |
| State appropriations | | 16,237,556 |
| Federal grants revenue | | 18,687,972 |
| Investment Income | | 39,230 |
| Other nonoperating items | | (224,050) |
| Interest expense | | (242,253) |
| Net nonoperating revenues (expenses) | | 34,498,455 |
| Gain (loss) before other revenues, expenses, gains, or losses | | 5,656,657 |
| Capital appropriations | | 656,115 |
| Capital grants and gifts | | 268,054 |
| Total other revenues, expenses, gains, or losses | | 924,169 |
| Change in net position | | 6,580,826 |
| Net position – beginning of year | | 25,425,647 |
| Net position – end of year | $ | 32,006,473 |

See accompanying notes to financial statements.

| | Without Donor Restrictions | With Donor Restrictions | Total 2022 |
|---|---|---|---|
| Revenues and other support | | | |
| Campaign contributions | $ 16,204 | 466,301 | 482,505 |
| Foundation contributions | - | 3,131 | - |
| Investment return, net | 20,112 | (991,259) | (971,147) |
| Miscellaneous | - | 108,264 | 108,264 |
| Net assets released from restrictions | 661,683 | (661,683) | - |
| Total revenues and other support | 697,999 | (1,075,246) | (377,247) |
| Expenses | | | |
| Programs | 578,835 | - | 578,835 |
| Management and general | 106,227 | - | 106,227 |
| Fundraising | 14,444 | - | 14,444 |
| Total expenses | 699,506 | - | 699,506 |
| Change in net assets | (1,507) | (1,075,246) | (1,076,753) |
| Net assets at beginning of year | 833,031 | 26,688,048 | 27,521,079 |
| Net assets at end of year | $ 831,524 | 25,612,802 | 26,444,326 |

| | 2022 |
|---|---|
| Cash flow from operating activities | |
| Tuition and fees | $ 8,013,411 |
| Grants, gifts and contracts | 5,379,269 |
| Payments for goods and services | (9,941,728) |
| Payments for utilities | (991,679) |
| Payments to employees | (18,627,901) |
| Payments for benefits | (5,814,331) |
| Payments for scholarships and fellowships | (9,269,453) |
| Collection (payment of loans to students and employees | 76 |
| Auxiliary enterprise charges | |
| Bookstore | 215,999 |
| Parking | 35,162 |
| Truck driving | 626,320 |
| Other receipts | 1,478,217 |
| Net cash from operating activities | (28,896,639) |
| | |
| Cash flows from noncapital financing activities | |
| State appropriations | 16,237,556 |
| Federal grants revenue | 18,687,972 |
| Other nonoperating items | (224,050) |
| Net cash from noncapital financing activities | 34,701,478 |
| | |
| Cash flows from capital financing activities | |
| Purchase of capital assets | (5,817,436) |
| Principal paid on notes and bonds | (7,073,715) |
| Interest paid on notes and bonds | (349,163) |
| Capital appropriations | 940,386 |
| Capital grants and gifts proceeds | 268,054 |
| Net cash from capital financing activities | (12,031,874) |
| | |
| Cash flow from investing activities | |
| Net change in investments | 488,989 |
| Income on investments | 39,230 |
| Net cash from investing activities | 528,219 |
| | |
| Net change in cash and cash equivalents | (5,698,816) |
| | |
| Cash and cash equivalents, beginning of year | 15,744,072 |
| | |
| Cash and cash equivalents, end of year | $ 10,045,256 |
| | |
| Reconciliation of cash and cash equivalents to the Statements of Net Position: | |
| Cash and cash equivalents | 9,887,295 |
| Cash with fiscal agent | 157,961 |
| | $ 10,045,256 |

See accompanying notes to financial statements.

| | | 2022 |
|---|---|---|
| Reconciliation of net operating loss to net cash from operating activities | | |
| Operating loss | $ | (28,841,798) |
| Adjustments to reconcile operating loss to net cash from operating activities | | |
| Depreciation expense | | 2,196,822 |
| Provision for bad debts | | 2,341 |
| Change in assets, deferred outflows, liabilities and deferred inflows: | | |
| Accounts receivable | | 1,629,288 |
| Prepaid expenses | | (33,513) |
| Inventory | | (47,196) |
| Employee loans receivable | | 76 |
| Net OPEB asset | | (217,131) |
| Deferred outflows of resources | | (876,903) |
| Accounts payable and other accrued liabilities | | (316,652) |
| Wages payable | | 124,955 |
| Accrued payroll tax liabilities | | (228,682) |
| Unearned revenue | | (9,719) |
| Unclaimed funds | | 49,327 |
| Deposits held in trust for others | | 11,784 |
| Compensated absences | | 119,624 |
| Net pension liability | | (14,735,966) |
| Net OPEB liability | | (455,126) |
| Deferred inflows of resources | | 12,660,573 |
| Leases | | 71,257 |
| Net cash from operating activities | $ | (28,896,639) |

See accompanying notes to financial statements.

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: The College is an institution of higher education and is considered to be a component unit of the State of Ohio ("State") because its Board of Trustees is appointed by the Governor of the State. Accordingly, the College is included in the State's financial statements as a discrete component unit. Transactions with the State relate primarily to appropriations, grants from various state agencies and payments to the State retirement program for certain College employees.

The College is classified as a state instrumentality under Internal Revenue Code Section 115, and is also classified as a charitable organization under Internal Revenue Code Section 501(c)(3), and is therefore exempt from federal income taxes. Certain activities of the College may be subject to taxation as unrelated business income under Internal Revenue Code Sections 511 to 514.

Clark State College Foundation ("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 the amount of receipts from the Foundation, the majority of resources or incomes thereon that the Foundation holds and invests are restricted to the activities of the College by the donors. Therefore, the Foundation is considered a component unit of the College and is discretely presented in the College's financial statements.

Financial Statement Presentation: The accompanying financial statements of the College have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Government Accounting Standards Board ("GASB").

GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities* ("GASB Statement No. 35") and subsequent statements issued by GASB, established 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.

- **Restricted, expendable** – Net position whose use 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. These represent amounts for capital construction projects, student services, and public service initiatives.

- **Unrestricted** – Net position that is not subject to externally-imposed stipulations. Unrestricted net position may be designated for specific purposes by action of the Board of Trustees or may otherwise be limited by contractual agreements with outside parties.

When an expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the College's policy to apply the restricted resources first, then unrestricted resources as needed.

The financial statement presentation required by GASB Statement No. 35 is intended to provide a comprehensive, entity-wide perspective of the College's assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, expenses, change in net position and cash flows.

Basis of Accounting: For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements have been presented using the economic resources 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.

Adoption of New Standards: For the fiscal year ended June 30, 2022, the College implemented GASB Statement No. 87, *Leases*.

GASB Statement No. 87, *Leases*, was issued to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. A lease 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 lease 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 lease 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. Implementation of the new standard had no effect on the net position as report at June 30, 2021. However, prior year adjustments included an addition of Leased Assets of $1,484,713 to Noncurrent Assets and Lease Liability of $1,484,713 to Noncurrent Liabilities, which are reflected in the footnotes.

Equity in Pooled Cash and Cash Equivalents: Equity in pooled cash and cash equivalents consist of cash on hand and demand deposits with banks. For purposes of the statement of cash flows, the College considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents. Cash and cash equivalents include cash and money market funds, stated at cost, which approximates fair value.

Investments: The College accounts for its investments at fair value. Changes in unrealized gain (loss) on the carrying value of investments are reported as a component of investment income in the statements of revenues, expenses, and change in net position. Fair value is determined by market quotations. Donated investments are recorded at the fair value at the time received.

Accounts Receivable: Accounts receivable consists of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty, and staff. Accounts receivable also includes amounts due from federal government, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the College's grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts.

Inventories: Inventories are comprised of textbooks and educational materials sold by the bookstore and are stated at actual cost using the first-in, first-out method.

Capital Assets: Capital assets are recorded at cost or, if acquired by gift, at acquisition value at the date of the gift. In the absence of historical cost records, equipment is recorded at the current cost of replacement as of that date.

