



OHIO AUDITOR OF STATE
KEITH FABER



STATE OF OHIO
SINGLE AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
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ATTACHMENT

State of Ohio *Annual Comprehensive Financial Report*

NOTE: The State of Ohio *Annual Comprehensive Financial Report* for fiscal year ended June 30, 2025, including the Independent Auditor's Report, has been issued under separate cover by the Ohio Office of Budget and Management. This report is included as an attachment herein and can also be viewed at the following website: <http://obm.ohio.gov/>

EXECUTIVE SUMMARY 2025 STATE OF OHIO SINGLE AUDIT

AUDIT OF BASIC FINANCIAL STATEMENTS

There are 11 separate opinion units included in the basic financial statements of the State of Ohio for the state fiscal year (FY) ended June 30, 2025. For six of the 11 opinion units, our opinion was based, in whole or in part, on audits performed by independent accounting firms under contract with the Auditor of State. Audits for the remaining five opinion units were performed by audit staff of the Auditor of State. This information is described on page 1 in our Independent Auditor's Report included in the Annual Comprehensive Financial Report. The State of Ohio Annual Comprehensive Financial Report is included as an attachment to this report.

We audited the basic financial statements of the State of Ohio as of and for the period ended June 30, 2025, following auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*, and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The objective of our audit was to express our opinion concerning whether the financial statements present fairly, in all material respects, the respective financial position of the State of Ohio, and cash flows thereof and the respective budgetary comparisons, in accordance with accounting principles generally accepted in the United States of America. We issued unmodified opinions on all 11 opinion units. Our opinion letter, dated December 17, 2025, was provided to the Ohio Office of Budget and Management who released it on their website as part of the Annual Comprehensive Financial Report.

In addition to our opinions on the basic financial statements, we issued an Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards*, dated December 17, 2025. There were no noncompliance citations, material weaknesses, or significant deficiencies required to be reported in this letter for the fiscal year ended June 30, 2025.

AUDIT RESPONSIBILITIES AND REPORTING UNDER FEDERAL UNIFORM GUIDANCE

The Single Audit Act requires an annual audit of the State's federal financial assistance programs. The specific audit and reporting requirements utilized for the June 30, 2025, audit are set forth in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

The Schedule of Expenditures of Federal Awards (the Schedule) reports federal expenditures for each federal financial assistance program by federal agency, as identified by the Assistance Listing (AL) number. As detailed on pages 9 through 19, the State administered 371 federal programs from 24 Federal agencies with total federal expenditures of \$45 billion in FY 2025. This represents a \$1.26 billion (2.9%) increase in total assistance, as compared to the prior year. The 2025 Schedule included approximately \$2.2 billion in funding for various programs as a result of the pandemic, a \$1.9 billion decrease from the prior year. The 2025 Schedule also included additional federal funding from the Infrastructure Investment and Jobs Act (IIJA) which was signed into law in 2021 and provides grants over a five-year period to improve public safety and create jobs related to transportation and infrastructure, including areas such as energy and power infrastructure, access to broadband internet, and water infrastructure.

The Schedule is used for identifying Type A and Type B programs. For FY 2025, Type A federal programs for the State of Ohio were those programs with annual federal expenditures exceeding \$68 million. There were 30 programs at or above this amount. All other programs were identified as Type B in accordance with the Uniform Guidance requirements. The identification of Type A and B programs is utilized for determining which federal programs will be tested in detail for compliance with federal laws and regulations. Under the Uniform Guidance, the auditor uses a risk-based approach to testing. Once programs are classified as Type A or B, they are then assessed as either high or low risk programs. All high-risk Type A programs are considered major programs and are tested in detail for compliance with federal regulations. Low-risk Type A programs must be tested at least once every three years. Auditors are not required to identify more high-risk Type B programs than 1/4 the number of low-risk Type A programs and are required to test as a major program each Type B program that is identified as high-risk. The State of Ohio Single Audit included testing of 15 Type A programs and four high-risk Type B programs as major programs in FY 2025 (listed on pages 31 through 33), representing 83.3% of total federal assistance to the State of Ohio.

Included in the Schedule are monies paid by the Ohio Department of Job & Family Services, Ohio Department of Medicaid, and the Ohio Department of Children and Youth to their subrecipient county agencies to administer applicable portions of the Medicaid Cluster, Children's Health Insurance Program (CHIP), Temporary Assistance for Needy Families (TANF), Foster Care, Adoption Assistance, Social Services Block Grant (SSBG), CCDF Cluster, Child Support Enforcement, and SNAP Cluster federal programs. The related county federal schedules report expenditures for all disbursements made at the county level. However, for the Medicaid, CHIP, TANF (Ohio Works First portion), Adoption Assistance, CCDF Cluster, and SNAP Cluster federal programs, the counties performed selected functions and maintained case records to support benefits paid by the Ohio Department of Job & Family Services, Ohio Department of Medicaid, and Ohio Department of Children and Youth related to these programs. We selected 10 of 88 counties and performed testing related to the specific county level activities for four of these major programs. The results of our county level audit procedures did not result in any findings reported in the Schedule of Findings and Questioned Costs.

The federal financial assistance for the State's colleges and universities, which was approximately \$3.4 billion in FY 2025, is excluded from the State's Schedule although their financial activities are included in the State's financial statements (Discretely Presented Component Units). The State's colleges and universities included in the State's reporting entity are subject to separate audits under the Uniform Guidance.

In accordance with the Uniform Guidance, we issued an *Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance*. Our report on compliance includes our opinion on compliance with the 19 major federal financial assistance programs and describes instances of noncompliance with Federal requirements we detected that require reporting per the Uniform Guidance. This report also describes any material weaknesses or significant deficiencies we identified related to controls used to administer Federal financial assistance programs. Due to the significance of seven of our audit findings, we qualified our opinion on compliance related to Activities Allowed or Unallowed applicable to Medicaid Cluster and CHIP; Allowable Costs/Cost Principles applicable to Medicaid Cluster and CHIP; Eligibility applicable to Summer Electronic Benefit Program for Children, Medicaid Cluster, and CHIP; Reporting applicable to Child Nutrition Cluster and Low Income Home Energy Assistance Program; and, Special Tests and Provisions – Income Eligibility Verification System applicable to TANF federal programs.

SUMMARY OF FINDINGS AND QUESTIONED COSTS

The FY 2025 Schedule of Findings and Questioned Costs contains 18 findings (summarized on pages 34 and 35) related to the *Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance*, of which 12 were repeated from the FY 2024 State of Ohio Single Audit.

The 18 federal findings, beginning on page 37, relate to the federal programs at seven state agencies. Of these federal findings, many of which were rated as more than one type, four resulted in questioned costs totaling \$6,789,360 (two also included noncompliance), 14 were noncompliance (some also included control deficiencies), 14 were identified as material weaknesses, and two were identified as significant deficiencies.

The schedule below identifies the number of reportable items included in the State of Ohio Single Audit, by state agency, for fiscal years 2020 through 2025.

State Agency	2025	2024	2023	2022	2021	2020
Ohio Department of Medicaid	5	5	6	2	3	4
Ohio Department of Development	5	8	5	4	3	3
Ohio Department of Job & Family Services	2	2	3	9	10	14
Ohio Department of Education & Workforce	2	1	1	3	2	5
Ohio Department of Behavioral Health *	2	1	2	3	2	5
Ohio Environmental Protection Agency	1	1	N/A	0	N/A	N/A
Ohio Department of Natural Resources	1	1	N/A	N/A	N/A	3
Ohio Department of Developmental Disabilities	0	0	0	0	1	1
Ohio Department of Public Safety	0	0	1	2	3	0
Ohio Office of Budget & Management	0	0	0	0	0	0
Ohio Department of Transportation	0	0	0	N/A	N/A	0
Opportunities for Ohioans with Disabilities	0	N/A	N/A	0	N/A	N/A
Ohio Department of Children & Youth**	0	N/A	N/A	N/A	N/A	N/A
Ohio Expositions Commission	0	N/A	N/A	N/A	N/A	N/A
Ohio Department of Rehabilitation & Correction	0	N/A	N/A	N/A	N/A	N/A
Ohio Department of Administrative Services	0	0	0	1	1	1
Ohio Department of Aging	0	0	N/A	N/A	N/A	1
Ohio Department of Health	0	0	1	0	0	0
Ohio Facilities Construction Commission	0	0	N/A	N/A	N/A	N/A
Office of the Ohio Attorney General	N/A	N/A	N/A	N/A	N/A	0
Ohio Department of Adjutant General	N/A	N/A	N/A	N/A	N/A	1
Total:	18	19	19	24	25	38

N/A – no major programs tested for this agency.

* – Agency name changed from Ohio Department of Mental Health & Addiction Services during 2025 audit.

** – New agency created in FY 2024 with major federal financial assistance requiring testing in FY 2025.

State of Ohio
Fiscal Year 2025 Single Audit
Executive Summary

In addition to the findings included in this report, the State of Ohio and each state agency may receive management letters which would include internal control and compliance deficiencies that did not rise to the level required for inclusion in this report. Those management letters are not part of this report.

We also identified two other issues related to Findings for Recovery, which are included in the “Other” findings section of the report starting on page 28. These issues did not impact our GAGAS or Single Audit Compliance and Controls reports.

**INDEPENDENT AUDITOR'S
REPORTS ON COMPLIANCE
AND INTERNAL CONTROLS**

OHIO AUDITOR OF STATE

KEITH FABER



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

The Honorable Mike DeWine, Governor
State of Ohio
Columbus, Ohio 43215

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Ohio (the State) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the State's basic financial statements and have issued our report thereon dated December 17, 2025.

Our report includes a reference to other auditors who audited the financial statements of the following organizations, as described in our report on the State's financial statements:

Opinion Unit	Organization	Percent of Opinion Unit's Total	
		Assets	Expenditures/ Expenses/ Deductions
Governmental Activities (GA)	Treasurer of State Lease Revenue Bonds and Buckeye Tobacco Settlement Financing Authority (BTSFA)	2%	1%
Business-Type Activities (BTA)	Ohio Bureau of Workers' Compensation and Ohio Tuition Trust Authority	90%	24%
GA/BTSFA Revenue Bonds	Buckeye Tobacco Settlement Finance Authority	100%	100%
BTA / Workers' Compensation	Ohio Bureau of Workers' Compensation	100%	100%
Aggregate Discretely Presented Component Units	Bowling Green State University; Cleveland State University; Columbus State Community College; JobsOhio; Kent State University; Miami University; The Ohio State University; Ohio University; Shawnee State University; University of Akron; University of Cincinnati; University of Toledo; Wright State University; and Youngstown State University	92%	94%
Aggregate Remaining Fund Information	State Highway Patrol Retirement System; State Treasury Asset Reserve of Ohio; Treasurer of State Lease Revenue Bonds; and Ohio Tuition Trust Authority	42%	5%

This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors. The financial statements of JobsOhio, which represent five percent of the total assets and eight percent of the total expenses of the aggregate discretely presented component units, were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control

over financial reporting or compliance and other matters associated with JobsOhio within the aggregate discretely presented component units or that are reported on separately by those auditors who audited the financial statements of JobsOhio.

Report on Internal Control Over Financial Reporting

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

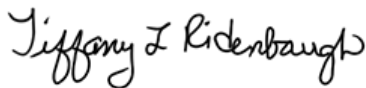
Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State'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*.

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

KEITH FABER
Ohio Auditor of State



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

December 17, 2025

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

The Honorable Mike DeWine, Governor
State of Ohio
Columbus, Ohio

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited the State of Ohio's (the State) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect each of the State of Ohio's major federal programs for the year ended June 30, 2025. The State's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings and questioned costs.

Qualified Opinion on Major Federal Programs

In our opinion, except for the noncompliance described in the *Basis for Qualified and Unmodified Opinions* section of our report, the State of Ohio complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Child Nutrition Cluster, Summer Electronic Benefit Program for Children (Summer EBT), Temporary Assistance for Needy Families (TANF), Low Income Home Energy Assistance Program (LIHEAP), Children's Health Insurance Program (CHIP), COVID-19 CHIP, Medicaid Cluster, and COVID-19 – Medicaid Cluster federal programs for the year ended June 30, 2025.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the State complied in all material respects with the compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2025.

Basis for Opinion on each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (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.

State of Ohio
Independent Auditor's Report on Compliance with Requirements
Applicable to Each Major Federal Program and on Internal Control
Over Compliance Required by the Uniform Guidance
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We are required to be independent of the State 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 qualified and unmodified opinions on compliance for each major federal program. Our audit does not provide a legal determination of the State's compliance with the compliance requirements referred to above.

Matters Giving Rise to Qualified Opinion on the Major Federal Programs Listed in the Table

As described in the findings listed in the table below, identified in the summary of findings and questioned costs on pages 34 and 35, and described in the accompanying schedule of findings and questioned costs, the State did not comply with requirements regarding the following:

Assistance Listing #(s)	Program (or Cluster) Name	Finding #(s)	State Agency	Compliance Requirement(s)
10.553/10.555/ 10.556/10.559/ 10.582	Child Nutrition Cluster	2025-009	Ohio Department of Education & Workforce	Reporting
10.646	Summer EBT	2025-008	Ohio Department of Education & Workforce	Eligibility
93.558	TANF	2025-012	Ohio Department of Job & Family Services	Special Tests and Provisions – Income Eligibility Verification System
93.568	LIHEAP	2025-006 2025-007	Ohio Department of Development	Reporting
93.767	CHIP COVID-19 – CHIP	2025-013	Ohio Department of Medicaid	Activities Allowed or Unallowed Eligibility
93.767	CHIP COVID-19 – CHIP	2025-013 2025-016	Ohio Department of Medicaid	Allowable Costs/ Cost Principles
93.775/93.777/ 93.778	Medicaid Cluster COVID-19 – Medicaid Cluster	2025-013	Ohio Department of Medicaid	Activities Allowed or Unallowed Eligibility
93.775/93.777/ 93.778	Medicaid Cluster COVID-19 – Medicaid Cluster	2025-013 2025-016	Ohio Department of Medicaid	Allowable Costs/ Cost Principles

Compliance with such requirements is necessary, in our opinion, for the State to comply with the requirements applicable to these programs.

Other Matter – Federal Expenditures Not Included in the Compliance Audit

The State's basic financial statements include the operations of State Colleges and Universities, which expended approximately \$3.4 billion in federal awards which is not included in the State's Schedule of Expenditures of Federal Awards during the year ended June 30, 2025. Our compliance audit, described in the "Qualified and Unmodified Opinions" section, does not include the operations of State Colleges and Universities because the component units engaged other auditors to perform an audit of compliance in accordance with the Uniform Guidance. The following State Colleges and Universities were not included in the State's Schedule of Expenditures of Federal Awards:

State Colleges and Universities	
Bowling Green State University	Ohio University
Central State University	Owens State Community College
Cincinnati State Community College	Shawnee State University
Clark State Community College	Southern State Community College
Cleveland State University	Terra State Community College
Columbus State Community College	University of Akron
Edison State Community College	University of Cincinnati
Kent State University	University of Toledo
Miami University	Washington State College of Ohio
Northeast Ohio Medical University	Wright State University
Northwest State Community College	Youngstown State University
The Ohio State University	

Responsibilities of Management for Compliance

The State's 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 State's federal programs.

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on

a test basis, evidence regarding the State'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 State'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 State's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures also disclosed instances of noncompliance which are required to be reported in accordance with Uniform Guidance. These instances of noncompliance are listed in the table below, identified in the summary of findings and questioned costs on pages 34 and 35, and described in the accompanying schedule of findings and questioned costs. Our opinion on each major federal program is not modified with respect to these matters.

State Agency	Noncompliance Finding Numbers
Ohio Department of Behavioral Health	2025-001 and 2025-002
Ohio Department of Development	2025-003 through 2025-005
Ohio Department of Job & Family Services	2025-011 and 2025-012
Ohio Department of Medicaid	2025-014 and 2025-015
Ohio Department of Natural Resources	2025-018

Government Auditing Standards requires the auditor to perform limited procedures on the State's responses to the noncompliance findings identified in our compliance audit described in the accompanying corrective action plan. The State's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control over Compliance

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

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.

We consider the deficiencies in internal control over compliance listed in the table below, identified in the summary of findings and questioned costs on pages 34 and 35, and described in the accompanying schedule of findings and questioned costs to be material weaknesses.

State Agency	Material Weakness Finding Numbers
Ohio Department of Behavioral Health	2025-001 and 2025-002
Ohio Department of Development	2025-004 through 2025-007
Ohio Department of Education & Workforce	2025-008 and 2025-009
Ohio Environmental Protection Agency	2025-010
Ohio Department of Job & Family Services	2025-012
Ohio Department of Medicaid	2025-013 through 2025-015
Ohio Department of Natural Resources	2025-018

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance listed in the table below, identified in the summary of findings and questioned costs on pages 34 and 35, and described in the accompanying schedule of findings and questioned costs to be significant deficiencies.

State Agency	Significant Deficiency Finding Numbers
Ohio Department of Medicaid	2025-016 and 2025-017

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

Government Auditing Standards requires the auditor to perform limited procedures on the State's responses to the internal control over compliance findings identified in our audit described in the accompanying corrective action plan. The State's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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 this 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 governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Ohio, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the State's basic financial statements. We issued our unmodified report thereon dated December 17, 2025.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State's basic financial statements. We have not performed any procedures on the audited financial statements subsequent to December 17, 2025. The accompanying Supplementary Schedule of Expenditures of Federal Awards by Federal Agency and Supplementary Schedule of Expenditures of Federal Awards by Federal Agency and Federal Program (schedules) are presented for purposes of additional analyses as required by the Uniform Guidance and are not a required part of the basic financial

State of Ohio
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statements. The schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected these schedules to the auditing procedures we applied to the basic financial statements.

We also applied certain additional procedures, including comparing and reconciling these schedules 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, these schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

KEITH FABER
Ohio Auditor of State



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

March 18, 2026

**SUPPLEMENTARY
SCHEDULES OF
EXPENDITURES OF
FEDERAL AWARDS**

STATE OF OHIO
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
SUMMARIZED BY FEDERAL AGENCY
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Federal Agency	Amount Provided to	
	Total Expenditures	Subrecipients
U.S. Department of Agriculture	\$ 4,821,575,443	\$ 949,864,823
U.S. Department of Commerce	9,643,680	6,666,782
U.S. Department of Defense	73,208,395	797,590
U.S. Department of Housing and Urban Development	122,616,798	113,018,265
U.S. Department of the Interior	97,131,108	14,313,324
U.S. Department of Justice	73,449,523	55,098,545
U.S. Department of Labor	1,305,406,210	110,941,864
U.S. Department of Transportation	2,153,376,896	446,221,129
U.S. Department of Treasury	1,015,749,934	616,285,120
U.S. Appalachian Regional Commission	6,865,851	4,727,169
U.S. Equal Employment Opportunity Commission	837,822	-
General Services Administration	2,688,297	-
Institute of Museum and Library Services	5,362,937	2,561,827
National Endowment for the Arts	1,351,792	1,351,792
U.S. Small Business Administration	4,338,546	3,008,784
U.S. Department of Veteran Affairs	29,208,001	-
U.S. Environmental Protection Agency	332,761,679	298,413,320
U.S. Department of Energy	45,969,190	38,907,618
U.S. Department of Education	2,384,704,784	2,033,716,302
U.S. Election Assistance Commission	2,737,860	-
U.S. Department of Health and Human Services	32,638,238,071	1,248,622,734
Corporation for National and Community Service	12,219,494	10,919,067
Social Security Administration	83,788,815	-
U.S. Department of Homeland Security	136,695,511	124,926,977
Total Expenditures	\$ 45,359,926,637	\$ 6,080,363,032

STATE OF OHIO
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
BY FEDERAL AGENCY AND FEDERAL PROGRAM
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

FEDERAL AGENCY/ASSISTANCE LISTING (AL) NUMBER/PROGRAM TITLE		Total Expenditures	Amount Provided to Subrecipients
U.S. Department of Agriculture			
<i>SNAP Cluster:</i>			
10.551	Supplemental Nutrition Assistance Program.....	\$ 3,221,329,360	\$ -
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program.....	162,872,860	102,190,202
	<i>Total SNAP Cluster.....</i>	<i>3,384,202,220</i>	<i>102,190,202</i>
<i>Child Nutrition Cluster:</i>			
10.553	School Breakfast Program.....	172,627,692	172,135,609
10.555	(b) National School Lunch Program.....	65,252,718	-
10.555	National School Lunch Program.....	488,580,030	487,475,070
10.555	COVID-19 -- National School Lunch Program.....	5,522	-
	<i>Total National School Lunch Program.....</i>	<i>553,838,270</i>	<i>487,475,070</i>
10.556	Special Milk Program for Children.....	212,109	212,109
10.559	Summer Food Service Program for Children.....	20,738,513	20,319,417
10.582	Fresh Fruit and Vegetable Program.....	5,983,043	5,983,043
	<i>Total Child Nutrition Cluster.....</i>	<i>753,399,627</i>	<i>686,125,248</i>
<i>Food Distribution Cluster:</i>			
10.565	Commodity Supplemental Food Program.....	3,243,601	-
10.568	Emergency Food Assistance Program (Administrative Costs).....	5,493,882	-
	<i>Total Food Distribution Cluster.....</i>	<i>8,737,483</i>	<i>-</i>
<i>Schools and Roads Cluster:</i>			
10.665	Schools and Roads - Grants to States.....	89,794	89,794
	<i>Total Schools and Roads Cluster.....</i>	<i>89,794</i>	<i>89,794</i>
10.025	Plant and Animal Disease, Pest Control, and Animal Care.....	7,161,263	-
10.028	Wildlife Services.....	138,288	-
10.069	Conservation Reserve Program.....	287,471	-
10.093	Voluntary Public Access and Habitat Incentive Program.....	474,613	-
10.163	Market Protection and Promotion.....	1,775,426	-
10.170	Specialty Crop Block Grant Program - Farm Bill.....	346,953	286,357
10.171	Organic Certification Cost Share Programs.....	192,862	191,928
10.182	Pandemic Relief Activities: Local Food Purchase Agreements with States, Tribes, and Local Governments.....	23,877	-
10.182	COVID-19 -- Pandemic Relief Activities: Local Food Purchase Agreements with States, Tribes, and Local Governments.....	9,497,235	-
	<i>Total Pandemic Relief Activities: Local Food Purchase Agreements with States, Tribes, and Local Governments.....</i>	<i>9,521,112</i>	<i>-</i>
10.187	The Emergency Food Assistance Program (TEFAP) Commodity Credit Corporation Eligible Recipient Funds.....	396,000	-
10.190	Resilient Food System Infrastructure Program.....	47,937	-
10.194	Commodity Credit Corporation (CCC) Funding to Alleviate Emergency Supply Chain Disruption in the Commodity Supplemental Food Program (CSFP).....	1,518,582	-
10.304	Food and Agriculture Defense Initiative (FADI).....	350,824	-
10.475	(b) Cooperative Agreements with States for Intrastate Meat and Poultry Inspection.....	8,017	-
10.475	Cooperative Agreements with States for Intrastate Meat and Poultry Inspection.....	6,055,095	-
10.479	Food Safety Cooperative Agreements.....	146,569	-
10.525	Farm and Ranch Stress Assistance Network Competitive Grants Program.....	59,297	10,000
10.537	Supplemental Nutrition Assistance Program (SNAP) Employment and Training (E&T) Data and Technical Assistance Grants.....	474,514	-
10.541	Child Nutrition-Technology Innovation Grant.....	442,868	-
10.557	WIC Special Supplemental Nutrition Program for Women, Infants, and Children.....	236,758,092	48,811,814
10.558	Child and Adult Care Food Program.....	108,162,401	106,521,159
10.560	State Administrative Expenses for Child Nutrition.....	9,637,698	43,475
10.572	WIC Farmers' Market Nutrition Program (FMNP).....	503,171	-
10.576	Senior Farmers Market Nutrition Program.....	2,003,411	2,003,411
10.576	COVID-19 -- Senior Farmers Market Nutrition Program.....	1,278,433	760,271
	<i>Total Senior Farmers Market Nutrition Program.....</i>	<i>3,281,844</i>	<i>2,763,682</i>
10.579	Child Nutrition Discretionary Grants Limited Availability.....	1,358,694	1,358,694
10.580	Supplemental Nutrition Assistance Program, Process and Technology Improvement Grants.....	480,943	-
10.645	Farm to School State Formula Grant.....	322,569	180,508
10.646	Summer Electronic Benefit Transfer Program for Children.....	277,652,557	-
10.649	COVID-19 -- Pandemic EBT Administrative Costs.....	87,880	-
10.664	(c) Cooperative Forestry Assistance.....	2,992,432	510,301
10.676	Forest Legacy Program.....	702,450	-
10.678	Forest Stewardship Program.....	803	-
10.680	(c) Forest Health Protection.....	488,500	11,128

STATE OF OHIO
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
BY FEDERAL AGENCY AND FEDERAL PROGRAM
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

FEDERAL AGENCY/ASSISTANCE LISTING (AL) NUMBER/PROGRAM TITLE		Total Expenditures	Amount Provided to Subrecipients
U.S. Department of Agriculture (Continued)			
10.691	Good Neighbor Authority.....	302,128	-
10.697	State & Private Forestry Hazardous Fuel Reduction Program.....	47,759	-
10.698	State & Private Forestry Cooperative Fire Assistance.....	357,526	159,437
10.699	Partnership Agreements.....	16,289	-
10.707	Research Joint Venture and Cost Reimbursable Agreements.....	6,962	-
10.720	Infrastructure Investment and Jobs Act Community Wildfire Defense Grants.....	36,362	-
10.721	Infrastructure Investment and Jobs Act Temporary Bridge Program.....	87,883	-
10.727	Inflation Reduction Act Urban & Community Forestry Program.....	1,184,588	611,096
10.731	Inflation Reduction Act Landscape Scale Restoration.....	5,591	-
10.734	Inflation Reduction Act - Forest Legacy Program.....	133,411	-
10.902	Soil and water conservation.....	441,471	-
10.912	Environmental Quality Incentives Program.....	575,770	-
10.932	Regional Conservation Partnership Program.....	122,854	-
Total U.S. Department of Agriculture.....		4,821,575,443	949,864,823
U.S. Department of Commerce			
<i>Economic Development Cluster:</i>			
11.307	Economic Adjustment Assistance.....	2,100	-
<i>Total Economic Development Cluster.....</i>		<i>2,100</i>	<i>-</i>
11.035	Broadband Equity, Access, and Deployment Program.....	487,900	-
11.407	Interjurisdictional Fisheries Act of 1986.....	15,862	15,862
11.419	Coastal Zone Management Administration Awards.....	1,930,440	518,764
11.420	Coastal Zone Management Estuarine Research Reserves.....	997,613	36,179
11.473	Office for Coastal Management.....	409,809	296,021
11.611	Manufacturing Extension Partnership.....	5,799,956	5,799,956
Total U.S. Department of Commerce.....		9,643,680	6,666,782
U.S. Department of Defense			
12.002	Procurement Technical Assistance For Business Firms.....	1,015,299	773,745
12.113	State Memorandum of Agreement Program for the Reimbursement of Technical Services.....	377,452	-
12.400	Military Construction, National Guard.....	12,327,108	-
12.401	National Guard Military Operations and Maintenance (O&M) Projects.....	58,487,915	-
12.600	Community Investment.....	22,101	22,101
12.620	Troops to Teachers Grant Program.....	1,744	1,744
12.UNKNOWN- (b)	1033 Excess Military Property Program.....	976,776	-
Total U.S. Department of Defense.....		73,208,395	797,590
U.S. Department of Housing and Urban Development			
<i>CDBG - Entitlement/Special Purpose Grants Cluster:</i>			
14.218	Community Development Block Grants/Entitlement Grants.....	2,688,448	2,688,448
<i>Total CDBG - Entitlement/Special Purpose Grants Cluster.....</i>		<i>2,688,448</i>	<i>2,688,448</i>
14.228	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii.....	42,521,724	41,548,523
14.228	COVID-19 -- Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii.....	5,626,080	5,565,060
<i>Total Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii.....</i>		<i>48,147,804</i>	<i>47,113,583</i>
14.231	Emergency Solutions Grant Program.....	6,877,022	6,639,921
14.239	Home Investment Partnerships Program.....	40,523,051	37,750,367
14.241	Housing Opportunities for Persons with AIDS.....	2,440,128	2,440,128
14.267	Continuum of Care Program.....	671,500	671,500
14.275	Housing Trust Fund.....	15,885,419	15,714,318
14.401	Fair Housing Assistance Program.....	2,886,687	-
14.900	Lead Hazard Reduction Grant Program.....	2,496,739	-
Total U.S. Department of Housing and Urban Development.....		122,616,798	113,018,265
U.S. Department of the Interior			
<i>Fish and Wildlife Cluster:</i>			
15.605 (a)	Sport Fish Restoration.....	756,252	745,442
15.605	Sport Fish Restoration.....	9,204,020	931,821
15.611 (a)	Wildlife Restoration and Basic Hunter Education and Safety.....	1,110,229	1,110,229
15.611	Wildlife Restoration and Basic Hunter Education and Safety.....	25,546,349	2,849,574
<i>Total Fish and Wildlife Cluster.....</i>		<i>36,616,850</i>	<i>5,637,066</i>
15.018	Energy Community Revitalization Program (ECRP).....	11,311,410	-
15.073 (a)	Earth Mapping Resources Initiative.....	37,130	-
15.250	Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining.....	1,150,756	-
15.252	Abandoned Mine Land Reclamation (AMLR).....	35,904,733	5,481,131
15.433	Flood Control Act Lands.....	86,302	86,302
15.437	Minerals Leasing Act.....	2,403	2,403
15.438	National Forest Acquired Lands.....	159,243	159,243
15.608	Fish and Aquatic Conservation - Aquatic Invasive Species.....	26,256	8,198

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SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
BY FEDERAL AGENCY AND FEDERAL PROGRAM
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

FEDERAL AGENCY/ASSISTANCE LISTING (AL) NUMBER/PROGRAM TITLE			Total Expenditures	Amount Provided to Subrecipients
U.S. Department of Interior (Continued)				
15.615		Cooperative Endangered Species Conservation Fund.....	181,590	115,363
15.616		Clean Vessel Act.....	64,135	62,320
15.622		Sportfishing and Boating Safety Act.....	81,970	81,970
15.634	(a)	State Wildlife Grants.....	719,502	719,502
15.634		State Wildlife Grants.....	2,093,794	1,634,256
15.658		Natural Resource Damage Assessment and Restoration.....	68,686	-
15.662	(c)	Great Lakes Restoration.....	2,359,488	325,570
15.663		NFWF-USFWS Conservation Partnership.....	22,404	-
15.808	(a) (c)	U.S. Geological Survey Research and Data Collection.....	116,367	-
15.810	(a)	National Cooperative Geologic Mapping.....	178,058	-
15.814	(a)	National Geological and Geophysical Data Preservation.....	185,789	-
15.916		Outdoor Recreation Acquisition, Development and Planning.....	5,736,548	-
15.980	(a)	National Ground-Water Monitoring Network.....	27,694	-
Total U.S. Department of the Interior.....			97,131,108	14,313,324
U.S. Department of Justice				
16.017		Sexual Assault Services Formula Program.....	836,452	811,571
16.036		Comprehensive Forensic DNA Analysis Grant Program.....	202,749	-
16.2024-90		Domestic Cannabis Eradication/Suppression Program.....	223,498	-
16.2025-87		Domestic Cannabis Eradication/Suppression Program.....	9,510	-
16.320		Services for Trafficking Victims.....	109,933	83,508
16.540		Juvenile Justice and Delinquency Prevention.....	1,594,917	1,279,163
16.548		Delinquency Prevention Program.....	50,983	50,983
16.550	(a)	State Justice Statistics Program for Statistical Analysis Centers.....	29,884	-
16.550		State Justice Statistics Program for Statistical Analysis Centers.....	28,920	-
16.554		National Criminal History Improvement Program (NCHIP).....	1,741,310	66,634
16.575		Crime Victim Assistance.....	36,514,894	34,801,400
16.576		Crime Victim Compensation.....	3,736,731	-
16.582		Crime Victim Assistance/Discretionary Grants.....	2,295	-
16.585		Treatment Court Discretionary Grant Program.....	441,514	164,845
16.588	(a)	Violence Against Women Formula Grants.....	4,926	-
16.588		Violence Against Women Formula Grants.....	5,866,738	5,614,500
16.593	(a)	Residential Substance Abuse Treatment for State Prisoners.....	904	-
16.593		Residential Substance Abuse Treatment for State Prisoners.....	1,214,639	1,096,016
16.606		State Criminal Alien Assistance Program.....	144,637	-
16.609	(a)	Project Safe Neighborhoods.....	461	-
16.609		Project Safe Neighborhoods.....	490,144	467,725
16.710		Public Safety Partnership and Community Policing Grants.....	222,363	-
16.735		PREA Program: Strategic Support for PREA Implementation.....	55,000	-
16.738	(a)	Edward Byrne Memorial Justice Assistance Grant Program.....	569,635	434,005
16.738		Edward Byrne Memorial Justice Assistance Grant Program.....	7,287,047	6,371,486
16.741		DNA Backlog Reduction Program.....	1,280,795	-
16.742		Paul Coverdell Forensic Sciences Improvement Grant Program.....	708,112	536,126
16.750		Support for Adam Walsh Act Implementation Grant Program.....	107,692	-
16.754		Harold Rogers Prescription Drug Monitoring Program.....	1,844,035	-
16.812		Second Chance Act Reentry Initiative.....	314,736	314,736
16.816		John R. Justice Prosecutors and Defenders Incentive Act.....	171,210	-
16.827		Justice Reinvestment Initiative.....	222,711	-
16.828		Swift, Certain, and Fair Supervision Program: Applying the Principles Behind Project HOPE.....	2,415	-
16.834		Domestic Trafficking Victim Program.....	139,338	30,477
16.835		Body Worn Camera Policy and Implementation.....	734,329	-
16.838	(a)	Comprehensive Opioid, Stimulant, and other Substances Use Program.....	343,334	322,161
16.838		Comprehensive Opioid, Stimulant, and other Substances Use Program.....	4,069,144	2,653,209
16.839		STOP School Violence.....	769,648	-
16.922		Equitable Sharing Program.....	1,361,940	-
Total U.S. Department of Justice.....			73,449,523	55,098,545
U.S. Department of Labor				
Employment Service Cluster:				
17.207		Employment Service/Wagner-Peyser Funded Activities.....	24,100,609	1,523,569
17.801		Jobs for Veterans State Grants.....	7,174,121	-
Total Employment Service Cluster.....			31,274,730	1,523,569
WIOA Cluster:				
17.258		WIOA Adult Program.....	37,837,694	31,292,863
17.259		WIOA Youth Activities.....	44,555,097	40,126,302
17.278		WIOA Dislocated Worker Formula Grants.....	31,394,132	20,718,830
Total WIOA Cluster.....			113,786,923	92,137,995