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.

Capital asset additions and improvements with a cost in excess of $5,000 are capitalized and depreciated on a straight-line basis over the estimated useful life of the property as follows:

| Classification | Life |
|---|---|
| Infrastructure | 20 - 40 years |
| Buildings | 45 years |
| Leasehold improvements | 20 - 40 years |
| Furniture and equipment | 5 - 20 years |
| Library books | 10 years |
| Vehicles | 3 - 6 years |

Unearned Revenue: Unearned revenue includes amounts received for tuition and fees and certain auxiliary activities prior to the end of the fiscal year but related to the subsequent accounting period. Unearned revenues also include amounts received from grant and contract sponsors that have not yet been earned.

Deposits Held in Trust for Others: Deposits held in trust for others in the amount of $64,524 and $52,740 at June 30, 2022 and 2021, respectively, represents the balance in the College's various activity funds that are available to be spent.

Compensated Absences: The liability and expense incurred for employee vacation and sick pay are recorded as accrued compensated absences in the statement of net position and as a component of compensation and benefit expense in the statement of revenues, expenses and change in net position.

Pensions/Other Postemployment Benefits (OPEB): For purposes of measuring the net OPEB asset, net pension and OPEB liability, 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 retirement systems and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the retirement systems. The retirement systems use the economic resources measurement focus and the full accrual basis of accounting. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. For this purpose, benefit payments (including refunds of employee contributions) are recognized as expense when due and payable in accordance with the benefit terms. The retirement systems report investments at fair value.

Deferred Outflows/Inflows of Resources: In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources 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 for amounts related to pension and OPEB plans as explained in Notes 8 and 9.

In addition to liabilities, the statement of financial position reports 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 are related to pension and OPEB plans and are reported on the statement of net position (See Notes 8 and 9).

Operating and Nonoperating Revenues: The College's policy for defining operating activities as reported on the statements of revenues, expenses, and change in net position is to report those activities that generally result from exchange transactions, such as payments received for providing services and payments made for services or goods received. Nearly all of the College's expenses are from exchange transactions. Certain significant revenue streams relied upon for operations are recorded as nonoperating revenues as defined by GASB Statements No. 34 and 35, including state appropriations and investment income. Pell grants are considered nonexchange transactions and are recorded as non-operating revenues in the accompanying financial statements. During 2021, the College paid $837,250, towards community project expenses funded through State capital appropriations.

Scholarship Discounts and Allowances: 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 change in net position. Scholarship discounts and allowances are the difference between the stated charge 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. Certain governmental grants, such as Pell grants, and other federal, state or nongovernmental programs, are recorded as either operating or nonoperating revenues in the College's financial statements based on whether or not they are considered exchange transactions. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the College has recorded a scholarship discount and allowance.

Estimates: The preparation of financial statements in conformity with the 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 and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## NOTE 2 – EQUITY IN POOLED CASH AND INVESTMENTS

Ohio law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the College places deposits must pledge as collateral eligible securities of aggregate market value equal to the amount of deposits not insured by the Federal Depository Insurance Corporation (FDIC). Collateral that may be pledged is limited to obligations of the following entities: the United States and its agencies, the State of Ohio, the Ohio Student Loan Commission and any legally constituted taxing subdivision within the State of Ohio.

The College's investment policies are governed by state statutes that authorize the College to invest in obligations of the U.S. Treasury, agencies and instrumentalities; bonds and other State of Ohio obligations; certificates of deposit; and U.S. Government money market funds and repurchase agreements. Such repurchase agreements must be acquired from qualifying Ohio financial institutions, or from registered brokers/dealers.

Cash with Fiscal Agent: Effective July 1, 2020, the College became self-insured through a fiscal agent for health insurance. The money held by the fiscal agent cannot be identified as an investment or deposit, since it is held in a pool made up of numerous participants. The amount held by the fiscal agent at June 30, 2022 and 2021 was $157,961 and $545,784, respectively. This amount is not included in the "cash and cash equivalents" or "investments" reported below.

Deposits: Custodial credit risk is the risk that in the event of a failure of a depository financial institution to fulfill its obligations, the College will not be able to recover the value of deposits, investments or collateral securities in the possession of an outside party. The College's policy for deposits is that any balance not covered by depository insurance will be collateralized by the financial institution with pledged securities. Ohio law requires that deposits either be insured or be protected by:

> Eligible securities pledged to the Authority and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or
>
> Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

As of June 30, 2022 and 2021, the carrying amount of the College's deposits was $2,033,477 and $1,661,552, which does not include $4,130 and $4,170 in petty cash, all respectively. Of the 2022 bank balance 2,002,009, $1,081,831 was covered by federal depository insurance, $1,113,435, was collateralized in both the College's name and the financial institution's name, and $432,795 was secured with letters of credit for the benefit of the College.

Investments: At June 30, 2022, the College had amounts on deposit with STAR Ohio, totaling $8,084,837, which are included in the “Equity in Pooled Cash and Cash Equivalents” amount on the statements of net position. STAR Ohio is an investment pool managed by the State Treasurer’s office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the Securities and Exchange Commission as an investment company but has adopted Governmental Accounting Standards Board (GASB) Statement No. 79, “Certain External Investment Pools and Pool Participants”. The College measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

As of June 30, 2022, the College had the following investments and maturities:

| | Investment Maturities (in Years) | | | |
|---|---|---|---|---|
| | Measurement Value | Less than 1 | 1 to 3 | 3 to 5 |
| Negotiable certificates of deposit | $ - | $ - | $ - | $ - |
| US treasury notes | 7 | 7 | - | - |
| Star Ohio | 8,084,837 | 8,084,837 | - | - |
| | $ 8,084,844 | $ 8,084,844 | $ - | $ - |

The College’s investments include $7 for 2022, invested in obligations of the U.S. Treasury and are therefore not subject to the credit risk disclosures of GASB Statement No. 40 which are stated at their fair value.

The College’s investments in negotiable certificates of deposits are held in the College’s name by Trustees and are fully covered by FDIC.

Interest rate risk: The College has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. In practice the College manages its exposure to declines in fair values by limiting the maximum maturity of its investment portfolio to approximately two years.

Credit Risk: It is College practice to limit its investments to those explicitly guaranteed by the U.S. government, to STAR Ohio (rated AAAm by Standard & Poor’s), or to high yield cash investments with authorized banks which pledge pooled securities as collateral.

Concentration of credit: The College places no limit on the amount they may invest in any one issuer.

## NOTE 3 – FAIR VALUE MEASUREMENT

The College's investments measured and reported at fair value are classified according to the following hierarchy:

Level 1 – Investments reflect prices quoted in active markets.
Level 2 – Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.
Level 3 – Investments reflect prices based upon unobservable sources.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

Debt, equities, and investment derivatives classified in Level 1 of the fair value hierarchy are valued directly from a predetermined primary external pricing vendor. Assets classified in Level 2 are subject to pricing by an alternative pricing source due to lack of information available by the primary vendor. Mortgage and asset backed securities classified in Level 3, due to lack of an independent pricing source, are valued using an internal fair value as provided by the investment manager.

The College has the following recurring fair value measurements as of June 30, 2022:

| Description | Total | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
|---|---|---|---|---|
| Assets | | | | |
| Negotiable certificates of deposit | $ - | $ - | $ - | $ - |
| US treasury notes | 7 | 7 | - | - |
| Total | $ 7 | $ 7 | $ - | $ - |

The investments in STAR Ohio are measured at the net asset value (NAV) per share provided by STAR Ohio; therefore, they are not included in the tables above. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value. There are no limitations or restrictions on any STAR Ohio participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given to STAR Ohio 24 hours in advance of all deposits and withdrawals exceeding $100 million. STAR Ohio reserves the right to limit the transaction to $250 million, requiring the excess amount to be transacted the following business day(s), but only to the $250 million limit. All accounts of the STAR Ohio investors will be combined for these purposes.