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FEDERAL AGENCY/ASSISTANCE LISTING (AL) NUMBER/PROGRAM TITLE		Total Expenditures	Amount Provided to Subrecipients
U.S. Department of Labor (Continued)			
17.002	Labor Force Statistics.....	2,241,216	-
17.005	Compensation and Working Conditions.....	193,671	-
17.225	Unemployment Insurance.....	1,118,022,347	9,351,262
17.225	COVID-19 -- Unemployment Insurance.....	15,923,335	-
	Total Unemployment Insurance.....	1,133,945,682	9,351,262
17.235	Senior Community Service Employment Program.....	3,445,369	3,381,135
17.245	Trade Adjustment Assistance.....	526,002	77,181
17.268	H-1B Job Training Grants.....	551,489	-
17.270	(c) Reentry Employment Opportunities.....	613,754	-
17.271	Work Opportunity Tax Credit Program (WOTC).....	1,043,685	-
17.273	Temporary Labor Certification for Foreign Workers.....	561,873	-
17.277	WIOA National Dislocated Worker Grants / WIA National Emergency Grants.....	7,318,210	4,286,281
17.285	Registered Apprenticeship.....	3,647,433	-
17.504	Consultation Agreements.....	1,539,304	-
17.600	Mine Health and Safety Grants.....	257,595	-
17.720	Disability Employment Policy Development.....	4,330,668	55,835
17.804	Local Veterans' Employment Representative Program.....	128,606	128,606
	Total U.S. Department of Labor.....	1,305,406,210	110,941,864
U.S. Department of Transportation			
<i>FMCSA Cluster:</i>			
20.218	Motor Carrier Safety Assistance.....	14,609,040	-
20.237	Motor Carrier Safety Assistance High Priority Activities Grants and Cooperative Agreements.....	269,187	-
	Total FMCSA Cluster.....	14,878,227	-
<i>Federal Transit Cluster:</i>			
20.526	Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs.....	6,308,294	6,308,294
	Total Federal Transit Cluster.....	6,308,294	6,308,294
<i>Transit Services Programs Cluster:</i>			
20.513	Enhanced Mobility of Seniors and Individuals with Disabilities.....	7,701,078	7,597,564
	Total Transit Services Programs Cluster.....	7,701,078	7,597,564
<i>Highway Safety Cluster:</i>			
20.600	State and Community Highway Safety.....	11,106,920	7,611,823
20.616	National Priority Safety Programs.....	7,416,843	345,212
	Total Highway Safety Cluster.....	18,523,763	7,957,035
20.106	COVID-19 -- Airport Improvement Program, Infrastructure Investment and Jobs Act Programs, and COVID-19 Airports Programs.....	1,230,656	-
20.200	(b) Highway Research and Development Program.....	41,789	-
20.200	Highway Research and Development Program.....	1,845,217	623,416
20.205	(a) Highway Planning and Construction.....	7,601,921	-
20.205	Highway Planning and Construction.....	2,012,282,017	369,289,526
20.215	Highway Training and Education.....	210,000	-
20.219	Recreational Trails Program	1,439,090	-
20.224	Federal Lands Access Program.....	416,069	157,964
20.325	Consolidated Rail Infrastructure and Safety Improvements.....	10,957,246	-
20.505	Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research.....	7,321,383	-
20.509	Formula Grants for Rural Areas and Tribal Transit Program.....	46,850,420	44,149,961
20.528	Rail Fixed Guideway Public Transportation System State Safety Oversight Formula Grant Program.....	632,604	-
20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated.....	1,316,112	1,316,112
20.614	National Highway Traffic Safety Administration (NHTSA) Discretionary Safety Grants and Cooperative Agreements.....	160,000	-
20.700	Pipeline Safety Program State Base Grant.....	1,075,007	-
20.703	Interagency Hazardous Materials Public Sector Training and Planning Grants.....	608,676	558,520
20.707	Hazardous Materials State Inspection (HMSI) Grant.....	181,801	-
20.933	National Infrastructure Investments.....	9,024,522	8,262,737
20.934	Nationally Significant Freight and Highway Projects.....	1,449,828	-
20.941	Strengthening Mobility and Revolutionizing Transportation (SMART) Grants Program.....	1,321,176	-
	Total U.S. Department of Transportation.....	2,153,376,896	446,221,129

STATE OF OHIO
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BY FEDERAL AGENCY AND FEDERAL PROGRAM
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

FEDERAL AGENCY/ASSISTANCE LISTING (AL) NUMBER/PROGRAM TITLE		Total Expenditures	Amount Provided to Subrecipients
U.S. Department of Treasury			
21.016	Equitable Sharing.....	103,340	-
21.023	COVID-19 -- Emergency Rental Assistance Program.....	6,487,279	6,487,279
21.027	(a) COVID-19 -- Coronavirus State and Local Fiscal Recovery Funds.....	1,865,354	1,740,646
21.027	COVID-19 -- Coronavirus State and Local Fiscal Recovery Funds.....	987,120,685	588,823,139
21.029	COVID-19 -- Coronavirus Capital Projects Fund.....	13,131,294	12,853,620
21.031	COVID-19 -- State Small Business Credit Initiative Technical Assistance Grant Program.....	1,683,372	1,360,912
21.034	COVID-19 -- State Small Business Credit Initiative Competitive Technical Assistance Program.....	5,358,610	5,019,524
	Total U.S. Department of Treasury.....	1,015,749,934	616,285,120
U.S. Appalachian Regional Commission			
23.002	Appalachian Area Development.....	5,329,514	4,727,169
23.003	Appalachian Development Highway System.....	1,536,337	-
	Total U.S. Appalachian Regional Commission.....	6,865,851	4,727,169
U.S. Equal Employment Opportunity Commission			
30.EEO45017C0075	Employment Discrimination Title VII of the Civil Rights Act of 1964.....	837,822	-
	Total U.S. Equal Employment Opportunity Commission.....	837,822	-
General Services Administration			
39.003	(b) Donation of Federal Surplus Personal Property.....	2,688,297	-
	Total General Services Administration.....	2,688,297	-
National Endowment for the Arts			
45.025	Promotion of the Arts Partnership Agreements.....	1,351,792	1,351,792
	Total National Endowment for the Arts.....	1,351,792	1,351,792
Institute of Museum and Library Services			
45.310	Grants to States.....	5,362,937	2,561,827
	Total Institute of Museum and Library Services.....	5,362,937	2,561,827
U.S. Small Business Administration			
59.037	Small Business Development Centers.....	3,998,787	3,008,784
59.061	State Trade Expansion.....	339,759	-
	Total U.S. Small Business Administration.....	4,338,546	3,008,784
U.S. Department of Veteran Affairs			
64.005	Grants to States for Construction of State Home Facilities.....	887,004	-
64.014	Veterans State Domiciliary Care.....	2,176,390	-
64.015	Veterans State Nursing Home Care.....	26,125,464	-
64.053	Payments to States for Programs to Promote the Hiring and Retention of Nurses at State Veterans Homes.....	19,143	-
	Total U.S. Department of Veteran Affairs.....	29,208,001	-
U.S. Environmental Protection Agency			
66.001	Air Pollution Control Program Support.....	5,031,025	1,416,584
66.032	State and Tribal Indoor Radon Grants.....	327,128	-
66.034	Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act.....	1,601,410	1,017,255
66.040	Diesel Emissions Reduction Act (DERA) State Grants.....	206,027	206,027
66.046	Climate Pollution Reduction Grants.....	876,687	-
66.419	Water Pollution Control State, Interstate, and Tribal Program Support.....	3,385,793	-
66.432	State Public Water System Supervision.....	2,503,808	-
66.433	State Underground Water Source Protection.....	319,903	-
66.442	Water Infrastructure Improvements for the Nation Small and Underserved Communities Emerging Contaminants Grant Program.....	3,278,082	3,278,082
66.444	Voluntary School and Child Care Lead Testing and Reduction Grant Program (SDWA 1464(d)).....	1,256,866	723,177
66.447	Sewer Overflow and Stormwater Reuse Municipal Grant Program.....	1,000,000	1,000,000
66.454	Water Quality Management Planning.....	1,821,300	719,348
66.458	Clean Water State Revolving Fund.....	156,944,593	156,944,593
66.460	Nonpoint Source Implementation Grants.....	4,829,399	2,679,205
66.461	Regional Wetland Program Development Grants.....	15,693	-
66.468	Drinking Water State Revolving Fund.....	129,031,241	124,476,857
66.469	Geographic Programs - Great Lakes Restoration Initiative.....	7,516,967	5,311,804
66.472	Beach Monitoring and Notification Program Implementation Grants.....	255,158	193,737
66.485	Support for the Gulf Hypoxia Action Plan.....	755,634	446,651
66.605	Performance Partnership Grants.....	1,284,454	-
66.700	Consolidated Pesticide Enforcement Cooperative Agreements.....	33,586	-
66.708	Pollution Prevention Grants Program.....	6,228	-
66.801	Hazardous Waste Management State Program Support.....	3,732,219	-
66.802	Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements.....	931,664	-

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FEDERAL AGENCY/ASSISTANCE LISTING (AL) NUMBER/PROGRAM TITLE		Total Expenditures	Amount Provided to Subrecipients
U.S. Environmental Protection Agency (Continued)			
66.804	Underground Storage Tank (UST) Prevention, Detection, and Compliance Program.....	779,614	-
66.805	Leaking Underground Storage Tank Trust Fund Corrective Action Program.....	1,843,252	-
66.817	State and Tribal Response Program Grants.....	2,761,838	-
66.818	Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements.....	244,552	-
66.820	STATE PROGRAMS FOR CONTROL OF COAL COMBUSTION RESIDUALS.....	2,231	-
66.920	Solid Waste Infrastructure for Recycling Infrastructure Grants.....	185,327	-
Total U.S. Environmental Protection Agency.....		332,761,679	298,413,320
U.S. Department of Energy			
81.041	State Energy Program.....	8,885,285	4,867,364
81.042	Weatherization Assistance for Low-Income Persons.....	35,525,937	33,159,781
81.104	Environmental Remediation and Waste Processing and Disposal.....	636,840	30,960
81.128	Energy Efficiency and Conservation Block Grant Program (EECBG).....	698,895	698,895
81.136	Long-Term Surveillance and Maintenance.....	71,615	-
81.253	Manufacturing and Energy Supply Chain Demonstrations and Commercial Applications.....	150,618	150,618
Total U.S. Department of Energy.....		45,969,190	38,907,618
U.S. Department of Education			
<i>Special Education (IDEA) Cluster:</i>			
84.027	Special Education Grants to States.....	526,231,051	501,020,770
84.173	Special Education Preschool Grants.....	13,606,605	7,499,207
<i>Total Special Education (IDEA) Cluster.....</i>		<i>539,837,656</i>	<i>508,519,977</i>
84.002	(a) Adult Education - Basic Grants to States.....	1,854,531	1,689,396
84.002	Adult Education - Basic Grants to States.....	21,025,854	20,327,786
84.010	Title I Grants to Local Educational Agencies.....	663,118,711	657,593,254
84.011	Migrant Education State Grant Program.....	970,065	959,335
84.013	Title I State Agency Program for Neglected and Delinquent Children and Youth.....	1,697,592	-
84.048	Career and Technical Education -- Basic Grants to States.....	54,127,283	45,313,032
84.126	Rehabilitation Services Vocational Rehabilitation Grants to States.....	165,739,500	-
84.144	Migrant Education Coordination Program.....	42,673	42,673
84.177	Rehabilitation Services Independent Living Services for Older Individuals Who are Blind.....	2,034,467	-
84.181	Special Education-Grants for Infants and Families.....	22,334,282	6,177,350
84.184	School Safety National Activities.....	691,212	581,048
84.187	Supported Employment Services for Individuals with the Most Significant Disabilities.....	1,138,112	-
84.196	Education for Homeless Children and Youth	4,832,088	3,990,553
84.282	Charter Schools.....	65,923	65,923
84.287	Twenty-First Century Community Learning Centers.....	56,790,795	53,624,015
84.323	Special Education - State Personnel Development.....	1,934,140	1,934,140
84.325	Special Education - Personnel Development to Improve Services and Results for Children with Disabilities.....	185,457	-
84.326	Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities.....	65,791	56,055
84.334	Gaining Early Awareness and Readiness for Undergraduate Programs.....	3,550,461	2,248,242
84.358	Rural Education.....	3,728,793	3,596,957
84.365	English Language Acquisition State Grants.....	14,064,026	13,397,944
84.367	Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants).....	80,914,986	76,024,436
84.369	Grants for State Assessments and Related Activities.....	12,825,759	-
84.371	Comprehensive Literacy Development.....	4,908,721	4,531,227
84.372	Statewide Longitudinal Data Systems.....	1,299,196	-
84.421	Disability Innovation Fund (DIF).....	1,727,447	260,225
84.424	Student Support and Academic Enrichment Program.....	66,460,113	63,184,690
84.425D	COVID-19 -- Elementary and Secondary School Emergency Relief Fund (ESSER Fund).....	309,559	309,559
84.425U	COVID-19 -- American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund.....	601,654,496	563,793,483
84.425V	COVID-19 -- American Rescue Plan Emergency Assistance to Non-Public Schools (ARP EANS).....	48,737,082	755,619
84.425W	COVID-19 -- American Rescue Plan--Elementary and Secondary School Emergency Relief -- Homeless Children and Youth.....	6,038,013	4,739,383
<i>Total Education Stabilization Fund.....</i>		<i>656,739,150</i>	<i>569,598,044</i>
Total U.S. Department of Education.....		2,384,704,784	2,033,716,302
U.S. Election Assistance Commission			
90.404	HAVA Election Security Grants.....	2,737,860	-
Total U.S. Election Assistance Commission.....		2,737,860	-

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FEDERAL AGENCY/ASSISTANCE LISTING (AL) NUMBER/PROGRAM TITLE		Total Expenditures	Amount Provided to Subrecipients
U.S. Department of Health and Human Services			
<i>Aging Cluster:</i>			
93.044	Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers.....	18,329,756	16,699,943
93.044	COVID-19 -- Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers.....	4,451,038	4,037,929
	Total Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers.....	22,780,794	20,737,872
93.045	Special Programs for the Aging, Title III, Part C, Nutrition Services.....	32,392,879	31,308,995
93.045	COVID-19 -- Special Programs for the Aging, Title III, Part C, Nutrition Services.....	6,529,910	5,656,554
	Total Special Programs for the Aging, Title III, Part C, Nutrition Services.....	38,922,789	36,965,549
93.053	Nutrition Services Incentive Program.....	4,124,143	4,124,143
	Total Aging Cluster.....	65,827,726	61,827,564
<i>Head Start Cluster:</i>			
93.600	Head Start.....	259,776	61,836
	Total Head Start Cluster.....	259,776	61,836
<i>CCDF Cluster:</i>			
93.575	Child Care and Development Block Grant.....	247,735,873	21,556,845
93.575	COVID-19 -- Child Care and Development Block Grant.....	194,252,552	-
	Total Child Care and Development Block Grant.....	441,988,425	21,556,845
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund.....	89,437,517	-
	Total CCDF Cluster.....	531,425,942	21,556,845
<i>Medicaid Cluster:</i>			
93.775	State Medicaid Fraud Control Units.....	11,321,669	-
93.777	State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare.....	16,726,128	-
93.778	Grants to States for Medicaid.....	28,495,041,355	30,094,832
93.778	COVID-19 -- Grants to States for Medicaid.....	12,474,246	-
	Total Grants to States for Medicaid.....	28,507,515,601	30,094,832
	Total Medicaid Cluster.....	28,535,563,398	30,094,832
93.008	Medical Reserve Corps Small Grant Program.....	1,015,718	-
93.041	Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation.....	195,573	195,573
93.042	Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals.....	666,929	217,452
93.043	Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services.....	1,111,125	1,080,012
93.043	COVID-19 -- Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services.....	668,550	611,884
	Total Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services.....	1,779,675	1,691,896
93.048	COVID-19 -- Special Programs for the Aging, Title IV, and Title II, Discretionary Projects.....	9,000	-
93.052	National Family Caregiver Support, Title III, Part E.....	7,309,895	7,101,802
93.052	COVID-19 -- National Family Caregiver Support, Title III, Part E.....	1,519,961	1,337,798
	Total National Family Caregiver Support, Title III, Part E.....	8,829,856	8,439,600
93.069	Public Health Emergency Preparedness.....	17,044,388	-
93.070	Environmental Public Health and Emergency Response.....	1,828,851	23,500
93.071	Medicare Enrollment Assistance Program.....	1,547,721	862,105
93.079	Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance.....	74,113	-
93.088	Advancing System Improvements for Key Issues in Women's Health.....	5,240	-
93.090	Guardianship Assistance.....	630,445	81,077
93.092	Affordable Care Act (ACA) Personal Responsibility Education Program.....	1,474,270	913,408
93.103	Food and Drug Administration Research.....	2,495,516	-
93.104	Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED).....	1,362,398	1,046,179
93.110	Maternal and Child Health Federal Consolidated Programs.....	2,511,877	180,261
93.116	Project Grants and Cooperative Agreements for Tuberculosis Control Programs.....	1,179,331	29,776
93.130	Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices.....	333,562	-
93.136	Injury Prevention and Control Research and State and Community Based Programs.....	6,630,576	3,048,597
93.150	Projects for Assistance in Transition from Homelessness (PATH).....	1,975,701	1,918,825
93.165	Grants to States for Loan Repayment.....	683,567	-
93.197	Childhood Lead Poisoning Prevention Projects, State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children.....	620,000	-

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FEDERAL AGENCY/ASSISTANCE LISTING (AL) NUMBER/PROGRAM TITLE		Total Expenditures	Amount Provided to Subrecipients
U.S. Department of Health and Human Services (Continued)			
93.217	Family Planning Services.....	7,037,549	6,322,845
93.235	Title V State Sexual Risk Avoidance Education (Title V State SRAE) Program.....	2,029,137	1,878,913
93.236	Grants to States to Support Oral Health Workforce Activities.....	752,933	-
93.240	State Capacity Building.....	392,312	-
93.241	State Rural Hospital Flexibility Program.....	893,157	31,855
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance.....	9,373,142	9,368,818
93.251	Early Hearing Detection and Intervention.....	323,242	-
93.268	(b) Immunization Cooperative Agreements.....	189,004,231	-
93.268	Immunization Cooperative Agreements.....	10,235,803	2,820,951
93.268	COVID-19 -- Immunization Cooperative Agreements.....	2,066,030	-
	Total Immunization Cooperative Agreements.....	201,306,064	2,820,951
93.270	Viral Hepatitis Prevention and Control.....	395,419	-
93.301	Small Rural Hospital Improvement Grant Program.....	376,273	355,650
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC).....	3,212,882	10,000
93.323	COVID-19 -- Epidemiology and Laboratory Capacity for Infectious Diseases (ELC).....	63,235,893	-
	Total Epidemiology and Laboratory Capacity for Infectious Diseases (ELC).....	66,448,775	10,000
93.324	State Health Insurance Assistance Program.....	2,147,840	-
93.336	Behavioral Risk Factor Surveillance System.....	477,619	-
93.354	Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response.....	192,811	-
93.354	COVID-19 -- Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response.....	8,510,975	-
	Total Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response.....	8,703,786	-
93.366	State Actions to Improve Oral Health Outcomes and Partner Actions to Improve Oral Health Outcomes.....	5,136	-
93.367	Flexible Funding Model - Infrastructure Development and Maintenance for State Manufactured Food Regulatory Programs.....	299,480	-
93.369	ACL Independent Living State Grants.....	4,419,592	-
93.387	National and State Tobacco Control Program.....	2,720,554	1,062,159
93.391	COVID-19 -- Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises.....	2,513,101	-
93.421	Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health.....	101,700	74,000
93.426	The National Cardiovascular Health Program.....	1,216,264	-
93.434	Every Student Succeeds Act/Preschool Development Grants.....	14,990,717	-
93.436	WELL-INTEGRATED SCREENING AND EVALUATION FOR WOMEN ACROSS THE NATION (WISEWOMAN).....	486,707	-
93.439	State Physical Activity and Nutrition (SPAN).....	912,551	-
93.471	Title IV-E Kinship Navigator Program.....	7,346,661	5,381,958
93.472	Title IV-E Prevention Program.....	2,646,823	2,646,823
93.478	Preventing Maternal Deaths: Supporting Maternal Mortality Review Committees.....	269,010	-
93.495	COVID-19 -- Community Health Workers for Public Health Response and Resilient.....	3,059,226	-
93.497	COVID-19 -- Family Violence Prevention and Services/ Sexual Assault/Rape Crisis Services and Supports....	2,266,941	2,193,590
93.499	COVID-19 -- Low Income Household Water Assistance Program.....	75,971	75,971
93.556	MaryLee Allen Promoting Safe and Stable Families Program.....	15,848,926	1,165,648
93.558	Temporary Assistance for Needy Families.....	829,711,578	246,349,571
93.563	Child Support Services.....	190,972,192	163,134,794
93.564	Child Support Services Research.....	933,034	631,065
93.566	Refugee and Entrant Assistance State/Replacement Designee Administered Programs.....	27,197,983	148,499
93.568	Low-Income Home Energy Assistance.....	167,699,168	161,958,176
93.569	Community Services Block Grant.....	27,367,194	25,807,422
93.586	State Court Improvement Program.....	643,358	308,294
93.590	Community-Based Child Abuse Prevention Grants.....	1,083,157	-
93.590	COVID-19 -- Community-Based Child Abuse Prevention Grants.....	2,043,110	-
	Total Community-Based Child Abuse Prevention Grants.....	3,126,267	-
93.597	Grants to States for Access and Visitation Programs.....	285,780	-
93.599	Chafee Education and Training Vouchers Program (ETV).....	1,277,013	-
93.599	COVID-19 -- Chafee Education and Training Vouchers Program (ETV).....	408,315	-
	Total Chafee Education and Training Vouchers Program (ETV).....	1,685,328	-
93.630	Developmental Disabilities Basic Support and Advocacy Grants.....	2,690,537	1,057,549
93.643	Children's Justice Grants to States.....	842,590	-
93.645	Stephanie Tubbs Jones Child Welfare Services Program.....	6,892,745	823,358
93.648	Child Welfare Research Training or Demonstration.....	816,256	-

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FEDERAL AGENCY/ASSISTANCE LISTING (AL) NUMBER/PROGRAM TITLE		Total Expenditures	Amount Provided to Subrecipients
U.S. Department of Health and Human Services (Continued)			
93.658	Foster Care Title IV-E.....	270,951,037	47,145,153
93.659	Adoption Assistance.....	209,676,792	106,985,441
93.667	Social Services Block Grant.....	127,710,763	108,532,273
93.669	Child Abuse and Neglect State Grants.....	4,649,802	-
93.670	Child Abuse and Neglect Discretionary Activities.....	355,458	-
93.671	(a) Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services.....	6,357	-
93.671	Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services.....	4,498,256	4,317,873
93.671	COVID-19 -- Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services...	6,198,759	6,091,854
	Total Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services.....	10,703,372	10,409,727
93.674	John H. Chafee Foster Care Program for Successful Transition to Adulthood.....	6,139,339	3,431,597
93.686	Ending the HIV Epidemic: A Plan for America — Ryan White HIV/AIDS Program Parts A and B.....	2,634,892	-
93.747	Elder Abuse Prevention Interventions Program.....	1,428,242	840,384
93.747	COVID-19 -- Elder Abuse Prevention Interventions Program.....	227,077	220,466
	Total Elder Abuse Prevention Interventions Program.....	1,655,319	1,060,850
93.761	Evidence-Based Falls Prevention Programs Financed Solely by Prevention and Public Health Funds (PPHF).....	255,152	-
93.767	Children's Health Insurance Program.....	818,979,008	4,600,530
93.767	COVID-19 -- Children's Health Insurance Program.....	275,459	-
	Total Children's Health Insurance Program.....	819,254,467	4,600,530
93.773	Medicare Hospital Insurance.....	6,346,688	-
93.774	Medicare Supplementary Medical Insurance.....	266,248	-
93.788	Opioid STR.....	104,057,205	83,074,837
93.791	Money Follows the Person Rebalancing Demonstration.....	18,115,789	6,428,093
93.796	State Survey Certification of Health Care Providers and Suppliers (Title XIX) Medicaid.....	12,763,943	-
93.810	Paul Coverdell National Acute Stroke Program National Center for Chronic Disease Prevention and Health Promotion.....	422,800	-
93.870	Maternal, Infant and Early Childhood Home Visiting Grant.....	5,456,901	-
93.870	COVID-19 -- Maternal, Infant and Early Childhood Home Visiting Grant.....	701,094	-
	Total Maternal, Infant and Early Childhood Home Visiting Grant.....	6,157,995	-
93.879	(c) Medical Library Assistance.....	19,995	15,000
93.889	National Bioterrorism Hospital Preparedness Program.....	6,840,660	-
93.889	COVID-19 -- National Bioterrorism Hospital Preparedness Program.....	168	-
	Total National Bioterrorism Hospital Preparedness Program.....	6,840,828	-
93.898	Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations.....	5,249,514	-
93.912	(c) Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement.....	25,000	-
93.913	Grants to States for Operation of State Offices of Rural Health.....	227,129	-
93.917	HIV Care Formula Grants.....	27,216,477	-
93.940	HIV Prevention Activities Health Department Based.....	9,742,391	-
93.946	Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs.....	287,371	-
93.958	Block Grants for Community Mental Health Services.....	32,028,684	25,936,328
93.958	COVID-19 -- Block Grants for Community Mental Health Services.....	6,451,788	1,751,930
	Total Block Grants for Community Mental Health Services.....	38,480,472	27,688,258
93.959	Block Grants for Prevention and Treatment of Substance Abuse.....	65,919,726	62,631,758
93.959	COVID-19 -- Block Grants for Prevention and Treatment of Substance Abuse.....	14,035,251	10,703,123
	Total Block Grants for Prevention and Treatment of Substance Abuse.....	79,954,977	73,334,881
93.967	Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health.....	2,458,765	-
93.967	COVID-19 -- Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health.....	17,905,336	-
	Total Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health.....	20,364,101	-
93.977	Sexually Transmitted Diseases (STD) Prevention and Control Grants.....	3,998,419	-
93.977	COVID-19 -- Sexually Transmitted Diseases (STD) Prevention and Control Grants.....	2,560,913	-
	Total Sexually Transmitted Diseases (STD) Prevention and Control Grants.....	6,559,332	-
93.988	Cooperative Agreements for Diabetes Control Programs.....	1,119,825	-
93.991	Preventive Health and Health Services Block Grant.....	7,062,908	4,316,710
93.994	Maternal and Child Health Services Block Grant to the States.....	26,298,923	5,802,149
	Total U.S. Department of Health and Human Services.....	32,638,238,071	1,248,622,734

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Corporation for National and Community Service			
94.003	AmeriCorps State Commissions Support Grant.....	495,582	-
94.006	AmeriCorps State and National 94.006.....	11,318,286	10,919,067
94.008	AmeriCorps Commission Investment Fund 94.008.....	405,626	-
	Total Corporation for National and Community Service.....	12,219,494	10,919,067
Social Security Administration			
<i>Disability Insurance/SSI Cluster:</i>			
96.001	Social Security Disability Insurance.....	83,788,815	-
	<i>Total Disability Insurance/SSI Cluster.....</i>	<i>83,788,815</i>	<i>-</i>
	Total Social Security Administration.....	83,788,815	-
U.S. Department of Homeland Security			
97.008	Non-Profit Security Program.....	5,360,684	5,174,327
97.012	Boating Safety Financial Assistance.....	4,376,420	915,447
97.023	Community Assistance Program State Support Services Element (CAP-SSSE).....	370,302	-
97.029	Flood Mitigation Assistance.....	144,807	137,170
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters).....	5,883,613	5,754,846
97.036	COVID-19 -- Disaster Grants - Public Assistance (Presidentially Declared Disasters).....	84,381,616	84,167,684
	Total Disaster Grants - Public Assistance (Presidentially Declared Disasters).....	90,265,229	89,922,530
97.039	Hazard Mitigation Grant.....	1,732,496	1,459,985
97.039	COVID-19 -- Hazard Mitigation Grant.....	7,466,749	7,039,672
	Total Hazard Mitigation Grant.....	9,199,245	8,499,657
97.041	National Dam Safety Program.....	1,080,015	305,591
97.042	Emergency Management Performance Grants.....	11,244,416	7,965,247
97.044	Assistance to Firefighters Grant.....	748,805	-
97.045	Cooperating Technical Partners.....	108,039	-
97.047	BRIC: Building Resilient Infrastructure and Communities.....	761,081	552,391
97.052	Emergency Operations Center.....	562,385	562,385
97.056	Port Security Grant Program.....	39,108	-
97.067	Homeland Security Grant Program.....	10,506,230	9,410,608
97.091	Homeland Security Biowatch Program.....	315,168	50,000
97.137	State and Local Cybersecurity Grant Program Tribal Cybersecurity Grant Program.....	1,613,577	1,431,624
	Total U.S. Department of Homeland Security.....	136,695,511	124,926,977
TOTAL EXPENDITURES.....		\$ 45,359,926,637	\$ 6,080,363,032

(a) These programs are a part of the Research and Development Cluster, as defined by OMB Uniform Guidance. See Note 3 to the Supplementary Schedule of Expenditures of Federal Awards.

(b) These programs receive non-cash assistance, as defined by OMB Uniform Guidance. See Note 2 to the Supplementary Schedule Awards of Expenditures of Federal Awards.

(c) These programs receive assistance from non-federal entities. The table below represents the amounts expended with funding received from the non-federal entities.

Assistance Listing Number	Program Title	Pass-Through Entity	Pass-Through Entity Identifying Number	Expenditures	Amount Provided to Subrecipients
10.664	* Cooperative Forestry Assistance.....	Holden Arboretum, & National Association of Conservation Districts	21-DG-11094200-049	\$ 3,436	\$ -
10.680	* Forest Health Protection.....	Slow the Spread Foundation	24-1-07	361,948	-
15.662	* Great Lakes Restoration.....	National Fish and Wildlife Foundation	22-DG-11094200-214	229,170	54,823
15.808	* U.S. Geological Survey Research and Data Collection.....	University of Illinois	119650-20258	10,336	-
17.270	* Reentry Employment Opportunities.....	National Restaurant Association Educational Foundation Award	DRCF0209	12,128	-
93.879	Medical Library Assistance.....	University of Iowa	5UG4LM013729-04	19,995	15,000
93.912	Rural Health Care Services Outreach, Rural Health Network and Small Health Care Provider Quality Improvement.....	Community Health Center Inc.	100341-01	25,000	-

* - The State of Ohio receives a direct federal award under this same Assistance Listing number in addition to receiving the subaward from another entity.



**STATE OF OHIO
NOTES TO THE SUPPLEMENTARY SCHEDULE
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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

Title 2 Code of Federal Regulations Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) requires a Supplementary Schedule of Expenditures of Federal Awards (Supplementary Schedule). The State of Ohio reports this information using the following presentations:

- Supplementary Schedule of Expenditures of Federal Awards Summarized by Federal Agency
- Supplementary Schedule of Expenditures of Federal Awards by Federal Agency and Federal Program

1. Federal Financial Assistance

The Supplementary Schedules report the federal financial assistance for the State of Ohio. Federal financial assistance is defined in the Uniform Guidance as assistance that non-Federal entities receive or administer in the form of grants, cooperative agreements, non-cash contribution or donations of property, direct appropriations, food commodities, loans, loan guarantees, interest subsidies, insurance, and other financial assistance.

2. Assistance Listing Number

The Assistance Listing Number is a government-wide compendium of individual federal financial assistance programs. Programs are assigned a five-digit Assistance Listing Number (ALN) and program name. The schedules report total disbursements for each federal financial assistance program, as listed in the Assistance Listing Number. The State of Ohio reports each federal financial assistance program not officially assigned an Assistance Listing Number with a two-digit number that identifies the federal grantor agency number followed by a federal contract number, grant number, or 'UNKNOWN', when applicable.

3. Cluster of Programs

Closely related programs that share a common compliance requirement are considered a cluster of programs. OMB identifies those programs that comprise a program cluster. The Supplementary Schedules present federal financial assistance by cluster preceding individual programs. The Research and Development (R&D) Cluster is presented by Federal Agency and Federal Program within the Supplementary Schedule. Refer to NOTE 3 to see a consolidated view of the Federal Programs comprising the R&D Cluster.

B. Reporting Entity

The Supplementary Schedules include all federal programs the State of Ohio has administered for the fiscal year ended June 30, 2025. The State's financial reporting entity includes the primary government and its component units.

The State of Ohio's primary government includes all funds, account groups, elected officials, departments and agencies, bureaus, boards, commissions, and authorities that make up the State's legal entity. Component units, legally separate organizations for which the State's elected officials are financially accountable, also comprise, in part, the State's reporting entity. Additionally, other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete should be included in a government's financial reporting entity.



**STATE OF OHIO
NOTES TO THE SUPPLEMENTARY SCHEDULE
OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial accountability is defined by GASB Statement No. 14, *The Financial Reporting Entity*, and amended by GASB Statement No. 61 *The Financial Reporting Entity: Omnibus*. The financial accountability of a primary government for a legally separate organization is set forth in two ways as follows:

- the primary government appoints the voting majority of the organization's governing body, and the primary government is able to impose its will upon the component unit or there is a possibility that the component unit may provide specific financial benefits to, or impose specific financial burdens on, the primary government, or
- the component unit is fiscally dependent on the primary government and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

The State has included federal financial assistance for the Ohio Facilities Construction Commission, a Discretely Presented Component Unit, as the Commission is not required to have separate financial statements prepared or audited. The State has excluded federal financial assistance reported in all other Discretely Presented Component Units from the Supplementary Schedules. If applicable, the respective schedules of expenditures of federal awards for the following organizations, which constitute component units of the State since they impose or potentially impose financial burdens on the primary government, are subject to separate audits under the Uniform Guidance.