**NOTE 4 – RECEIVABLES**

Receivables at June 30, 2022 consisted of billings for student fees, rentals, sponsored billings and intergovernmental receivables arising from grants. All receivables are not considered collectible in full and an allowance for doubtful accounts was established as reflected in the financial statements. Accounts receivable consist of the following at June 30:

| | | 2022 |
|---|---|---|
| Student charges | $ | 4,882,935 |
| Room rental | | 2,761 |
| Post secondary | | 439,876, |
| Customized training services | | 98,621 |
| Sponsored billings | | 266,091 |
| Intergovernmental | | 3,928,952 |
| Miscellaneous | | 368,835 |
| | | 9,988,071 |
| Less allowance for possible collection losses | | (2,422,702) |
| Accounts receivable, net | $ | 7,565,369 |

## NOTE 5 – CAPITAL ASSETS

The following is a summary of capital asset activity of the College for the year ended June 30, 2022:

| | Restated July 1, 2021 Balance | Additions | Transfers/ Retirements | June 30, 2022 Balance |
|---|---|---|---|---|
| Nondepreciable capital assets: | | | | |
| Land | $ 2,441,928 | $ - | $ - | $ 2,441,928 |
| Construction in progress | 536,043 | 3,716,744 | (655,346) | 3,597,447 |
| Total nondepreciable capital assets | 2,977,971 | 3,716,744 | (655,346) | 6,039,369 |
| Depreciable capital assets: | | | | |
| Infrastructure | 4,484,446 | - | - | 4,484,446 |
| Buildings | 77,622,902 | 697,977 | - | 78,320,879 |
| Building improvements | 1,051,203 | - | - | 1,051,203 |
| Furniture and equipment | 9,635,827 | 1,562,550 | - | 11,198,378 |
| Library books | 500,268 | 8,981 | (22,581) | 486,668 |
| Vehicles | 853,717 | 63,728 | (11,061) | 906,384 |
| Total depreciable capital assets | 94,148,363 | 2,333,237 | (33,642) | 96,447,958 |
| Accumulated depreciation | | | | |
| Infrastructure | 3,706,769 | 23,434 | - | 3,730,203 |
| Buildings | 34,831,051 | 1,422,477 | - | 36,253,528 |
| Building improvements | 300,842 | 53,376 | - | 354,218 |
| Furniture and equipment | 7,170,161 | 521,311 | - | 7,691,473 |
| Library books | 427,601 | 18,041 | (22,581) | 423,061 |
| Vehicles | 683,760 | 73,348 | (7,086) | 750,022 |
| Total accumulated depreciation | 47,120,184 | 2,111,987 | (29,667 | 49,202,505 |
| Total nondepreciable capital assets-net | 2,977,971 | 3,716,744 | (655,346) | 6,039,369 |
| Total depreciable capital assets-net | 47,028,179 | 221,250 | (3,975) | 47,245,453 |
| Lease assets: | | | | |
| Buildings | 1,484,713 | - | - | 1,484,713 |
| Total lease assets | 1,484,713 | - | - | 1,484,713 |
| Accumulated amortization | - | 84,840 | - | 84,840 |
| Total lease assets-net | 1,484,713 | 84,840 | - | 1,399,873 |
| Total capital assets-net | 51,490,863 | 4,022,834 | (659,321) | 54,684,695 |

**NOTE 6 – LONG-TERM OBLIGATIONS**

The College's long-term obligations at June 30, 2022 consisted of the following:

| | Restated Beginning Balance | Additions | Reductions | Ending Balance | Current Portion |
|---|---|---|---|---|---|
| Bonds and notes payable | | | | | |
| Bonds and notes payable | $ 9,950,000 | $ - | $ 7,050,000 | $ 2,900,000 | $ 225,000 |
| Bond premium | 254,490 | - | 23,715 | 230,775 | - |
| Total bonds | 10,204,490 | - | 7,073,715 | 3,130,775 | 225,000 |
| Net pension liability: | | | | | |
| SERS | 15,503,011 | - | 6,402,065 | 9,100,946 | - |
| STRS | 17,247,788 | - | 8,333,901 | 8,913,887 | - |
| Total net pension liability | 32,750,799 | - | 14,735,966 | 18,014,833 | - |
| Net OPEB liability: | | | | | |
| SERS | 4,905,175 | - | 455,126 | 4,450,049 | - |
| Total net OPEB liability | 4,905,175 | - | 455,126 | 4,450,049 | - |
| Other long-term obligations | | | | | |
| Deposits held in trust for others | 52,740 | 11,784 | 0 | 64,524 | - |
| Compensated absences | 702,083 | 162,649 | 43,025 | 821,707 | - |
| Lease liability | 1,484,713 | - | 71,257 | 1,413,456 | 69,873 |
| Total other obligations | 2,239,536 | 174,433 | 114,282 | 2,299,687 | 69,873 |
| Total long-term liabilities | 50,100,000 | 174,433 | 22,379,089 | 27,895,344 | 294,873 |

In June 2006, the College issued $8,175,000 of General Receipts Bonds, Series 2006, to pay a portion of the costs of the Sara T. Landess Technology and Learning Center. These bonds are special obligations of the College. Principal and interest on the bonds are payable solely from the pledged general receipts of the College. The bonds are not obligations of the State of Ohio, are not general obligations of the College, and the full faith and credit of the College is not pledged to their payment. Bondholders have no right to have excises or taxes levied by the Ohio General Assembly.

The College has covenanted it will ensure sufficient general receipts at all times sufficient to, at least, pay debt service charges on the General Receipt Bonds when due. The total principal and interest remaining to be paid at June 30, 2022 was $3,365,191. Principal and interest paid during fiscal year 2022 and total general receipts were $550,888 and $9,850,988, respectively.

The interest is payable semi-annually each June 1 and December 1, beginning December 1, 2016, and ending December 1, 2032. The principal is payable annually each December 1 beginning December 1, 2016 and ending December 1, 2032. The interest rates range from 2.0% to 4.0%. The bonds are payable as follows:

| Year Ending June 30 | Principal | Interest | Total |
|---|---|---|---|
| 2023 | 225,000 | 84,563 | 309,563 |
| 2024 | 230,000 | 75,463 | 305,463 |
| 2025 | 240,000 | 66,063 | 306,063 |
| 2026 | 250,000 | 56,263 | 306,263 |
| 2027 | 260,000 | 46,063 | 306,063 |
| 2027-2031 | 1,395,000 | 132,279 | 1,527,279 |
| 2032-2033 | 300,000 | 9,000 | 607,850 |
| | $ 2,900,000 | $465,191 | $ 3,365,191 |

In October 2010, $9,525,000 State of Ohio (Ohio Building Authority) Clark State College Facilities Bonds, 2010 Series A, were issued to finance the purchase of the Greene Center facility at 3775 Pentagon Park Boulevard, Beavercreek, Ohio. The bonds consist of $1,980,000 of 2010 Series A1 Tax- Exempt Bonds and $7,545,000 2010 Series A2 Federally Taxable-Build America Bonds-Direct Payment. These bonds are special obligations of the Ohio Building Authority, the proceeds from which financed the purchase of the facility which the College leases from the OBA. The college paid off the total owed on these bonds in fiscal year 2022.

Under the College's compensated absences policy, employees in Grade Levels 7 through 14 earn vacation leave at a rate of 6.15 hours for each pay period, up to a maximum of 160 hours. Employees in Grade Levels 5 and 6 earn vacation at a rate of 4.62 hours per pay period, up to a maximum of 120 hours. Employees in Grade Levels 4 and below earn vacation leave at a rate of 3.08 hours for each pay period, up to a maximum of 80 hours. Upon completion of five years of service, eligible employees in grade levels 1-6 earn eight additional vacation hours for each year of service, up to a maximum of 160 hours. The policy allows a maximum of 200 vacation hours to be carried over to the subsequent year. Upon termination of employment, an employee is entitled to payment for all unused, accrued vacation hours.

College employees earn 10 hours of sick leave for each month of service up to a maximum of 120 hours per year. Annual unused sick leave has unlimited accrual. This sick leave will either be absorbed by time off due to illness or injury, or within certain limitations, be paid to the employee upon retirement. The amount paid to an employee upon retirement is limited to one-quarter of the accumulated sick leave to a maximum payout of 240 hours. The College uses the vesting method to estimate the liability for the next fiscal year. Full-time faculty have the option of deferring compensation for overload assignments for future leave time with pay during a regular academic year.