Discretely Presented Component Units:

State Universities:

Bowling Green State University
Central State University
Cleveland State University
Kent State University
Miami University
Northeast Ohio Medical University
Ohio State University
Ohio University
Shawnee State University
University of Akron
University of Cincinnati
University of Toledo
Wright State University
Youngstown State University

State Community Colleges:

Cincinnati State Community College
Clark State Community College
Columbus State Community College
Edison State Community College
Northwest State Community College
Owens State Community College
Southern State Community College
Terra State Community College
Washington State Community College

Other Discretely Presented Component Units:

Ohio Air Quality Development Authority – N/A
Ohio Capital Fund – N/A
Jobs Ohio – N/A
Ohio Turnpike and Infrastructure Commission – N/A

C. Basis of Accounting

The State prepares the Supplementary Schedules on the cash basis of accounting; therefore, the State recognizes expenditures when paid rather than when it incurs obligations.

1. Direct Costs

Direct costs are those made for the benefit of one federal program and are allocable to that program. The State recognizes direct costs as disbursements in the Supplementary Schedules.

2. Indirect Costs

Indirect costs benefit more than one federal program and are not directly allocable to the programs receiving the benefits. The State recovers these costs from the federal government by applying federally approved indirect cost rates or by allocating the indirect costs among benefiting programs in accordance with federally approved plans.



**STATE OF OHIO
NOTES TO THE SUPPLEMENTARY SCHEDULE
OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Appendix VII to 2 CFR Part 200 requires State departments or agencies that receive more than \$35 million in direct Federal funding in the fiscal year to negotiate an indirect cost rate proposal with the cognizant agency. Those entities that have not received a negotiated indirect cost rate, and receive less than \$35 million, may elect to use a 15% *de minimus* indirect cost rate, if the program permits. The State recognizes indirect costs as disbursements in the Supplementary Schedules.

The Ohio Department of Agriculture applies the *de minimus* indirect cost rate (15%) to ALN 10.025 for Forest Pest Outreach in the amount of \$3,529.

3. Intrastate Activity Elimination

The State excludes intrastate disbursements of federal moneys among State agencies to avoid the overstatement of federal financial assistance reported on the Supplementary Schedules.

NOTE 2 NON-CASH FEDERAL ASSISTANCE PROGRAMS

The State participated in several federal programs in which non-cash benefits were provided through the state to eligible program participants. These include:

- *Cooperative Agreements with States for Intrastate Meat and Poultry Inspection (ALN # 10.475)*
A portion of the federal assistance for this program represents the value of in-kind assistance the State used during the fiscal year. The U.S. Department of Agriculture provided IT services and equipment to the State. The Supplementary Schedules include in-kind assistance, as of June 30, 2025, in the amount of \$8,017.
- *National School Lunch Program (ALN # 10.555)*
A portion of the federal assistance for this program represents the value of food the State distributes to subrecipients during the fiscal year. The U.S. Department of Agriculture assigns the prices at which the State values donated food commodities. The Supplementary Schedules include food commodity distributions of \$65,252,718. The outstanding inventory balance for food commodities as of June 30, 2025, was \$310,185.
- *1033 Excess Military Property Program (ALN # 12.UNKNOWN)*
Federal assistance for this program represents the fair market value of donated federal surplus personal property the State distributes to subrecipients during the fiscal year. The State calculates fair value at 23.34 percent of the property's original costs, in conformity with guidelines the U.S. General Services Administration establishes in conjunction with the U.S. Department of Defense. The Supplementary Schedules include surplus property distributions of \$976,776.
- *Donation of Federal Surplus Personal Property (ALN # 39.003)*
Federal assistance for this program represents the fair market value of federal surplus personal property the State distributes to subrecipients during the fiscal year. The State calculates fair value at 23.34 percent of the property's original acquisition costs, in conformity with guidelines the U.S. General Services Administration establishes. The Supplementary Schedules include surplus property distributions of \$2,688,297.
- *Truck Platooning (ALN # 20.200)*
A portion of the federal assistance for this program represents the value of in-kind assistance the State used during the fiscal year. The Federal Highway Administration provides the use of facilities and equipment to the State. The in-kind facilities and equipment are used to conduct and analyze road audits needed to maintain and improve vital transportation infrastructure. The Supplementary Schedules include in-kind assistance, as of June 30, 2025, in the amount of \$41,789.



**STATE OF OHIO
NOTES TO THE SUPPLEMENTARY SCHEDULE
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FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 2 NON-CASH FEDERAL ASSISTANCE PROGRAMS (Continued)

• *Immunization Cooperative Agreements (ALN # 93.268)*

A portion of the federal assistance for this program represents the value of immunizations distributed, in lieu of cash, directly to the State and/or on behalf of the State to vaccinating providers. The U.S. Department of Health and Human Services determined the value of vaccines received during fiscal year 2025 to be \$189,004,231, which is included in the Supplementary Schedules. The outstanding inventory balance for immunizations as of June 30, 2025, was \$24,083,796.

NOTE 3 RESEARCH AND DEVELOPMENT CLUSTER

The State has reported the following federal programs under the Research and Development Cluster on the Supplementary Schedule of Expenditures of Federal Awards by Federal Agency and Federal Program.

Assistance Listing Number #	Federal Program Title	Total Expenditures	Amount Provided to Subrecipients
15.073	Earth Mapping Resources Initiative.....	\$ 37,130	\$ -
15.605	Sport Fish Restoration.....	756,252	745,442
15.611	Wildlife Restoration and Basic Hunter Education and Safety.....	1,110,229	1,110,229
15.634	State Wildlife Grants.....	719,502	719,502
15.808	U.S. Geological Survey Research and Data Collection.....	116,367	-
15.810	National Cooperative Geologic Mapping.....	178,058	-
15.814	National Geological and Geophysical Data Preservation.....	185,789	-
15.980	National Ground-Water Monitoring Network.....	27,694	-
16.550	State Justice Statistics Program for Statistical Analysis Centers.....	29,884	-
16.588	Violence Against Women Formula Grants.....	4,926	-
16.593	Residential Substance Abuse Treatment for State Prisoners.....	904	-
16.609	Project Safe Neighborhoods.....	461	-
16.738	Edward Byrne Memorial Justice Assistance Grant Program.....	569,635	434,005
16.838	Comprehensive Opioid, Stimulant, and other Substances Use Program.....	343,334	322,161
20.205	Highway Planning and Construction.....	7,601,921	-
21.027	Coronavirus State and Local Fiscal Recovery Funds.....	1,865,354	1,740,646
84.002	Adult Education - Basic Grants to States.....	1,854,531	1,689,396
93.671	Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services.....	6,357	-
Total Research and Development Cluster.....		\$ 15,408,328	\$ 6,761,381

NOTE 4 TRANSFERS BETWEEN FEDERAL PROGRAMS

During fiscal year 2025, the State made allowable transfers of approximately \$67.3 million from the Temporary Assistance for Needy Families (93.558) program to the Social Services Block Grant (93.667) program. The Supplementary Schedule shows the State spent approximately \$829.7 million on the Temporary Assistance for Needy Families program. The amount reported for the Temporary Assistance for Needy Families program on the Supplementary Schedule excludes the amount transferred to the Social Services Block Grant program. The amount transferred to the Social Services Block Grant program is included in the federal program expenditures for this program. The following table shows the gross amount drawn for the Temporary Assistance for Needy Families program during fiscal year 2025 and the amount transferred to the Social Services Block Grant program.



**STATE OF OHIO
NOTES TO THE SUPPLEMENTARY SCHEDULE
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FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 4 TRANSFERS BETWEEN FEDERAL PROGRAMS (Continued)

Temporary Assistance for Needy Families.....	\$	897,039,094
Social Services Block Grant.....		(67,327,516)
Total Temporary Assistance for Needy Families.....	\$	<u>829,711,578</u>

NOTE 5 UNEMPLOYMENT INSURANCE – ALN 17.225

The unemployment compensation system is a unique federal-state partnership, founded upon federal law, but implemented through state law. As prescribed by the U.S. Department of Labor in consultation with the Office of Management and Budget, certain state monies, in addition to federal monies, were considered federal awards for determining Type A programs, and were included in the Schedule of Expenditures of Federal Awards. The amount presented in the schedule consists of the following:

Non-Federal Unemployment Compensation Benefits.....	\$	1,020,104,333
Federal Unemployment Compensation Benefits.....		7,398,419
Federal Administrative Costs.....		<u>106,442,930</u>
Total Expenditures.....	\$	<u>1,133,945,682</u>

NOTE 6 COVID-19 PROGRAM EXPENDITURES

Beginning in March 2020, the State of Ohio received additional federal funding to respond to the COVID-19 pandemic made available from the Coronavirus Aid, Relief, and Economic Security (CARES) act, the Consolidated Appropriations Act 2021, and the American Rescue Plan Act of 2021. The State has reported the following federal COVID-19 programs on the Supplementary Schedule of Expenditures of Federal Awards by Federal Agency and Federal Program.

Assistance Listing #	Federal Program Title	Total Expenditures	Amount Provided to Subrecipients
10.182	Pandemic Relief Activities: Local Food Purchase Agreements with States, Tribes, and Local Governments.....	\$ 9,497,235	\$ -
10.555	National School Lunch Program.....	5,522	-
10.576	Senior Farmers Market Nutrition Program.....	1,278,433	760,271
10.649	Pandemic EBT Administrative Costs.....	87,880	-
14.228	Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii.....	5,626,080	5,565,060
17.225	Unemployment Insurance.....	15,923,335	-
20.106	Airport Improvement Program, Infrastructure Investment and Jobs Act Programs, and COVID-19 Airports Programs.....	1,230,656	-
21.023	Emergency Rental Assistance Program.....	6,487,279	6,487,279
21.027	Coronavirus State and Local Fiscal Recovery Funds.....	988,986,039	590,563,785
21.029	Coronavirus Capital Projects Fund.....	13,131,294	12,853,620
21.031	State Small Business Credit Initiative Technical Assistance Grant Program.....	1,683,372	1,360,912
21.034	State Small Business Credit Initiative Competitive Technical Assistance Program.....	5,358,610	5,019,524
84.425D	Elementary and Secondary School Emergency Relief Fund (ESSER Fund).....	309,559	309,559
84.425U	American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund.....	601,654,496	563,793,483
84.425V	American Rescue Plan Emergency Assistance to Non-Public Schools (ARP EANS).....	48,737,082	755,619
84.425W	American Rescue Plan-Elementary and Secondary School Emergency Relief – Homeless Children and Youth.....	6,038,013	4,739,383
93.043	Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services.....	668,550	611,884
93.044	Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers.....	4,451,038	4,037,929
93.045	Special Programs for the Aging, Title III, Part C, Nutrition Services.....	6,529,910	5,656,554



**STATE OF OHIO
NOTES TO THE SUPPLEMENTARY SCHEDULE
OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 6 COVID-19 PROGRAM EXPENDITURES (Continued)

93.048	Special Programs for the Aging, Title IV, and Title II, Discretionary Projects.....	9,000	-
93.052	National Family Caregiver Support, Title III, Part E.....	1,519,961	1,337,798
93.268	Immunization Cooperative Agreements.....	2,066,030	-
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC).....	63,235,893	-
93.354	Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response.....	8,510,975	-
93.391	Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises....	2,513,101	-
93.495	Community Health Workers for Public Health Response and Resilient.....	3,059,226	-
93.497	Family Violence Prevention and Services/ Sexual Assault/Rape Crisis Services and Supports.....	2,266,941	2,193,590
93.499	Low Income Household Water Assistance Program.....	75,971	75,971
93.575	Child Care and Development Block Grant.....	194,252,552	-
93.590	Community-Based Child Abuse Prevention Grants.....	2,043,110	-
93.599	Chafee Education and Training Vouchers Program (ETV).....	408,315	-
93.671	Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services.....	6,198,759	6,091,854
93.747	Elder Abuse Prevention Interventions Program.....	227,077	220,466
93.767	Children's Health Insurance Program.....	275,459	-
93.778	Grants to States for Medicaid.....	12,474,246	-
93.870	Maternal, Infant and Early Childhood Home Visiting Grant.....	701,094	-
93.889	National Bioterrorism Hospital Preparedness Program.....	168	-
93.958	Block Grants for Community Mental Health Services.....	6,451,788	1,751,930
93.959	Block Grants for Prevention and Treatment of Substance Abuse.....	14,035,251	10,703,123
93.967	Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health.....	17,905,336	-
93.977	Sexually Transmitted Diseases (STD) Prevention and Control Grants.....	2,560,913	-
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters).....	84,381,616	84,167,684
97.039	Hazard Mitigation Grant.....	7,466,749	7,039,672
Total COVID-19 Grants.....		\$ 2,150,323,914	\$ 1,316,096,950

NOTE 7 CCDF CLUSTER – FUNDING SOURCES

The Child Care and Development Fund (CCDF) Cluster consists of three separate funding sources: Discretionary Fund (ALN 93.575), Mandatory Fund (ALN 93.596), and Matching Fund (ALN 93.596). In addition, supplemental CCDF cluster funding was appropriated to the State under the American Rescue Plan Act (ARPA) to aid in the response to the COVID-19 public health emergency. The distinct funding sources of CCDF cluster expenditures on the Supplementary Schedule of Expenditures of Federal Awards are presented in the table below.

Assistance Listing #	Funding Source	Federal Program Title	Total Expenditures	Amount Provided to Subrecipients
93.575	Discretionary	Child Care and Development Block Grant.....	\$ 247,735,873	\$ 21,556,845
93.575	ARPA	COVID-19 -- Child Care and Development Block Grant.....	194,252,552	-
93.596	Mandatory	Child Care Mandatory and Matching Funds of the Child Care and Development Fund.....	50,338,154	-
93.596	Matching	Child Care Mandatory and Matching Funds of the Child Care and Development Fund.....	39,099,363	-
Total CCDF Cluster.....			\$ 531,425,942	\$ 21,556,845



**STATE OF OHIO
NOTES TO THE SUPPLEMENTARY SCHEDULE
OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 8 ESEA PROGRAMS – CONSOLIDATION OF ADMINISTRATIVE FUNDS

The State consolidates available administrative funding under certain Elementary and Secondary Education Act of 1965 (ESEA) programs. The following table shows the amounts of administrative funds consolidated by program and amount.

Assistance Listing #	Federal Program Title	Total Administrative Funds Consolidated
84.010	Title I Grants to Local Educational Agencies.....	\$ 4,450,069
84.011	Migrant Education State Grant Program.....	10,729
84.013	Title I State Agency Program for Neglected and Delinquent Children and Youth.....	15,850
84.196	Education for Homeless Children and Youth	841,535
84.287	Twenty-First Century Community Learning Centers.....	824,512
84.358	Rural Education.....	131,837
84.365	English Language Acquisition State Grants.....	294,301
84.367	Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants).....	676,217
84.424	Student Support and Academic Enrichment Program.....	497,022
84.425U	American Rescue Plan Elementary and Secondary School Emergency Relief Fund.....	4,595,395
84.425V	American Rescue Plan Emergency Assistance to Non-Public Schools.....	158,633
		\$ 12,496,100

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**STATE OF OHIO
JULY 1, 2024 THROUGH JUNE 30, 2025
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

2 CFR § 200.515

1. SUMMARY OF AUDITOR'S RESULTS		
(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	Yes
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	Yes
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified and Qualified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	Yes
(d)(1)(vii)	Major Programs	See pages 31 through 33
(d)(1)(viii)	Dollar Threshold: Type A/Type B Programs	A: >\$ 68,039,890 B: All Others
(d)(1)(ix)	Low Risk Auditee under 2 CFR §200.520?	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

There were no findings required to be reported in accordance with GAGAS.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

The findings and questioned costs are summarized by state agency and type on pages 34 and 35.

The questioned costs are summarized by federal agency, program, and amount on page 36.

The findings and questioned costs are detailed by state agency on pages 37 through 80.

The Views of Responsible Officials for our noncompliance findings and findings on internal control over compliance are described in the accompanying Corrective Action Plan on pages 81 through 96.

**STATE OF OHIO
JULY 1, 2024 THROUGH JUNE 30, 2025
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

4. OTHER – FINDINGS FOR RECOVERY

In addition, we identified the following other issues related to Findings for Recovery. These issues did not impact our GAGAS or Single Audit Compliance and Controls reports.

1. FINDINGS FOR RECOVERY – IMPROPER TECHCRED PROGRAM PAYMENTS

Finding Number:	2025-019
State Agency:	Ohio Department of Development
State Agency Number:	DEV-06

Ohio Rev. Code (ORC) § 122.178 created the TechCred program to be developed by the Ohio Department of Development (the Department) for the purpose of reimbursing employers for training costs for prospective and incumbent employees to earn industry-recognized microcredentials, credentials or a certificate approved by the Chancellor of Higher Education and completed within one year. Employers seeking to participate in the program must apply to the Department before submitting claims for reimbursement.

Specifically, ORC § 122.178(E) states, in part:

(1) Each participating employer seeking reimbursement for training costs for a prospective or incumbent employee shall submit an application to the director that includes all of the following information for each prospective or incumbent employee:

- (a) The prospective or incumbent employee's name and position, if applicable, at the time of submitting the application;
- (b) The actual amount the employer paid to the training provider for the training;
- (c) Evidence that the prospective or incumbent employee earned a microcredential;
- (d) Evidence that the prospective or incumbent employee is a resident of this state.

(2) The amount of the reimbursement shall be not more than two thousand dollars for each microcredential a prospective or incumbent employee receives. . .

In May 2025, the Department referred to the Office of the Ohio Inspector General (the OIG) concerns about the validity and legitimacy of information submitted by Pizza Bazaar, a company owned by Brittney Digravio that received \$30,000 through the TechCred program. The OIG opened an investigation and reviewed pertinent documentation from the Department to determine if wages paid and course completions were legitimate and factual. This review identified fraudulent training certificates, an invoice, and payment documentation, including fictitious or ineligible employees for the certificates. Improper payments to Pizza Bazaar totaled \$30,000. We have reviewed the documentation of the OIG and agree with the amounts identified.

In addition, the Goldenskai Talent Group Ltd, a company owned by Brittney Digravo, received \$20,000 through the TechCred program, and was identified through cooperation with the Ohio Department of Job and Family Services as a fictitious employer. Employees listed by Goldenskai Talent Group Ltd were not included in its wage reports and only one of 20 employees reported had a social security number with a Bureau of Motor Vehicles (BMV) record, but the identity did not match the existing BMV record. Furthermore, several social security numbers provided by Goldenskai Talent Group Ltd were social security numbers of deceased individuals.

**STATE OF OHIO
JULY 1, 2024 THROUGH JUNE 30, 2025
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

1. FINDINGS FOR RECOVERY – IMPROPER TECHCRED PROGRAM PAYMENTS (Continued)

In accordance with the foregoing facts and pursuant to Ohio Rev. Code Chapter 117, Findings for Recovery for public monies illegally expended are hereby issued against Pizza Bazaar and Brittney Digravo for \$30,000 in favor of the Ohio Department of Development's Fund 5HR0, and against Goldenskai Talent Group Ltd and Brittney Digravo for \$20,000 in favor of the Ohio Department of Development's Fund 5HR0.

We recommend the Department periodically remind TechCred program recipients of the program's requirements and reinforce which activities are allowable and unallowable under the program's guidelines. Management should evaluate existing internal control procedures for monitoring recipients of the TechCred program to ensure compliance with the program requirements and make any necessary changes. These procedures should be reviewed periodically to ensure they are operating as intended.

2. FINDING FOR RECOVERY – SECONDARY EMPLOYMENT ON STATE TIME

Finding Number:	2025-020
State Agency:	Ohio Department of Developmental Disabilities
State Agency Number:	DDD-01

Ohio Rev. Code Chapter 124 promulgates laws related to state employment. To help comply with those laws and related state payroll administrative policies, the Ohio Department of Developmental Disabilities (the Department) requires state employees to complete a timesheet for the hours worked and attest to the accuracy of those reported hours.

Ohio Rev. Code (ORC) § 102.03(D), Representation by present or former public official or employee prohibited states, in part:

No public official or employee shall use or authorize the use of the authority or influence of office or employment to secure anything of value or the promise or offer of anything of value that is of such a character as to manifest a substantial and improper influence upon the public official or employee with respect to that person's duties.

Additionally, Ohio Ethics Commission Advisory Opinion Number 96-004(3) states, in part:

Division (D) of Section 102.03 of the Revised Code prohibits a public official or employee who engages in private outside employment or business activity from:

- (a) Using public time, facilities, personnel, or resources in conducting a private business or while engaging in private outside employment . . .

John Flemon worked as a Residential Care Supervisor 1 for the Department at the Columbus Developmental Center (CDC), a state-supported residential school for people with developmental disabilities, from August 28, 2000 until his resignation on September 4, 2024. During the course of his employment with the Department, it was discovered that Mr. Flemon held secondary employment as an area supervisor with ResCare Community Living (ResCare) from June 13, 2019 to July 1, 2024. ResCare is a provider of complementary home- and community-based health services for specialized and/or chronic care privately, and on behalf of, the State of Ohio. During the week of July 1, 2024, the CDC's Human Resources department received a telephone call from ResCare seeking employment verification for Mr. Flemon. The CDC conducted an internal investigation, reviewing and comparing Mr. Flemon's Department timesheets with his timekeeping records provided by ResCare. The CDC determined that there was an overlap of hours where Mr. Flemon appeared to be working concurrently for both the Department and ResCare between April 1, 2024 through June 25, 2024 (hereafter the "overlapping period").

**STATE OF OHIO
JULY 1, 2024 THROUGH JUNE 30, 2025
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

2. FINDING FOR RECOVERY – SECONDARY EMPLOYMENT ON STATE TIME (Continued)

As a result, the Department referred this matter to the Office of the Ohio Inspector General (OIG), who opened an investigation.

The OIG investigation focused on Mr. Flemon's failure to report and obtain authorization for secondary employment with the Department as well as the concurrent hours he worked at the Department and ResCare during the overlapping period. As part of the investigation, Mr. Flemon's location records, timesheets, and other pertinent records were reviewed to determine the total number of hours he worked at ResCare while on Department time. In addition to the wages the Department paid Mr. Flemon during the overlapping period, he also received employer-paid benefits which consisted of premiums for health, vision, dental, and life insurance, as well as retirement payments made to the Ohio Public Employees Retirement System. We reviewed the OIG's documentation and determined that during the overlapping period, Mr. Flemon worked 177.67 hours at ResCare while on Department time, totaling \$6,862.33 in wages and employer paid benefits.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code Chapter 117, a Finding for Recovery for public monies illegally expended is hereby issued against John Flemon in the amount of \$6,862.33, and in favor of the Ohio Department of Developmental Disabilities' Fund 3A40.

This matter will also be referred to the Ohio Ethics Commission.

We recommend the Department implement a secondary employment policy and remind employees (through training, e-mails, and other methods) on an annual basis about their policies and obtaining approval regarding secondary employment. These reminders should reinforce employees who are prohibited from completing secondary employment activities during regular work hours for the Department. Management should also evaluate existing control procedures for monitoring secondary employment and make any necessary changes. These procedures should be reviewed periodically to ensure they are operating as intended.

**STATE OF OHIO
JULY 1, 2024 THROUGH JUNE 30, 2025
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

MAJOR FEDERAL PROGRAMS

AL #	Program Name / State Agency	Expenditures	Percent of Total
<u>U.S. Department of Agriculture</u>			
SNAP Cluster			
10.551 / 10.561			
	Ohio Department of Job and Family Services	\$ 3,383,675,738	
	Other Agencies (Not Tested as a Major Program)	\$ 526,482	
	Total SNAP Cluster	\$ 3,384,202,220	7.46%
Child Nutrition Cluster *			
10.553 / 10.555 / 10.556 / 10.559 / 10.582			
	Ohio Department of Education and Workforce	\$ 751,797,062	
	Other Agencies (Not Tested as a Major Program)	\$ 1,602,565	
	Total Child Nutrition Cluster	\$ 753,399,627	1.66%
10.646	Summer Electronic Benefit Transfer Program for Children		
	Ohio Department of Job and Family Services	\$ 277,652,557	
	Total Assistance Listing #10.646	\$ 277,652,557	0.61%
<u>U.S. Department of Housing and Urban Development</u>			
14.239	Home Investment Partnerships Program		
	Ohio Department of Development	\$ 40,523,051	
	Total Assistance Listing #14.239	\$ 40,523,051	0.09%
<u>U.S. Department of the Interior</u>			
15.252	Abandoned Mine Land Reclamation		
	Ohio Department of Natural Resources	\$ 35,904,733	
	Total Assistance Listing #15.252	\$ 35,904,733	0.08%
<u>U.S. Department of Labor</u>			
17.225	Unemployment Insurance *		
	Ohio Department of Job and Family Services	\$ 1,133,945,682	
	Total Assistance Listing #17.225	\$ 1,133,945,682	2.50%
<u>U.S. Department of Transportation</u>			
20.509	Formula Grants for Rural Areas and Tribal Transit Program		
	Ohio Department of Transportation	\$ 46,850,420	
	Total Assistance Listing #20.509	\$ 46,850,420	0.10%
<u>U.S. Department of Treasury</u>			
21.027	Coronavirus State and Local Fiscal Recovery Funds *		
	Ohio Department of Development	\$ 522,898,940	
	Ohio Facilities Construction Commission	\$ 99,264,624	
	Ohio Department of Natural Resources	\$ 96,412,545	
	Ohio Department of Behavioral Health	\$ 94,113,882	
	Ohio Department of Public Safety	\$ 70,022,619	
	Ohio Exposition Commission	\$ 40,443,132	

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MAJOR FEDERAL PROGRAMS

AL #	Program Name / State Agency	Expenditures	Percent of Total
<u>U.S. Department of Treasury (continued)</u>			
	Ohio Office of Budget and Management	\$ 18,428,710	
	Ohio Department of Rehabilitation and Correction	\$ 12,550,022	
	Ohio Department of Health	\$ 4,425,093	
	Other Agencies (Not Tested as a Major Program)	\$ 30,426,472	
	Total Assistance Listing #21.027	\$ 988,986,039	2.18%
<u>U.S. Environmental Protection Agency</u>			
66.458	Clean Water State Revolving Fund		
	Ohio Environmental Protection Agency	\$ 156,944,593	
	Total Assistance Listing #66.458	\$ 156,944,593	0.35%
66.468	Drinking Water State Revolving Fund		
	Ohio Environmental Protection Agency	\$ 129,031,241	
	Total Assistance Listing #66.468	\$ 129,031,241	0.28%
<u>U.S. Department of Education</u>			
84.126	Rehabilitation Services Vocational Rehabilitation Grants to States		
	Opportunities for Ohioans with Disabilities	\$ 165,739,500	
	Total Rehabilitation Services Vocational Rehabilitation Grants to States	\$ 165,739,500	0.37%
<u>U.S. Department of Health and Human Services</u>			
<u>Aging Cluster *</u>			
93.044 / 93.045 / 93.053			
	Ohio Department of Aging	\$ 65,827,726	
	Total Aging Cluster	\$ 65,827,726	0.15%
93.558	Temporary Assistance for Needy Families		
	Ohio Department of Children and Youth	\$ 431,005,521	
	Ohio Department of Job and Family Services	\$ 398,703,557	
	Other Agencies (Not Tested as a Major Program)	\$ 2,500	
	Total Assistance Listing #93.558	\$ 829,711,578	1.83%
93.568	Low-Income Home Energy Assistance		
	Ohio Department of Development	\$ 167,219,812	
	Other Agencies (Not Tested as a Major Program)	\$ 479,356	
	Total Assistance Listing #93.568	\$ 167,699,168	0.37%
93.767	Children's Health Insurance Program *		
	Ohio Department of Medicaid	\$ 803,360,456	
	Other Agencies (Not Tested as a Major Program)	\$ 15,894,011	
	Total Assistance Listing #93.767	\$ 819,254,467	1.81%

**STATE OF OHIO
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MAJOR FEDERAL PROGRAMS

AL #	Program Name / State Agency	Expenditures	Percent of Total
<u>U.S. Department of Health and Human Services (continued)</u>			
93.775 / 93.777 / 93.778			
	Ohio Department of Medicaid	\$25,379,732,973	
	Ohio Department of Developmental Disabilities	\$ 2,934,546,319	
	Other Agencies (Not Tested as a Major Program)	\$ 221,284,106	
	Total Medicaid Cluster	\$28,535,563,398	62.91%
93.788	Opioid STR		
	Ohio Department of Behavioral Health	\$ 99,200,284	
	Ohio Department of Health	\$ 4,856,921	
	Total Assistance Listing #93.788	\$ 104,057,205	0.23%
93.959	Block Grants for Prevention and Treatment of Substance Abuse *		
	Ohio Department of Behavioral Health	\$ 79,944,977	
	Other Agencies (Not Tested as a Major Program)	\$ 10,000	
	Total Assistance Listing #93.959	\$ 79,954,977	0.18%
<u>Social Security Administration</u>			
96.001	Disability Insurance/SSI Cluster:		
	Opportunities for Ohioans with Disabilities	\$ 83,788,815	
	Total Disability Insurance/SSI Cluster	\$ 83,788,815	0.18%
Total Major Federal Programs		\$37,799,036,997	83.33%
Other Federal Programs		\$ 7,560,889,640	16.67%
Total Federal Awards Expenditures		\$45,359,926,637	100.00%

* Denotes major program expenditures included COVID-19 funding. See pages 9-19 for the Supplementary Schedule of Expenditures of Federal Awards by Federal Agency and Federal Program for further details on the amount of COVID-19 expenditures made from each major federal program.

**STATE OF OHIO
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SUMMARY OF FINDINGS AND QUESTIONED COSTS

The findings listed below represent items which are being reported in the *Independent Auditor's Report on Compliance with Requirements Applicable to Major Federal Programs and on Internal Control Over Compliance Required by the Uniform Guidance*.

AGENCY/FINDINGS	FINDING NUMBER	TYPE OF FINDING	PAGE REFERENCE
Ohio Department of Behavioral Health (DBH)			
1. SUPTRS BG - Cash Management	2025-001	Noncompliance/ Material Weakness	37
2. SUPTRS BG - Transparency Act Reporting	2025-002	Noncompliance/ Material Weakness	38
Ohio Department of Development (DEV)			
1. Low Income Home Energy Assistance Program - Period of Performance	2025-003	Questioned Costs	40
2. Coronavirus State and Local Fiscal Recovery Fund - Subrecipient Monitoring	2025-004	Noncompliance/ Material Weakness	41
3. Coronavirus State and Local Fiscal Recovery Fund - Reporting	2025-005	Noncompliance/ Material Weakness	43
4. Low Income Home Energy Assistance Program - Reporting	2025-006	Noncompliance/ Material Weakness	44
5. Low Income Home Energy Assistance Program - Transparency Act Reporting	2025-007	Noncompliance/ Material Weakness	45
Ohio Department of Education and Workforce (DEW)			
1. Summer EBT - Ineligible Students	2025-008	Questioned Costs/ Noncompliance/ Material Weakness	47
2. Child Nutrition Cluster - Transparency Act Reporting	2024-009	Noncompliance/ Material Weakness	50
Ohio Environmental Protection Agency (EPA)			
1. CWSRF & DWSRF - Loan Payment Monitoring	2025-010	Material Weakness	52
Ohio Department of Job and Family Services (JFS)			
1. Unemployment Insurance - Improper Payments	2025-011	Questioned Costs	55
2. SNAP Cluster and TANF - IEVS Alerts	2025-012	Noncompliance/ Material Weakness	58
Ohio Department of Medicaid (MCD)			
1. Medicaid Cluster and CHIP - Ineligible Recipients	2025-013	Questioned Costs/ Noncompliance/ Material Weakness	62
2. Medicaid Cluster and CHIP - IEVS Alerts	2025-014	Noncompliance/ Material Weakness	68

**STATE OF OHIO
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SUMMARY OF FINDINGS AND QUESTIONED COSTS

AGENCY/FINDINGS	FINDING NUMBER	TYPE OF FINDING	PAGE REFERENCE
Ohio Department of Medicaid (MCD) (continued))			
3. Medicaid Cluster and CHIP - Transparency Act Reporting	2025-015	Noncompliance/ Material Weakness	72
4. Medicaid Cluster and CHIP - Third Party Liability	2025-016	Noncompliance/ Significant Deficiency	74
5. Medicaid Cluster and CHIP - Surveillance Utilization Reviews	2025-017	Significant Deficiency	76
Ohio Department of Natural Resources (DNR)			
1. Abandoned Mine Land Reclamation - Transparency Act Reporting	2025-018	Noncompliance/ Material Weakness	78

The findings listed below represent other issues related to Findings for Recovery (FFR). These issues do not impact the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards* or the Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance Required by Uniform Guidance.

AGENCY/FINDINGS	FINDING NUMBER	TYPE OF FINDING	PAGE REFERENCE
Ohio Department of Development (DEV)			
1. FFR - Improper TechCred Program Payments	2025-019	FFR	28
Ohio Department of Developmental Disabilities (DDD)			
1. FFR - Secondary Employment on State Time	2025-020	FFR	29

**STATE OF OHIO
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SUMMARY OF QUESTIONED COSTS BY FEDERAL AGENCY AND PROGRAM

FEDERAL AGENCY/ASSISTANCE LISTING NUMBER/ PROGRAM TITLE	PAGE REFERENCE	QUESTIONED COSTS
U.S. DEPARTMENT OF AGRICULTURE		
10.646 - Summer EBT Program for Children	47	\$ 6,511,920
Total U.S. Department of Agriculture		\$ 6,511,920
U.S. DEPARTMENT OF LABOR		
17.225 - Unemployment Insurance	55	\$ 3,274
Total U.S. Department of Labor		\$ 3,274
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
93.568 - Low Income Home Energy Assistance Program	40	\$ 26,107
93.775/776/778/779 - Medicaid Cluster	62	\$ 43,983
93.767 – Children's Health Insurance Program	62	\$ 204,076
Total U.S. Department of Health and Human Services		\$ 274,166
TOTAL QUESTIONED COSTS – STATE OF OHIO		\$ 6,789,360

**STATE OF OHIO
JULY 1, 2024 THROUGH JUNE 30, 2025
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OHIO DEPARTMENT OF BEHAVIORAL HEALTH

1. SUPTRS BG – CASH MANAGEMENT

Finding Number:	2025-001
State Agency Number:	DBH-01
Assistance Listing Number and Title:	93.959 – Block Grants for Prevention and Treatment of Substance Abuse (SUPTRS BG)
Federal Award Identification Numbers / Years:	B08TI087059 / 2024 (SUPTRS BG)
Federal Agency:	Department of Health and Human Services
Compliance Requirement:	Cash Management
Repeat Finding from Prior Audit?	Yes
Prior Audit Finding Number:	2024-019

NONCOMPLIANCE AND MATERIAL WEAKNESS

31 C.F.R. § 205.33(a) sets guidelines relating to timely disbursement of federal funds which states, in part:

A State must minimize the time between the drawdown of Federal funds from the Federal government and their disbursement for Federal program purposes. A Federal Program Agency must limit a funds transfer to a State to the minimum amounts needed by the State and must time the disbursement to be in accord with the actual, immediate cash requirements of the State in carrying out a Federal assistance program or project. The timing and amount of funds transfers must be as close as is administratively feasible to a State's actual cash outlay for direct program costs and the proportionate share of any allowable indirect costs...