The President is covered by the above stated Board policy on "sick leave severance upon retirement." The President is entitled to 22 days annual paid vacation. The President may elect to receive the cash equivalent of up to 10 days of unused vacation annually.

The total amount accrued for compensated absences at June 30:

| | 2022 |
|---|---|
| Vacation | $ 752,669 |
| Sick leave | 47,477 |
| Faculty banked leave | 21,561 |
| Total | $ 821,707 |

Lease Liability – Lease Assets

The College has entered into a contract with the YMCA of Greater Dayton that conveys control of the right to use their nonfinancial asset (the underlying asset) for classroom space as specified in the contract for a period of time. The basis and terms of this contract is for 20 years after the commencement date with two renewal terms of 5 years each.

During the period there were no outflows of resources recognized for variable payments not previously included in the measurement of the lease liability. During the period 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. There were no commitments under leases before the commencement of the lease term.

The following table represents the principal and interest requirements to maturity:

| Fiscal Year Ending June 30 | Principal | Interest |
|---|---|---|
| 2023 | $69,873 | $35,067 |
| 2024 | 71,667 | 33,273 |
| 2025 | 73,508 | 31,432 |
| 2026 | 75,395 | 29,545 |
| 2027 | 77,331 | 27,609 |
| 2028-2032 | 417,482 | 107,218 |
| 2033-2037 | 473,910 | 50,790 |
| 2038-2039 | 154,290 | 3,119 |
| Total | $1,413,456 | $318,053 |

## NOTE 7 – STATE SUPPORT

The College is a state-assisted institution of higher education, which receives a student-based subsidy, determined annually using a formula devised by the Ohio Department of Higher Education.

In addition to the student subsidies, the State of Ohio provides the funding for construction of major plant facilities on the College campus. The funding is obtained from 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. Upon completion of a facility, the Department of Higher Education turns over control to the College, which capitalizes the cost.

Neither the obligation for the revenue bonds issued by OPFC nor the annual debt service charges for principal and interest on the bonds are reflected in the College's financial statements. Currently, these are being funded through appropriations to the Department of Higher Education by the Ohio 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's Bond Service Fund established in the custody of the Treasurer of State. If sufficient monies are not available from this fund, a pledge exists to assess a special student fee uniformly applicable to students in state-assisted institutions of higher education.

**NOTE 8 – DEFINED BENEFIT PENSION PLANS**

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

**Net Pension Liability/Net OPEB Liability (Asset)**

Pensions and OPEB are a component of exchange transactions-–between an employer and its employees—of salaries and benefits for employee services. Pensions/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 pension/OPEB liability (asset) represent the College's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/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 pensions/OPEB are financed; however, the College does receive the benefit of employees' services in exchange for compensation including pension and OPEB.

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension 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/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The remainder of this note includes the required pension disclosures. See Note 9 for the required OPEB disclosures.

**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.

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 years of service; 2.20% for the first thirty years of service and 2.50% 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 2.50% and with a floor of 0.00%. A three-year COLA suspension was in effect for all benefit recipients for the years 2018, 2019, and 2020. The Retirement Board approved a 0.50% COLA for calendar year 2021 and 2.50% for 2022.

**Funding Policy**

Plan members are required to contribute 10.00% of their annual covered salary and the College is required to contribute 14.00% 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 10.00% for plan members and 14.00% 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, 2022, the allocation to pension, death benefits, and Medicare B was 14.00%. For fiscal year 2022, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The College's contractually required contribution to SERS were $1,425,702 for fiscal year 2022.

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

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan, and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307.

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.20% of final average salary for the five highest years of earnings multiplied by all years of service. In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0.00% 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. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

Eligibility changes for DB Plan members who retire with actuarially reduced benefits will be phased in until August 1, 2023, when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit at any age.

The DC Plan allows members to place all their member contributions and 9.53% of the 14.00% employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS. The remaining 4.47% of the 14.00% 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, 12.00% of the 14.00% member rate is deposited into the member's DC account and the remaining 2.00% 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 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 2022 employer and employee contribution rate of 14.00% was equal to the statutory maximum rates. For fiscal year 2022, the full employer contribution was allocated to pension.

The College's contractually required contribution to STRS were $1,207,498 for fiscal year 2022.

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

The net pension liability was measured as of June 30, 2021, 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 | $9,100,946 | $8,913,887 | $18,014,833 |
| Proportion of the Net Pension Liability: | | | |
| Current Measurement Date | 0.24665750% | 0.06971654% | |
| Prior Measurement Date | 0.23438944% | 0.07128233% | |
| Change in Proportionate Share | 0.01226806% | -0.00156579% | |
| Pension Expense | ($3,166) | ($595,898) | ($599,064) |

At June 30 2022, 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 | $878 | $275,396 | $276,274 |
| Changes of assumptions | 191,639 | 2,472,872 | 2,664,511 |
| Changes in employer proportionate share of net pension liability | 465,551 | 0 | 465,551 |
| Contributions subsequent to the measurement date | 1,425,702 | 1,207,498 | 2,633,200 |
| Total Deferred Outflows of Resources | $2,083,770 | $3,955,766 | $6,039,536 |
| Deferred Inflows of Resources | | | |
| Differences between expected and actual experience | $236,025 | $55,872 | $291,897 |
| Net difference between projected and actual earnings on pension plan investments | 4,687,253 | 7,682,064 | 12,369,317 |
| Changes in employer proportionate share of net pension liability | 46,460 | 639,375 | 685,835 |
| Total Deferred Inflows of Resources | $4,969,738 | $8,377,311 | $13,347,049 |

$2,633,200 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

| Fiscal Year Ending June 30: | SERS | STRS | Total |
|---|---|---|---|
| 2023 | ($907,764) | ($1,489,420) | ($2,397,184) |
| 2024 | (850,745) | (1,233,195) | (2,083,940) |
| 2025 | (1,114,459) | (1,315,302) | (2,429,761) |
| 2026 | (1,438,702) | (1,591,126) | (3,029,828) |
| Total | ($4,311,670) | ($5,629,043) | ($9,940,713) |

**Actuarial Assumptions - SERS**

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

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2021, compared with June 30, 2020, are presented below:

| | June 30, 2021 | June 30, 2020 |
|---|---|---|
| Inflation | 2.40% | 3.00% |
| Future Salary Increases, including inflation | 3.25% to 13.58% | 3.50% to 18.20% |
| COLA or Ad Hoc COLA | 2.00%, on or after April 1, 2018, COLAs for future retirees will be delayed for three years following commencement | 2.50% |
| Investment Rate of Return | 7.00% net of system expenses | 7.50% net of investments expense, including inflation |
| Actuarial Cost Method | Entry Age Normal (Level Percent of Payroll) | Entry Age Normal (Level Percent of Payroll) |

Mortality rates for 2021 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 94.20% for males and set forward 2 years and adjusted 81.35% 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 103.30% for males and set forward 3 years and adjusted 106.80% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

Mortality rates for 2020 were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. Mortality among service retired members, and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120.00% of male rates, and 110.00% of female rates. Mortality among disabled members were based upon the RP-2000 Disabled Mortality Table, 90.00% for male rates and 100.00% for female rates, set back five years is used for the period after disability retirement.

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*. 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 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 rebalancing uncorrelated asset classes.

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|---|---|---|
| Cash | 2.00% | -0.33% |
| US Equity | 24.75% | 5.72% |
| Non-US Equity Developed | 13.50% | 6.55% |
| Non-US Equity Emerging | 6.75% | 8.54% |
| Fixed Income/Global Bonds | 19.00% | 1.14% |
| Private Equity | 11.00% | 10.03% |
| Real Estate/Real Assets | 16.00% | 5.41% |
| Multi-Asset Strategy | 4.00% | 3.47% |
| Private Debt/Private Credit | 3.00% | 5.28% |
| Total | 100.00% | |

**Discount Rate**
The total pension liability for 2021 was calculated using the discount rate of 7.00%. The discount rate for 2020 was 7.50%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.00%). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**
Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.00%, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%), or one percentage point higher (8.00%) than the current rate.

| | 1% Decrease 6.00% | Current Discount Rate 7.00% | 1% Increase 8.00% |
|---|---|---|---|
| Proportionate share of the net pension liability | $15,141,740 | $9,100,946 | $4,006,481 |

**<u>Actuarial Assumptions - STRS</u>**

Key methods and assumptions used in the June 30, 2021, actuarial valuation compared to those used in the June 30, 2020, actuarial valuation are presented below:

| | | |
|---|---|---|
| Inflation | 2.50% | 2.50% |
| Projected Salary Increases | 12.50% at age 20 to 2.50% at age 65 | 12.50% at age 20 to 2.50% at age 65 |
| Investment Rate of Return | 7.00% net of investments expense, including inflation | 7.45% net of investments expense, including inflation |
| Discount Rate of Return | 7.00% | 7.45% |
| Payroll Increases | 3.00% | 3.00% |
| Cost-of-Living Adjustments (COLA) | 0.00% | 0.00% |

Post-retirement mortality rates are based on the RP-2014 Annuitant Mortality Table with 50.00% of rates through age 69, 70.00% of rates between ages 70 and 79, 90.00% of rates between ages 80 and 84, and 100.00% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90.00% of rates for males and 100.00% of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2021, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

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 | 28.00% | 7.35% |
| International Equity | 23.00% | 7.55% |
| Alternatives | 17.00% | 7.09% |
| Fixed Income | 21.00% | 3.00% |
| Real Estate | 10.00% | 6.00% |
| Liquidity Reserves | 1.00% | 2.25% |
| Total | 100.00% | |

*10 Year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25%, 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 pension liability was 7.00% as of June 30, 2021, and was 7.45% as of June 30, 2020. 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 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, 2021. Therefore, the long-term expected rate of return on pension plan investments of 7.00% was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2021.

**Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following table presents the College's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.00%, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.00%) or one-percentage-point higher (8.00%) than the current rate:

| | 1% Decrease 6.00% | Current Discount Rate 7.00% | 1% Increase 8.00% |
|---|---|---|---|
| Proportionate share of the net pension liability | $16,692,374 | $8,913,887 | $2,341,082 |

**Changes Between the Measurement Date and the Reporting date**

In February 2022, the Board approved changes to demographic measures that will impact the June 30, 2022, actuarial valuation. These demographic measures include retirement, salary increase, disability/termination and mortality assumptions. In March 2022, the STRS Board approved benefit plan changes to take effect on July 1, 2022. These changes include a one-time three percent cost-of-living increase (COLA) to be paid to eligible benefit recipients and the elimination of the age 60 requirement for retirement age and service eligibility that was set to take effect in 2026. The effect on the net pension liability is unknown.

## NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB)

See Note 8 for a description of the net OPEB liability (asset).

**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 other postemployment benefit (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; 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.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. 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 14.00% of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2022, 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 2022, this amount was $25,000. Statutes provide that no employer shall pay a health care surcharge greater than 2.00% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.50% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2022, the College's surcharge obligation was $60,796.

The surcharge, added to the allocated portion of the 14.00% employer contribution rate is the total amount assigned to the Health Care Fund. The College's contractually required contribution to SERS was $60,796 for fiscal year 2022.

**Plan Description - State Teachers Retirement System (STRS)**

**Plan Description**
The State Teachers Retirement System of Ohio (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. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

**Funding Policy**

Ohio Revised Code Chapter 3307 authorizes STRS 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 14.00% of covered payroll. For the fiscal year ended June 30, 2022, 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**

The net OPEB liability (asset) was measured as of June 30, 2021, 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:

| | SERS | STRS | Total |
|---|---|---|---|
| Proportionate Share of the Net OPEB Liability | $4,450,049 | $0 | $4,450,049 |
| Proportionate Share of the Net OPEB (Asset) | 0 | (1,469,916) | (1,469,916) |
| Proportion of the Net OPEB Liability/Asset: | | | |
| Current Measurement Date | 0.23513110% | 0.06971654% | |
| Prior Measurement Date | 0.22569885% | 0.07128224% | |
| Change in Proportionate Share | 0.00943225% | -0.00156570% | |
| OPEB Expense | ($198,405) | ($133,089) | ($331,494) |

At June 30 2022, 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 | $47,434 | $52,340 | $99,774 |
| Changes of assumptions | 698,107 | 93,892 | 791,999 |
| Changes in employer proportionate share of net OPEB liability | 265,388 | 0 | 265,388 |
| Contributions subsequent to the measurement date | 60,796 | 0 | 60,796 |
| Total Deferred Outflows of Resources | $1,071,725 | $146,232 | $1,217,957 |
| Deferred Inflows of Resources | | | |
| Differences between expected and actual experience | $2,216,325 | $269,316 | $2,485,641 |
| Changes of assumptions | 609,397 | 876,914 | 1,486,311 |
| Net difference between projected and actual earnings on OPEB plan investments | 96,679 | 407,435 | 504,114 |
| Changes in employer proportionate share of net OPEB liability | 118,983 | 71,176 | 190,159 |
| Total Deferred Inflows of Resources | $3,041,384 | $1,624,841 | $4,666,225 |

$60,796 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (adjustment to net OPEB asset) in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Fiscal Year Ending June 30: | SERS | STRS | Total |
|---|---|---|---|
| 2023 | ($471,374) | ($431,915) | ($903,289) |
| 2024 | (472,052) | (421,719) | (893,771) |
| 2025 | (468,897) | (395,788) | (864,685) |
| 2026 | (395,575) | (171,845) | (567,420) |
| 2027 | (181,630) | (58,550) | (240,180) |
| Thereafter | (40,927) | 1,208 | (39,719) |
| Total | ($2,030,455) | ($1,478,609) | ($3,509,064) |

**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, 2021, compared with June 30, 2020, are presented below:

| | June 30, 2021 | June 30, 2020 |
|---|---|---|
| Inflation | 2.40% | 3.00% |
| Future Salary Increases, Including Inflation | | |
| Wage Increases | 3.25% to 13.58% | 3.50% to 18.20% |
| Investment Rate of Return | 7.00% net of investment expense, including inflation | 7.50% net of investment expense, including inflation |
| Municipal Bond Index Rate: | | |
| Measurement Date | 1.92% | 2.45% |
| Prior Measurement Date | 2.45% | 3.13% |
| Single Equivalent Interest Rate (SEIR), net of plan investment expense, including price inflation: | | |
| Measurement Date | 2.27% | 2.63% |
| Prior Measurement Date | 2.63% | 3.22% |
| Medical Trend Assumption: | | |
| Medicare | 5.125% to 4.40% | 5.25% to 4.75% |
| Pre-Medicare | 6.75% to 4.40% | 7.00% to 4.75% |

For 2021, 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 94.20% for males and set forward 2 years and adjusted 81.35% 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 103.30% for males and set forward 3 years and adjusted 106.80% 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 105.50% for males and adjusted 122.50% for females. Mortality rates for actives is based on PUB-2010 General Amount Weighted Below Median Employee mortality table.

For 2020, mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, 120.00% of male rates and 110.00% of female rates. RP-2000 Disabled Mortality Table with 90.00% for male rates and 100.00% for female rates set back five years.

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 2015 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 log-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.00%, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. 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 target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2020 five-year experience study, are summarized as follows:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|---|---|---|
| Cash | 2.00% | -0.33% |
| US Equity | 24.75% | 5.72% |
| Non-US Equity Developed | 13.50% | 6.55% |
| Non-US Equity Emerging | 6.75% | 8.54% |
| Fixed Income/Global Bonds | 19.00% | 1.14% |
| Private Equity | 11.00% | 10.03% |
| Real Estate/Real Assets | 16.00% | 5.41% |
| Multi-Asset Strategy | 4.00% | 3.47% |
| Private Debt/Private Credit | 3.00% | 5.28% |
| Total | 100.00% | |

**Discount Rate**

The discount rate used to measure the total OPEB liability at June 30, 2021 was 2.27%. The discount rate used to measure total OPEB liability prior to June 30, 2021, was 2.63%. 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 1.50% of projected covered payroll each year, which includes a 1.50% payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make all projected future benefit payments of current System members by SERS actuaries. The Municipal Bond Index Rate is used in the determination of the SEIR for both the June 30, 2020 and the June 30, 2021 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 is 1.92% at June 30, 2021 and 2.45% at June 30, 2020.

**Sensitivity of the 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 table presents 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 (1.27%) and higher (3.27%) than the current discount rate (2.27%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (5.75% decreasing to 3.40%) and higher (7.75% decreasing to 5.40%) than the current rate.

| | 1% Decrease (1.27%) | Current Discount Rate (2.27%) | 1% Increase (3.27%) |
|---|---|---|---|
| Proportionate share of the net OPEB liability | $5,514,149 | $4,450,049 | $3,599,970 |

| | 1% Decrease (5.75% decreasing to 3.40%) | Current Trend Rate (6.75% decreasing to 4.40%) | 1% Increase (7.75% decreasing to 5.40%) |
|---|---|---|---|
| Proportionate share of the net OPEB liability | $3,426,173 | $4,450,049 | $5,817,633 |

**<u>Actuarial Assumptions - STRS</u>**

Key methods and assumptions used in the June 30, 2021, actuarial valuation and the June 30, 2020 actuarial valuation are presented below:

| | June 30, 2021 | June 30, 2020 |
|---|---|---|
| Projected salary increases | 12.50% at age 20 to 2.50% at age 65 | 12.50% at age 20 to 2.50% at age 65 |
| Investment Rate of Return | 7.00%, net of investment expenses, including inflation | 7.45%, net of investment expenses, including inflation |
| Payroll Increases | 3.00% | 3.00% |
| Discount Rate of Return | 7.00% | 7.45% |
| Health Care Cost Trends: | | |
| Medical | | |
| Pre-Medicare | 5.00% initial, 4.00% ultimate | 5.00% initial, 4.00% ultimate |
| Medicare | -16.18% initial, 4.00% ultimate | -6.69% initial, 4.00% ultimate |
| Prescription Drug | | |
| Pre-Medicare | 6.50% initial, 4.00% ultimate | 6.50% initial, 4.00% ultimate |
| Medicare | 29.98% initial, 4.00% ultimate | 11.87% initial, 4.00% ultimate |

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

For healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Table with 50.00% of rates through age 69, 70.00% of rates between ages 70 and 79, 90.00% of rates between ages 80 and 84, and 100.00% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. For disabled retirees, mortality rates are based on the RP-2014 Disabled Mortality Table with 90.00% of rates for males and 100.00% of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2021, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

The non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055% to 2.10% per year of service. 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 CY 2022. The Part B monthly reimbursement elimination date was postponed indefinitely.

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 | 28.00% | 7.35% |
| International Equity | 23.00% | 7.55% |
| Alternatives | 17.00% | 7.09% |
| Fixed Income | 21.00% | 3.00% |
| Real Estate | 10.00% | 6.00% |
| Liquidity Reserves | 1.00% | 2.25% |
| Total | 100.00% | |

*10 Year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25%, 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 7.00% as of June 30, 2021, and was 7.45% as of June 30, 2020. 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, 2021. Therefore, the long-term expected rate of return on health care plan investments of 7.00% was used to measure the total OPEB liability as of June 30, 2021.

**Sensitivity of the Proportionate Share of the Net OPEB (Asset) to Changes in the Discount and Health Care Cost Trend Rate**

The following table represents the net OPEB asset as of June 30, 2021, calculated using the current period discount rate assumption of 7.00%, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current assumption. Also shown is the net OPEB asset 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.

| | 1% Decrease (6.00%) | Current Discount Rate (7.00%) | 1% Increase (8.00%) |
|---|---|---|---|
| Proportionate share of the net OPEB (asset) | ($1,240,382) | ($1,469,916) | ($1,661,658) |

| | 1% Decrease | Current Trend Rate | 1% Increase |
|---|---|---|---|
| Proportionate share of the net OPEB (asset) | ($1,653,888) | ($1,469,916) | ($1,242,418) |

**Changes Between the Measurement Date and the Reporting date**
In February 2022, the Board approved changes to demographic measures that will impact the June 30, 2022, actuarial valuation. The effect on the net OPEB liability (asset) is unknown.

## NOTE 10 – GRANTS, CONTRACTS AND OTHER ASSISTANCE

Miscellaneous amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the management expects such amounts, if any, to be immaterial.

## NOTE 11 – CONTINGENT LIABILITIES

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The State of Ohio's declared state of emergency ended June 2021, while the national state of emergency continues. The financial impact of COVID-19 and the ensuing emergency measures impacted the fiscal year 2022 and will impact subsequent periods of the College. The impact on the College's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

## NOTE 12 – RISK MANAGEMENT

The College is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees other than workers' compensation obtained through the state of Ohio, vehicle coverage, and natural disasters.

| Coverage | Amount | Deductible |
|---|---|---|
| Property | $ 1,000,000,000 | $ 25,000 |
| Terrorism | 200,000,000 | 25,000 |
| General Liability | 1,000,000 | None |
| Limited Professional Liability | 1,000,000 | None |
| Automobile | 1,000,000 | $0 Liab, $500 PD |
| Educators Legal Liability | 1,000,000 | 10,000 |
| 1st Excess Liability | 15,000,000 excess 1,000,000 | None |
| 1st Excess Educators Legal Liability | 15,000,000 excess 1,000,000 | None |
| Crime | 500,000 | 2,500 |
| Aviation – No Owned | 5,000,000 | 1,000 |
| Aviation - Drones | 1,000,000 | 5% |
| Cyber Liability/Breach Response | 1,000,000 | 5,000 |

Settled claims have not exceeded this commercial coverage in any of the past three years. Insurance coverage was reviewed and changed for the 2021-2022 coverage year.

**Employee Group Medical/Surgical, Dental, and Vision Insurance**

Medical/surgical, dental, and vision insurance is offered to employees through a self-insurance program. Beginning July 1, 2020, the College changed from traditional insurance coverage to being a member of the Jefferson Health Plan Health Benefits Program, a claims servicing pool, in which monthly premiums are paid to the fiscal agent who in turn pays the claims on the College's behalf. The claims liability of $201,360 reported in Accounts Payable and accrued liabilities at June 30, 2022 is based on an estimate provided by the third party administrator and the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues," as amended by GASB Statement No. 30, "Risk Financing Omnibus," which requires that a liability for unpaid claim costs, including estimates of costs related to incurred, but not reported claims, be accrued at the estimated ultimate cost of settling the claims.

Changes in claims activity are as follows:

| Fiscal Year | Balance at Beginning of Year | Current Year Claims | Claim Payments | Balance at End of Year |
|---|---|---|---|---|
| 2022 | 306,750 | 4,354,956 | (4,460,346) | 201,360 |

**NOTE 13 – CLARK STATE COLLEGE FOUNDATION**

Clark State College Foundation (“Foundation”) is a legally separate, tax-exempt component unit of Clark State College (“College”). The Foundation acts primarily as a fund-raising organization to supplement the resources that are available to the College in support of its programs. The assets of the Foundation have been given by donors/grantors independent from the College and are governed by a Board of Directors. The 23-member board of the Foundation is self-perpetuating and consists of graduates and friends 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, which the Foundation holds and invests, is restricted to the activities of the College by the donors. 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.

The accompanying financial statements of the Foundation have been prepared in accordance with pronouncements of the Financial Accounting Standards Board. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation’s financial information in the College’s financial reporting entity for these differences.

Revenues are reported as an increase in net assets without donor restrictions unless the use of the related assets is limited by donor-imposed restrictions. Contributions are recognized as revenue in the period the unconditional promise or payment is first received. Conditional contributions are not recognized until the conditions are substantially met. Contributions of assets other than cash are recorded at estimated fair value. Certain funding from non-government agencies is accounted for as donor restricted until either the required use, passage of time or receipt of funds occurs. Accordingly, such contributions are then released from restriction and recorded as net assets without donor restrictions. Contributions that were received as net assets with donor restrictions in a certain fiscal year whose restriction is fulfilled in the same fiscal year are directly reported as revenue without donor restrictions.

Unconditional promises are included in the financial statements as pledges receivable and revenue of the appropriate net asset category. Pledges are recorded after discounting at 1.00% to the present value of future cash flows, for the years ended June 30, 2022.

Unconditional promises are expected to be realized in the following periods:

| | | 2022 |
|---|---|---|
| One year or less | $ | 17,342 |
| Between one and five years | | 14,050 |
| | | 31,392 |
| Discounts and allowances | | (961) |
| Net pledges | $ | 30,431 |

Foundation investments are stated at fair value, with changes in market value being recognized as gains and losses during the period in which they occur. Fair value of investments held by the Foundation is summarized as follows:

The following summaries investment composition at June 30:

| | 2022 | |
|---|---|---|
| | Fair Value | Cost Basis |
| Bond funds | - | - |
| Equity funds | - | - |
| High quality bond funds | - | - |
| Money market accounts | 10,545,561 | 10,545,561 |
| Mutual fund - fixed | 4,764,847 | 4,990,412 |
| Mutual fund - sector | 1,460,449 | 1,573,251 |
| Corporate bonds | 96,917 | 104,156 |
| Common stock | - | - |
| ADR/foreign – bonds | - | - |
| Mutual fund – equity | 9,262,481 | 9,530,183 |
| Total investments | 26,130,255 | 26,743,563 |

During the year ended June 30, 2022, the Foundation distributed $251,288, to the College for both restricted and unrestricted purposes. At June 30, 2022, the Foundation owed the College $52,267.

Complete financial statements for the Foundation can be obtained from the Business Office at 570 East Leffel Lane, Springfield, Ohio 45505.

Assets and liabilities of the Foundation measured at fair value on a recurring basis are summarized below:

Assets and liabilities measured at fair value on a recurring basis are summarized below:

**Fair Value Measurements at June 30, 2022**

| | Balance as of June 30, 2022 | Active Markets for Identical Assets (Level 1) | Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
|---|---|---|---|---|
| Foundation investments: | | | | |
| Corporate and ADR bonds | 96,917 | | 96,917 | |
| Mutual funds: | | | | |
| Equity | 9,262,481 | 9,262,481 | | |
| Fixed income | 4,764,847 | 4,764,847 | | |
| Sector | 1,460,449 | 1,460,449 | | |
| Total mutual funds | 15,487,777 | | | |
| Money market accounts | 10,545,561 | | | |
| Total investments | $ 26,130,255 | | | |

## REQUIRED SUPPLEMENTARY INFORMATION

**Clark State College**
Required Supplementary Information
Schedule of College's Proportionate Share of the Net Pension Liability
School Employees Retirement System of Ohio
Last Nine Fiscal Years (1) (2)

| | College's Proportion of the Net Pension Liability | College's Proportionate Share of the Net Pension Liability | College's Covered Payroll | College's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|---|---|---|---|---|---|
| 2014 | 0.248575% | $ 14,781,957 | $ 7,112,938 | 207.82% | 65.52% |
| 2015 | 0.248575% | 12,580,239 | 7,223,082 | 174.17% | 71.70% |
| 2016 | 0.252810% | 14,425,567 | 7,613,979 | 189.46% | 69.16% |
| 2017 | 0.247848% | 18,140,166 | 8,117,207 | 223.48% | 62.98% |
| 2018 | 0.237936% | 14,216,170 | 7,911,800 | 179.68% | 69.50% |
| 2019 | 0.236548% | 13,547,553 | 7,866,326 | 172.22% | 71.36% |
| 2020 | 0.237841% | 14,230,469 | 8,159,474 | 174.40% | 70.85% |
| 2021 | 0.234389% | 15,503,011 | 8,221,936 | 188.56% | 68.55% |
| 2022 | 0.246658% | 9,100,946 | 8,513,986 | 106.89% | 82.86% |

(1) Information prior to 2014 is not available. The College will continue to present information for years available until a full ten-year trend is compiled.

(2) Amounts presented for each year were determined as of the College's measurement date, which is the prior fiscal year-end.

**Notes to Schedule:**

*Change in assumptions.*
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 3.00% to 2.40%,
(2) Payroll growth assumption was reduced from 3.50% to 1.75%,
(3) Assumed real wage growth was increased from 0.50% to 0.85%,
(4) Cost of Living Adjustments (COLA) was reduced from 2.50% to 2.00%,
(5) The discount rate was reduced from 7.50% to 7.00%,
(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% to 3.00%,
(2) Payroll growth assumption was reduced from 4.00% to 3.50%,
(3) Assumed real wage growth was reduced from 0.75% to 0.50%,
(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% of male rates, and 110% of female rates,
(7) Mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement, and
(8) The discount rate was reduced from 7.75% to 7.50%.

2014-2016: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for these fiscal years.

*Changes of benefit and funding terms.*
2022: Cost of Living Adjustments (COLA) increased from 0.50% to 2.50%.

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 3.00% annual increase to a Cost of Living Adjustments (COLA) based on the changed in the Consumer Price Index Index (CPI-W), with a cap of 2.50% and a floor of 0.00%.

2014-2017: There were no changes in benefit terms from the amounts reported for these fiscal years.

**Clark State College**
Required Supplementary Information
Schedule of College's Proportionate Share of the Net Pension Liability
State Teachers Retirement System of Ohio
Last Nine Fiscal Years (1) (2)

| | College's Proportion of the Net Pension Liability | College's Proportionate Share of the Net Pension Liability | College's Covered Payroll | College's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|---|---|---|---|---|---|
| 2014 | 0.079736% | $ 23,102,739 | $ 7,995,124 | 288.96% | 69.30% |
| 2015 | 0.079736% | 19,394,615 | 8,080,065 | 240.03% | 74.70% |
| 2016 | 0.079560% | 21,988,021 | 8,208,655 | 267.86% | 72.09% |
| 2017 | 0.077993% | 26,106,585 | 8,985,871 | 290.53% | 66.78% |
| 2018 | 0.075423% | 17,916,971 | 8,239,779 | 217.44% | 75.30% |
| 2019 | 0.073883% | 16,245,187 | 7,868,129 | 206.47% | 77.30% |
| 2020 | 0.073640% | 16,284,940 | 8,551,671 | 190.43% | 77.40% |
| 2021 | 0.071282% | 17,247,788 | 8,103,929 | 212.83% | 75.48% |
| 2022 | 0.069716% | 8,913,887 | 8,507,329 | 104.78% | 87.78% |

(1) Information prior to 2014 is not available. The College will continue to present information for years available until a full ten-year trend is compiled.

(2) Amounts presented for each year were determined as of the College's measurement date, which is the prior fiscal year-end.

**Notes to Schedule:**

*Change in assumptions.*
2022: There were changes in assumptions since the prior measurement date, which the discount rate was adjusted to 7.00% from 7.45%.

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

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% to 7.45%,
(2) The inflation assumption was lowered from 2.75% to 2.50%,
(3) The payroll growth assumption was lowered to 3.00%,
(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% 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.

2014-2017: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for these fiscal years.

*Change in benefit terms.*
2019-2022: There were no changes in benefit terms from the amounts reported for these fiscal years.

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

2014-2017: There were no changes in benefit terms from the amounts reported for these fiscal years.

**Clark State College**
Required Supplementary Information
Schedule of College Pension Contributions
School Employees Retirement System of Ohio
Last Ten Fiscal Years

| | Contractually Required Contributions | Contributions in Relation to the Contractually Required Contributions | Contribution Deficiency (Excess) | College's Covered Payroll | Contributions as a Percentage of Covered Payroll |
|---|---|---|---|---|---|
| 2013 | 1,095,878 | (1,095,878) | - | 7,112,938 | 15.41% |
| 2014 | 1,035,838 | (1,035,838) | - | 7,223,082 | 14.34% |
| 2015 | 1,127,765 | (1,127,765) | - | 7,613,979 | 14.81% |
| 2016 | 1,136,409 | (1,136,409) | - | 8,117,207 | 14.00% |
| 2017 | 1,107,652 | (1,107,652) | - | 7,911,800 | 14.00% |
| 2018 | 1,061,954 | (1,061,954) | - | 7,866,326 | 13.50% |
| 2019 | 1,101,529 | (1,101,529) | - | 8,159,474 | 13.50% |
| 2020 | 1,151,071 | (1,151,071) | - | 8,221,936 | 14.00% |
| 2021 | 1,191,958 | (1,191,958) | - | 8,513,986 | 14.00% |
| 2022 | 1,425,702 | (1,425,702) | - | 10,183,586 | 14.00% |

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

| | Contractually Required Contributions | Contributions in Relation to the Contractually Required Contributions | Contribution Deficiency (Excess) | College's Covered Payroll | Contributions as a Percentage of Covered Payroll |
|---|---|---|---|---|---|
| 2013 | 1,177,487 | (1,177,487) | - | 7,995,124 | 14.73% |
| 2014 | 1,072,749 | (1,072,749) | - | 8,080,065 | 13.28% |
| 2015 | 1,152,759 | (1,152,759) | - | 8,208,655 | 14.04% |
| 2016 | 1,258,022 | (1,258,022) | - | 8,985,871 | 14.00% |
| 2017 | 1,153,569 | (1,153,569) | - | 8,239,779 | 14.00% |
| 2018 | 1,101,538 | (1,101,538) | - | 7,868,129 | 14.00% |
| 2019 | 1,197,234 | (1,197,234) | - | 8,551,671 | 14.00% |
| 2020 | 1,134,550 | (1,134,550) | - | 8,103,929 | 14.00% |
| 2021 | 1,191,026 | (1,191,026) | - | 8,507,329 | 14.00% |
| 2022 | 1,207,498 | (1,207,498) | - | 8,624,986 | 14.00% |

**Clark State College**
Required Supplementary Information
Schedule of College's Proportionate Share of the Net OPEB Liability
School Employees Retirement System of Ohio
Last Six Fiscal Years (1) (2)

| | College's Proportion of the Net OPEB Liability | College's Proportionate Share of the Net OPEB Liability | College's Covered Payroll | College's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability |
|---|---|---|---|---|---|
| 2017 | 0.241441% | $ 6,881,973 | $ 8,117,207 | 84.78% | 11.49% |
| 2018 | 0.229139% | 6,149,480 | 7,911,800 | 77.73% | 12.46% |
| 2019 | 0.230016% | 6,381,277 | 7,866,326 | 81.12% | 13.57% |
| 2020 | 0.231463% | 5,820,809 | 8,159,474 | 71.34% | 15.57% |
| 2021 | 0.225699% | 4,905,175 | 8,221,936 | 59.66% | 18.17% |
| 2022 | 0.235131% | 4,450,049 | 8,513,986 | 52.27% | 24.08% |

(1) Information prior to 2017 is not available. The College will continue to present information for years available until a full ten-year trend is compiled.

(2) Amounts presented for each year were determined as of the College's measurement date, which is the prior fiscal year-end.

**Notes to Schedule:**

*Change in assumptions.*

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.
(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 94.20% for males and set forward 2 years and adjusted 81.35% 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% for males and adjusted 122.5% 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% for males and set forward 3 years and adjusted 106.8% 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% to 3.00%,
(2) Payroll growth assumption was reduced from 4.00% to 3.50%,
(3) Assumed real wage growth was reduced from 0.75% to 0.50%,
(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% of male rates, and 110% of female rates, and
(7) Mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

*Change in benefit and funding terms.*
2017-2022: There were no changes in benefit terms from the amounts reported for these fiscal years.

**Clark State College**
Required Supplementary Information
Schedule of College's Proportionate Share of the Net OPEB Liability (Asset)
State Teachers Retirement System of Ohio
Last Six Fiscal Years (1) (2)

| | College's Proportion of the Net OPEB Liability (Asset) | College's Proportionate Share of the Net OPEB Liability (Asset) | College's Covered Payroll | College's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset) |
|---|---|---|---|---|---|
| 2017 | 0.077993% | $ 4,171,082 | $ 8,985,871 | 46.42% | 37.30% |
| 2018 | 0.075423% | 2,942,740 | 8,239,779 | 35.71% | 47.11% |
| 2019 | 0.073883% | (1,187,223) | 7,868,129 | (15.09%) | 176.00% |
| 2020 | 0.073640% | (1,219,648) | 8,551,671 | (14.26%) | 174.70% |
| 2021 | 0.071282% | (1,252,785) | 8,103,929 | (15.46%) | 182.13% |
| 2022 | 0.697165% | (1,469,916) | 8,507,329 | (17.28%) | 174.73% |

(1) Information prior to 2017 is not available. The College will continue to present information for years available until a full ten-year trend is compiled.

(2) Amounts presented for each year were determined as of the College's measurement date, which is the prior fiscal year-end.

**Notes to Schedule:**

*Change in assumption.*

2022: There were changes in assumptions since the prior measurement date, which the discount rate was adjusted to 7.00% from 7.45%.

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% to the long-term expected rate of return of 7.45% 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% to 4.13% 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% to 7.45%. 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.

*Change in benefit terms.*

2022: The non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055% to 2.100%. 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% to 2.055% 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% 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% to 1.984% 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% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.

2019: The subsidy multiplier for non-Medicare benefit recipients was increased from 1.900% to 1.944% 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 2.10% to 1.90% 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.

**Clark State College**

Required Supplementary Information

Schedule of College's OPEB Contributions
School Employees Retirement System of Ohio
Last Seven Fiscal Years (1)

| | Contractually Required Contributions (2) | Contributions in Relation to the Contractually Required Contributions | Contribution Deficiency (Excess) | College's Covered Payroll | Contributions as a Percentage of Covered Payroll |
|---|---|---|---|---|---|
| 2016 | $ 80,442 | $ (80,442) | $ - | $ 8,117,207 | 0.99% |
| 2017 | 67,938 | (67,938) | - | 7,911,800 | 0.86% |
| 2018 | 121,355 | (121,355) | - | 7,866,326 | 1.54% |
| 2019 | 124,536 | (124,536) | - | 8,159,474 | 1.53% |
| 2020 | 62,097 | (62,097) | - | 8,221,936 | 0.76% |
| 2021 | 62,376 | (62,376) | - | 8,513,986 | 0.73% |
| 2022 | 60,796 | (60,796) | - | 10,183,586 | 0.60% |

(1) The College elected not to present information prior to 2016. The College will continue to present information for years available until a full ten-year trend is compiled.

(2) Includes Surcharge

**Clark State College**
Required Supplementary Information
Schedule of College OPEB Contributions
State Teachers Retirement System of Ohio
Last Seven Fiscal Years (1)

| | Contractually Required Contributions (2) | Contributions in Relation to the Contractually Required Contributions | Contribution Deficiency (Excess) | College's Covered Payroll | Contributions as a Percentage of Covered Payroll |
|---|---|---|---|---|---|
| 2016 | $ - | $ - | $ - | $ 8,985,871 | 0.00% |
| 2017 | - | - | - | 8,239,779 | 0.00% |
| 2018 | - | - | - | 7,868,129 | 0.00% |
| 2019 | - | - | - | 8,551,671 | 0.00% |
| 2020 | - | - | - | 8,103,929 | 0.00% |
| 2021 | - | - | - | 8,507,329 | 0.00% |
| 2022 | - | - | - | 8,624,986 | 0.00% |

(1) The College elected not to present information prior to 2016. The College will continue to present information for years available until a full ten-year trend is compiled.

(2) STRS allocated the entire 14% employer contribution rate toward pension benefits

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OHIO AUDITOR OF STATE
**KEITH FABER**

**CLARK STATE COLLEGE**

**CLARK 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 11/22/2022**

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

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