It is management's responsibility to implement control policies and procedures to reasonably ensure draws of federal funds are for immediate cash needs, processed accurately, and disbursed timely in accordance with applicable laws and regulations.

During state fiscal year 2025, the Department drew down approximately \$80.8 million in federal funding for the SUPTRS BG program. Once voucher payments are approved in the Ohio Administrative Knowledge System (OAKS) and the Payment Management System (PMS), the Department draws the SUPTRS BG funds electronically from PMS to cover the amount of the vouchers, as the account is to maintain a zero cash balance. Before drawing down funds, the Senior Financial Analyst prepares a Cash Request noting the amount to be drawn and OAKS coding. The Cash Request is then forwarded to a different Senior Financial Analyst who draws the funds down in PMS and sends the support documentation back to the original analyst for creation of the revenue receipt in OAKS. The revenue receipt is then submitted to the Community Funding Operations Manager and Ohio Treasurer of State's Office for approval. Once approved, the Department makes a payment in the form of an electronic funds transfer or check. The Department has a cash management policy in place which establishes a 20-day requirement for disbursing federal funds once deposited or as close as is administratively feasible for timely payment. However, the Department's 20-day requirement is not a reasonable timeframe based on administrative processes and timeliness. As such, for this compliance test, eight business days were designated as close as administratively feasible. Although the Department had policies and controls in place over the deposit and disbursement of federal funds, these controls did not prevent noncompliance with the 31 C.F.R. § 205.33(a). As a result, of 16 disbursements tested from 16 SUPTRS BG draws, the Department did not disburse one payment (6.3%) within eight business days of the receipt of federal funds. The Department disbursed the funds six days after the required disbursement date.

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OHIO DEPARTMENT OF BEHAVIORAL HEALTH

1. SUPTRS BG – CASH MANAGEMENT (Continued)

Not having effective controls over the timely disbursement of federal funds could lead to the Department not limiting draws to immediate cash needs and not expending funds timely. This could result in noncompliance with 31 C.F.R. § 205.33(a) and could subject the Department to sanctions, other penalties, or a repayment of part of the grant award amounts. In addition, noncompliance could subject the Department to paying interest charges on these draws. Based on discussions with management and review of supporting documents, this was caused by voucher processing and approval delays.

We recommend the Department evaluate its existing cash management control procedures and update them as necessary to reasonably ensure all federal draw requests are disbursed timely and are drawn only for immediate cash needs, based on the funding technique established in accordance with 31 C.F.R. § 205.33(a). We also recommend the Department establish procedures to periodically monitor its compliance with the cash management requirements and initiate necessary actions to resolve any noncompliance that results. Lastly, we recommend the Department revise its cash management policy to ensure federal draws are disbursed in compliance with applicable laws and regulations.

Auditor of State Conclusion:

The response to this finding included within the State of Ohio Corrective Action Plan indicated the Department disagreed with the timeframe designated “as close as is administratively feasible” to disburse federal funds once drawn down and required an Auditor of State Conclusion.

31 C.F.R. § 205.33(a) requires the Department to minimize the time between the federal drawdown and disbursement of federal funds. The State of Ohio's accounting system requires funding to be available prior to initiating a disbursement and once available takes two business days to produce a payment. Given this information, the Auditor of State has designated eight business days as “as close as is administratively feasible” when testing federal compliance for cash management for federal programs not included in the Cash Management Improvement Act Agreement. Therefore, this finding remains as stated above.

2. SUPTRS BG – TRANSPARENCY ACT REPORTING

Finding Number:	2025-002
State Agency Number:	DBH-02
Assistance Listing Number and Title:	93.959 – Substance Use Prevention, Treatment, and Recovery Block Grant (SUPTRS BG)
Federal Award Identification Number / Year:	B08TI087059 / 2024 (SUPTRS BG)
Federal Agency:	Department of Health and Human Services
Compliance Requirement:	Reporting
Repeat Finding from Prior Audit?	No

NONCOMPLIANCE AND MATERIAL WEAKNESS

The Federal Funding Accountability and Transparency Act (Pub. L. No. 109-282, as amended by Section 6202 of Public Law 110-252, hereafter referred to as the “Transparency Act” that are codified in 2 C.F.R. Part 170) requires prime recipients of federal awards who make first-tier subawards to report the subaward on the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS portal or SAM.gov) website maintained by the federal Office of Management and Budget. Under the requirements of 2 C.F.R. Part 170, recipients (i.e., direct recipients) of grants or cooperative agreements are required to report first-tier subawards of \$30,000 or more on the FSRS portal or SAM.gov website. Prime recipients

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OHIO DEPARTMENT OF BEHAVIORAL HEALTH

2. SUPTRS BG – TRANSPARENCY ACT REPORTING (Continued)

must report by the end of the month following the month in which the obligation is made. It is management's responsibility to design and implement internal controls to reasonably ensure compliance with laws and regulations and to ensure management's objectives are achieved.

The State of Ohio is considered the prime recipient for federal funds applicable to Transparency Act reporting and the state agencies receiving these federal funds are expected to report the subawards obligated in accordance with the Transparency Act. During the audit period, the Department obligated approximately \$30.4 million for 135 SUPTRS BG first-tier subawards which exceeded \$30,000 and were required to be reported on the FSRs portal or SAM.gov website in accordance with the Transparency Act for the SUPTRS BG program. Monthly, the Department's Fiscal Office generates the Transparency Act report from the Grants Funding Management System (GFMS) and reviews it for completeness and accuracy, then approves it in the GFMS system. The Transparency Act report is then manually entered or uploaded into the FSRs portal or SAM.gov website. Although the Department had various controls in place over the Transparency Act reporting, the following errors were noted:

<i>Transactions Tested</i>	<i>Subaward not reported</i>	<i>Report not timely</i>	<i>Subaward amount incorrect</i>	<i>Subaward missing key elements</i>
14	0	1	0	0
<i>Dollar Amount of Tested Transactions</i>	<i>Subaward not reported</i>	<i>Report not timely</i>	<i>Subaward amount incorrect</i>	<i>Subaward missing key elements</i>
\$3,059,922	\$0	\$518,252	\$0	\$0

By not complying with federal Transparency Act reporting requirements, the Department risks federal funding being reduced, taken away, or other sanctions imposed by the federal grantor agency. If the subawards are not reported timely within the FSRs portal or SAM.gov website, the risk exists that those using the Transparency Act reports could be relying on inaccurate information. Based on discussions with management, these errors were caused by management oversight and not maintaining submission records.

We recommend the Department evaluate its Transparency Act reporting procedures and update them as necessary to promote compliance with the Federal regulations, which include timeliness of information submitted. In addition, the Department should maintain sufficient records of the subaward submission, including the submission date to ensure management's objectives are achieved. Management should periodically review these control procedures to ensure they are operating as intended.

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OHIO DEPARTMENT OF DEVELOPMENT

1. LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM – PERIOD OF PERFORMANCE

Finding Number:	2025-003
State Agency Number:	DEV-01
Assistance Listing Number and Title:	93.568 Low-Income Home Energy Assistance Program (LIHEAP)
Federal Award Identification Numbers / Years:	2201OHLIEA / 2022 2301OHLIEA / 2023
Federal Agency:	Department of Health and Human Services
Compliance Requirement:	Period of Performance
Repeat Finding from Prior Audit?	Yes
Prior Audit Finding Number:	2024-002

QUESTIONED COSTS

45 C.F.R. § 96.30 (a) states, in part:

... Except where otherwise required by Federal law or regulation, a State shall obligate and expend block grant funds in accordance with the laws and procedures applicable to the obligation and expenditure of its own funds...

The Financial Management and Reporting section of the US Department of Health and Human Services' LIHEAP Supplemental Terms and Conditions states, in part:

8. Obligation Deadline:

The two-year funding (project) period for this award is concurrent with the obligation period: from the first day of the FFY for which these funds were awarded through the last day of the following FFY. (i.e., October 1, FFY 1 through September 30, FFY 2.) . . . Any federal funds not obligated by the end of the two-year obligation period will be recouped by the Department.

9. Liquidation Deadline:

According to 45 CFR §96.30(a), all properly obligated federal funds issued under this award must be liquidated in accordance with the recipient's own fiscal control and funds control procedures. If the recipient requires more than 1 year from the project period end date to liquidate allowable costs, it shall notify the Grants Management Officer identified on its latest Notice of Award. The notification shall include the reason for the delay and the anticipated timeframe for liquidation. Any federal funds from this award not liquidated by the date required under the recipient's own fiscal control procedures, which may not exceed five years following the fiscal year of award, will be recouped by this Department.

During the audit period, the Department disbursed approximately \$167.2 million in LIHEAP funds to eligible entities on behalf of eligible low-income households to help reduce costs associated with home energy bills, weatherization, and minor energy-related home repairs. The Department had various controls in place over the LIHEAP expenditure process; however, these controls did not prevent or detect the Department's non-compliance with the program's period of performance requirements. As a result, the Department did not obligate 12 administrative expenditures, totaling \$26,107, by the close of the period of performance dates of September 30, 2023 and 2024. Funds were obligated outside the period of performance's end date, ranging from 45 to 593 days past the required end date, averaging 425 days. Additionally, the Department did not liquidate \$8,470 in LIHEAP funds within one year from the project period end date and did not properly notify the U.S. Department of Health and Human Services. Of the \$8,470 improperly liquated

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OHIO DEPARTMENT OF DEVELOPMENT

**1. LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM – PERIOD OF PERFORMANCE
(Continued)**

expenditures, \$780 was properly obligated and an allowable program expenditure; therefore, \$7,690 will be questioned costs and is included in the obligation amount previously noted. As such, we will question these costs totaling \$26,107.

Failure to obligate funds and properly disclose necessary expenditures to the federal grantor agency in the required time frames could result in repayment, reduction of future federal funding, or sanctions imposed by the federal grantor agency. Based on discussion with management, the late obligation of these expenditures and failure to properly notify the federal grantor agency was a result of management oversight.

We recommend the Department evaluate its current policies and procedures relating to the processing of LIHEAP expenditure transactions and update them, as necessary, to reasonably ensure compliance with period of performance requirements. The Department should consider performing interim and periodic reviews of LIHEAP subaward and expenditure activity in advance of the obligation end dates to ensure the federal awards are obligated within the required time frames. The Department should also evaluate liquidation timelines for notifications to the appropriate Federal contact, as needed. Management should periodically monitor these procedures to ensure they are operating effectively and as intended.

2. CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS – SUBRECIPIENT MONITORING

Finding Number:	2025-004
State Agency Number:	DEV-02
Assistance Listing Number and Title:	21.027 COVID-19 – Coronavirus State and Local Fiscal Recovery Funds (SLFRF)
Federal Award Identification Numbers / Years:	SLFRP2610 / 2021 SLFRP0130 / 2021
Federal Agency:	Department of Treasury
Compliance Requirement:	Subrecipient Monitoring
Repeat Finding from Prior Audit?	Yes
Prior Audit Finding Number:	2024-005

NONCOMPLIANCE AND MATERIAL WEAKNESS

2 C.F.R. § 1000.10 gives regulatory effect to the Department of Treasury for 2. C.F.R. § 200.332, which establishes requirements over subawards for pass-through entities and states:

All pass-through entities must:

...

(e) Monitor the activities of a subrecipient as necessary to ensure that the subrecipient complies with Federal statutes, regulations, and the terms and conditions of the subaward. The pass-through entity is responsible for monitoring the overall performance of a subrecipient to ensure that the goals and objectives of the subaward are achieved. In monitoring a subrecipient, a pass-through entity must:

(1) Review financial and performance reports.

**STATE OF OHIO
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OHIO DEPARTMENT OF DEVELOPMENT

2. CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS – SUBRECIPIENT MONITORING (Continued)

(2) Ensure that the subrecipient takes corrective action on all significant developments that negatively affect the subaward. Significant developments include Single Audit findings related to the subaward, other audit findings, site visits, and written notifications from a subrecipient of adverse conditions which will impact their ability to meet the milestones or the objectives of a subaward. When significant developments negatively impact the subaward, a subrecipient must provide the pass-through entity with information on their plan for corrective action and any assistance needed to resolve the situation.

...

It is management's responsibility to design and implement internal control procedures over subrecipient monitoring to ensure federal funds are being spent for allowable purposes and in accordance with program requirements. It is also management's responsibility to monitor these control procedures to ensure they are operating effectively and as intended.

During state fiscal year 2025, the Department expended approximately \$389.5 million in subawards to SLFRF subrecipients. The Department created several subprograms for various development and community-related activities as part of the SLFRF program. The subrecipients of these subprograms were required to submit a quarterly program report which includes data on projects funded, expenditures, contracts, and subawards equal to or greater than \$50,000, to the Department through the Salesforce System. The Department's Community Services Division oversees the Water Sewer Quality program and did not obtain the required quarterly program reports 13 out of 23 (56.5%) subrecipients selected for testing. Further, the Community Services Division did not have a process in place to follow-up with its subrecipients to obtain the missing program reports for a majority of the audit period [until April 2025].

Without adequate procedures in place to collect program reports from subrecipients to monitor compliance with federal statutes, laws, and regulations, there is an increased risk subrecipients may misuse federal funds for unauthorized purposes. This could lead to fines, penalties, or repayment of program funds being imposed by the federal grantor agency. Based on discussions with management, the lapse in monitoring was caused by employee turnover, slowing the monitoring of subrecipient's report submissions.

We recommend the Department develop and re-evaluate its internal control procedures to ensure all subprograms and subrecipients are adequately monitored for program compliance. We also recommend the Department evaluate existing control procedures to reasonably ensure the quarterly program reports submitted through the Salesforce System are timely, accurate, and complete. These procedures should be adequately documented and maintained to ensure the internal controls are in place and operating as management intended. Management should periodically monitor these procedures to ensure they are working as intended.

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OHIO DEPARTMENT OF DEVELOPMENT

3. CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS – REPORTING

Finding Number:	2025-005
State Agency Number:	DEV-03
Assistance Listing Number and Title:	21.027 COVID-19 – Coronavirus State and Local Fiscal Recovery Funds (SLFRF)
Federal Award Identification Numbers / Years:	SLFRP2610 / 2021 SLFRP0130 / 2021
Federal Agency:	Department of Treasury
Compliance Requirement:	Reporting
Repeat Finding from Prior Audit?	Yes
Prior Audit Finding Number:	2024-006

NONCOMPLIANCE AND MATERIAL WEAKNESS

31 C.F.R. § 35.4(c) related to reporting for pandemic relief funds states, in part,

Reporting and requests for other information. During the period of performance, recipients shall provide to the Secretary periodic reports providing detailed accounting of the uses of funds, modifications to a State or Territory's tax revenue sources, and such other information as the Secretary may require for administration of this section. In addition to regular reporting requirements, the Secretary may request other additional information as may be necessary or appropriate, including as may be necessary to prevent evasions of the requirements of this subpart. . . .

It is management's responsibility to design and implement control policies and procedures to reasonably ensure the federal reports they submit are accurate, complete, and in compliance with program requirements. Management is also responsible for ensuring internal controls over reporting are operating effectively and as intended.

During state fiscal year 2025, the Department expended approximately \$510.2 million in SLFRF program expenditures. To facilitate this spending, the Department created several subprograms for various development and community-related activities which are administered by various divisions/offices within the Department. During the audit period, the Department was responsible for compiling SLFRF program activity for these subprograms and submitting it to the Ohio Office of Budget and Management (OBM) which compiled and submitted the quarterly Performance and Expenditure Reports to the Department of Treasury on behalf of the State of Ohio for all SLFRF activities. The Department's Community Services Division was responsible for compiling and submitting the Water Sewer Quality subprogram's quarterly Performance and Expenditure Reports. The Department's Governor's Office of Appalachia contracted with a vendor to compile the reports for the ARPA Appalachian Community Grants subprogram and the Department's Finance Division submitted it to OBM. All other SLFRF subprogram reports were compiled and submitted by the Department's Finance Division. Prior to submission, each report goes through a multilevel review and certification process at the Department to ensure program descriptions, narratives, and amounts are accurate and align with federal expenditure categories. However, four of 11 (36.4%) quarterly Project and Expenditure Reports selected for testing were not mathematically accurate and did not agree to support used in the reports submitted to OBM.

Failure to accurately report financial and programmatic information submitted to the federal grantor agency could result in federal funds being reduced, taken away, or other sanctions imposed by the federal grantor agency. Based on discussions with management, the reporting issues identified were caused by employee turnover experienced during the audit period.

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OHIO DEPARTMENT OF DEVELOPMENT

3. CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS – REPORTING (Continued)

We recommend the Department evaluate and strengthen internal controls over its reporting process to reasonably ensure the information presented in the quarterly Performance and Expenditure Reports is current, accurate, and complete and agrees to support prior to submission to OBM. Management should periodically monitor these procedures to ensure they are working as intended. Lastly, we recommend the Department cross train employees so in the event of turnover or extended leave, the reporting process can continue without disruption or delays.

4. LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM – REPORTING

Finding Number:	2025-006
State Agency Number:	DEV-04
Assistance Listing Number and Title:	93.568 Low-Income Home Energy Assistance Program (LIHEAP)
Federal Award Identification Numbers / Years:	2401OHLIEI / 2024 2401OHLIEA / 2024
Federal Agency:	Department of Health and Human Services
Compliance Requirement:	Reporting
Repeat Finding from Prior Audit?	No

NONCOMPLIANCE AND MATERIAL WEAKNESS

45 C.F.R. § 96.30 (b) states, in part:

. . . After the close of each statutory period for the obligation of block grant funds and after the close of each statutory period for the expenditure of block grant funds, each grantee shall report to the Department:

- (i) Total funds obligated and total funds expended by the grantee during the applicable statutory periods; and
- (ii) The date of the last obligation and the date of the last expenditure.

State recipients are required to submit the LIHEAP Performance Data Form, an annual report in response to Section 2610(b) of the LIHEAP statute (42 U.S.C. § 8629(b)). The LIHEAP Performance Data Form consists of the following modules:

- Module 1 (Grant Recipient Survey) collects LIHEAP data on sources and uses of funds, average benefits, and maximum income cutoffs for four-person households for each type of LIHEAP assistance provided . . .
- Module 2 (Performance Measures) collects LIHEAP data on energy burden targeting, the restoration of home energy service, and the prevention of loss of home energy . . .
- Module 3 (Optional Performance Measures) allows state LIHEAP grant recipients . . . to voluntarily report additional LIHEAP data on energy burden targeting, the restoration of home energy service, and the prevention of loss of home energy service . . .

It is management's responsibility to implement control policies and procedures to reasonably ensure federal reports submitted are accurate, complete, and in compliance with program requirements. It is imperative management maintain the underlying data and related program documentation used to prepare and support these reports.

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OHIO DEPARTMENT OF DEVELOPMENT

4. LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM – REPORTING (Continued)

The Department's Finance Division is responsible for preparing and submitting the SF-425 Federal Financial Reports for the LIHEAP program. Although the Finance Division has controls in place over the compilation and approval of the SF-425 Financial Reports, two of three (67.7%) SF-425 reports erroneously included three additional months of financial transactions past the reporting period end date. The inclusion of the additional data resulted in mathematical inaccuracies throughout both reports.

Additionally, the Department's Office of Community Assistance is responsible for preparing and submitting the LIHEAP Performance Data Form to HHS. Although the Office of Community Assistance has controls in place over the preparation and approval of the LIHEAP Performance Data Form, the form was not mathematically accurate and did not trace to supporting documentation. The Office of Community Assistance understated the All Funds Carried Over from Previous Federal Fiscal Years amount by \$5,994,888. The amount was reported as \$4,380,858, but should have been reported as \$10,375,746.

Reporting inaccurate and/or incomplete information could subject the Department to federal sanctions, limiting the amount of funding for program activities. This also increases the risk that those using these reports could be relying on inaccurate information. Based on discussion with management, the inaccurate reporting was caused by management oversight when compiling these reports.

We recommend the Department re-evaluate and strengthen existing internal control procedures or implement additional procedures, as necessary, to provide management reasonable assurance that the financial information and/or performance data being reported to the federal government is accurate and traces to supporting documentation. Management should periodically review these procedures to ensure they are operating as intended.

5. LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM – TRANSPARENCY ACT REPORTING

Finding Number:	2025-007
State Agency Number:	DEV-05
Assistance Listing Number and Title:	93.568 Low-Income Home Energy Assistance Program (LIHEAP)
Federal Award Identification Numbers / Years:	2301OHLIEE / 2023
	2401OHLIEE / 2024
	2401OHLIEA / 2024
	2501OHLIEA / 2025
Federal Agency:	Department of Health and Human Services
Compliance Requirement:	Reporting
Repeat Finding from Prior Audit?	Yes
Prior Audit Finding Number:	2024-003

NONCOMPLIANCE AND MATERIAL WEAKNESS

The Federal Funding Accountability and Transparency Act (Pub. L. No. 109-282, as amended by Section 6202 of Public Law 110-252, hereafter referred as the "Transparency Act" that are codified in 2 C.F.R. Part 170) requires prime recipients of federal awards who make first-tier subawards to report the subaward on the Federal Funding Accountability and Transparency Subaward Reporting System (FSRS portal or SAM.gov) website maintained by the federal Office of Management and Budget. Under the requirements of 2 C.F.R. Part 170, recipients (i.e., direct recipients) of grants or cooperative agreements are required to report first-tier subawards of \$30,000 or more on the FSRS portal or SAM.gov website. Prime recipients

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OHIO DEPARTMENT OF DEVELOPMENT

**5. LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM – TRANSPARENCY ACT REPORTING
(Continued)**

must report by the end of the month following the month in which the obligation is made. It is management's responsibility to design and implement internal controls to reasonably ensure compliance with laws and regulations and to ensure management's objectives are achieved.

The State of Ohio is considered the prime recipient for federal funds applicable to Transparency Act reporting and the state agencies receiving these federal funds are expected to report the subawards obligated in accordance with the Transparency Act. During the audit period, the Department obligated approximately \$120.5 million for 293 LIHEAP first-tier subawards that exceeded \$30,000 and were required to be reported on the FSRs portal or SAM.gov website in accordance with the Transparency Act. The Department's Finance Division manages the Transparency Act reporting for all applicable programs. Monthly, the Finance Division obtains information about the subgrants required to be reported or updated on the FSRs portal or SAM.gov website from an automated monthly encumbrance report. Once prepared, the identified subawards are entered into the FSRs portal or SAM.gov website, the month following the obligation date of the subaward. Each month the Finance Division reconciles the subawards reported to the Department's internal reports to ensure accuracy, completeness, and timeliness of subawards reported. Although the Department had various controls in place over the Transparency Act reporting, the following errors were noted:

<i>Transactions Tested</i>	<i>Subaward not reported</i>	<i>Report not timely</i>	<i>Subaward amount incorrect</i>	<i>Subaward missing key elements</i>
45	15	45	0	16
<i>Dollar Amount of Tested Transactions</i>	<i>Subaward not reported</i>	<i>Report not timely</i>	<i>Subaward amount incorrect</i>	<i>Subaward missing key elements</i>
\$16,858,197	\$4,152,190	\$16,858,197	\$0	\$4,383,851

By not complying with Federal Transparency Act reporting requirements, the Department risks federal funding being reduced, taken away, or other sanctions imposed by the federal grantor agency. If the subawards are not reported accurately and timely within FSRs portal or SAM.gov website, the risk exists that those using the Transparency Reports could be relying on inaccurate information. Based on discussions with management, this was caused by difficulties experienced when transitioning the transparency act reporting to SAM.gov and staffing shortages within the Department.

We recommend the Department continues to evaluate its internal controls over the SAM.gov reporting process [as of March 8, 2025] by collecting and reporting complete, accurate, and timely information regarding the subawards subject to the Transparency Act. We also recommend the Department cross-train employees over the LIHEAP Transparency Act reporting process to ensure the SAM.gov reporting can be performed by various personnel during vacations or with employee turnover. Management should periodically review these procedures to ensure they promote compliance with federal regulations and are operating as intended.

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OHIO DEPARTMENT OF EDUCATION AND WORKFORCE

1. SUMMER EBT – INELIGIBLE STUDENTS

Finding Number:	2025-008
State Agency Number:	DEW-01
Assistance Listing Number and Title:	10.646 – Summer Electronic Benefits Transfer Program for Children (Summer EBT)
Federal Award Identification Numbers / Years:	242OH102N1175 / 2024 252OH102N1175 / 2025
Federal Agency:	Department of Agriculture
Compliance Requirement:	Eligibility
Repeat Finding from Prior Audit?	No

QUESTIONED COSTS, NONCOMPLIANCE, AND MATERIAL WEAKNESS

7 C.F.R. 292.5, General purpose and scope, states in part:

- (a) Summer EBT eligibility is based on the eligibility standards for the NSLP/SBP [National School Lunch Program/School Breakfast Program], which includes children who are income eligible for free or reduced-price school meals based on income . . . and in accordance with the household size and income standards for free and reduced price school meals, and children who are categorically eligible. . . .
- (b) The Income Eligibility Guidelines are published annually and change on July 1. The guidelines in effect on the date of application must be used to determine eligibility.

7 C.F.R. 292.6, Eligibility states, in part:

Children eligible for Summer EBT include those who, at any time during the period of eligibility, are:

- (a) School-aged and categorically eligible.
- (b) Enrolled in an NSLP/SBP-participating school, except for special provision schools, and:
 - (1) Categorically eligible;
 - (2) Meet requirements to receive free or reduced price meals . . .
 - (3) Otherwise are determined eligible to receive a free or reduced price meal; or
 - (4) Determined eligible through a Summer EBT application, consistent with § 292.13.
- (c) Enrolled in a special provision school, and:
 - (1) Categorically eligible;
 - (2) Otherwise meet the requirements to receive free or reduced price meals at § 292.5(a), as determined through an NSLP/SBP application; or
 - (3) Determined eligible through a Summer EBT application, consistent with § 292.13

The Summer EBT 2025 iPOM [Interim Plan for Operations Management] and POM Template states, in part:

6. Eligibility

. . .

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OHIO DEPARTMENT OF EDUCATION AND WORKFORCE

1. SUMMER EBT – INELIGIBLE STUDENTS (Continued)

- 6.3. For the purposes of streamline certifying children without matching to NSLP enrollment lists, provide the State's legal ages of compulsory school enrollment . . .

Minimum age: 6
Maximum age: 18

Applications/systems must be properly designed to achieve the business and IT goals of the organization. External factors affecting eligibility must be appropriately considered and properly evaluated to ensure eligibility for benefits is properly determined, and appropriate updates to eligibility are made when applicable. Data integrity in transit provides assurance that data remains complete, accurate, consistent, and unaltered while moving between systems. Data Integrity in transit controls such as cryptographic hashes, control totals, and checksums provide assurance that data sent from one system arrives at the destination completely, unchanged, and uncorrupted.

During the audit period, the Ohio Department of Job and Family Services (JFS), as the prime recipient of the Summer EBT program, disbursed approximately \$265.7 million in program benefits on behalf of eligible students. The Summer EBT program provides benefits to children who lose access to free and reduced-price meals through NSLP and SBP during the summer when school is not in session. The application process for Summer EBT benefits includes the completion and filing of an application form, verification of student enrollment, and verification of household income upon request. In addition to using information supplied by the household, the Summer EBT program may use data from other state agencies to verify the household's identity, income, and other eligibility criteria. The State of Ohio uses a multi-agency approach for identifying eligible students of the Summer EBT program by obtaining and consolidating eligibility data for the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and Medicaid programs to assist in determining a child's eligibility for benefits based on participation in these other federal programs and an application is not required.

SNAP and TANF eligibility data from the State's eligibility determination system, Ohio Benefits, is provided to the Ohio Department of Education and Workforce's (the Department or DEW) Management Council (MC) in one data file prepared by a JFS vendor and additional files are provided throughout the audit period containing newly eligible students. NSLP/SBP free and reduced-price list data is sent to the MC by the school districts, in which the School IT Consortiums and Education Management Information System assist these schools in compiling and maintaining the data. Then the Ohio Department of Medicaid (MCD) compiles the Medicaid eligibility data, consisting of income and parental data, and demographic data from the Medicaid Information Technology System, Ohio Benefits, and the Member Months data mart and provides the Summer EBT dataset to the MC. The MC is responsible for combining these data files for every student, sorting the information by student name and program and identifying the student's eligibility for the 2025 Summer EBT program by the following order: (1) SNAP, (2) TANF, (3) NSLP/SBP, (4) Medicaid, and (5) new application. However, for the 2024 Summer EBT program, the NSLP/SBP and Medicaid programs were reversed. If a student is listed multiple times (e.g., first name, last name, gender, and date of birth all agree), duplicates listed in the lower-level source of data will be removed (i.e., if eligible for (1) SNAP, any eligibility record for TANF, NSLP/SBP, or Medicaid, etc. will be removed. Although JFS, DEW, and MCD had controls in place to review program eligibility, the following items were noted:

- Data Integrity in transit controls were not in place to help ensure the accuracy, completeness, and integrity of eligibility data provided to the MC by JFS or MCD via the secure file transfer protocol.
- DEW's MC had controls in place to review and verify the student data submitted by the local school districts to ensure the total student count and the number of eligible students submitted were accurate and complete, however, as indicated by the issues noted below, these controls were not operating effectively.

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OHIO DEPARTMENT OF EDUCATION AND WORKFORCE

1. SUMMER EBT – INELIGIBLE STUDENTS (Continued)

- A school district inadvertently certified every enrolled student as eligible to receive Summer EBT benefits during state fiscal year 2025. After notifying DEW of this issue, the Department identified two additional school districts had also certified every student as eligible for the program. In total 5,349 students from these three school districts, totaling \$641,880, were issued a Summer EBT card. JFS was able to successfully recoup \$367,423 in ineligible funding and the remaining \$274,457 had already been spent and therefore unrecoverable. JFS took action to mitigate the impact of the over issuance of funding and made arrangements with Food and Nutrition Services to repay the amounts incorrectly issued.
- For seven of 44 (15.9%) students selected for eligibility testing, the students were deemed eligible for Summer EBT benefits based on data provided by MCD; however, these students did not meet the school-age requirements of six to 18 years of age to qualify for benefits. All seven students were five years old and did not qualify for the NSLP/SBP free or reduced price lunch as of the end of the 2024 Summer EBT program. Upon further inquiry, it was determined this issue was isolated to payments made in September 2024 and for students deemed eligible based on the MCD data in which students younger than six years old were included in the data set. As such, there were 54,226 students who received 2024 Summer EBT benefits in September 2024 that did not meet the school-age requirement of six years of age resulting in questioned costs totaling \$6,511,920.
- For one of 44 (2.3%) students selected for eligibility testing, the student was not eligible for SNAP, TANF, NSLP/SBP, or Medicaid and should not have received any Summer EBT benefits. Upon further investigation, it was determined the student did not utilize the Summer EBT card and the funding expired. Students have 122 days to utilize the Summer EBT benefits and JFS removes the remaining funds from the card after 122 days. As such, we will not be questioning costs since the Summer EBT benefits were not used.

By not providing data integrity in transit controls, there is an increased risk of unauthorized changes to data, loss or corruption of data, and the overall integrity of the data while moving between systems. Overpayments to or on behalf of ineligible students may subject the State to penalties or sanctions which may jeopardize future funding and limit its ability to fulfill program requirements to provide benefits to those in need. Based on discussions with the various state agencies, these data integrity issues were caused by an oversight. The Department received data from the school districts which included current enrollment, students who withdrew or registered but never attended which impacted the count of students and increased the risk of not identifying errors before deeming students eligible for the Summer EBT program. The eligibility issues were caused by the school district not being aware of or understanding the end date for the summer operational period and the Medicaid data set not being restricted to individuals meeting the school-age requirements of six to 18 years old for the applicable Summer EBT program.

We recommend the Departments responsible for transferring eligibility data to develop and implement data integrity in transit controls to ensure the validation and completeness of data and to identify any unauthorized changes, loss, or corruption of data. These data integrity in transit controls could be completed through an automated validation script or system functions to verify completeness of the data. We recommend the Department and MC reinforce the eligibility requirements of the Summer EBT program to the partner agencies to ensure only school-age students are included in the data provided to the MC.

We also recommend the Departments re-evaluate internal controls over the Summer EBT program's eligibility determinations to ensure only eligible students are receiving benefits. These procedures should include the MC verifying the accuracy and completeness of student data submitted by the local school districts prior to disbursing the Summer EBT benefits. Also, DEW/the MC should regularly communicate the eligibility requirements to the school districts and expand the data fields to include the date each student was determined eligible for NSLP/SBP to help ensure only eligible students are approved to receive Summer EBT benefits.

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OHIO DEPARTMENT OF EDUCATION AND WORKFORCE

2. CHILD NUTRITION CLUSTER – TRANSPARENCY ACT REPORTING

Finding Number:	2025-009
State Agency Number:	DEW-02
Assistance Listing Numbers and Titles:	10.553 School Breakfast Program 10.555 National School Lunch Program 10.556 Special Milk Program for Children 10.559 Summer Food Service Program for Children 10.582 Fresh Fruit and Vegetable Program
Federal Award Identification Numbers / Years:	242OH062N1099 / 2024 242OH062N1199 / 2024 252OH062N1099 / 2025 252OH062N1199 / 2025
Federal Agency:	Department of Agriculture
Compliance Requirement:	Reporting
Repeat Finding from Prior Audit?	Yes
Prior Audit Finding Number:	2024-010

NONCOMPLIANCE AND MATERIAL WEAKNESS

The Federal Funding Accountability and Transparency Act (Pub. L. No. 109-282, as amended by Section 6202 of Public Law 110-252, hereafter referred as the “Transparency Act” that are codified in 2 C.F.R. Part 170) requires prime recipients of federal awards who make first-tier subawards to report the subaward on the Federal Funding Accountability and Transparency Subaward Reporting System (FSRS portal or SAM.gov) website maintained by the federal Office of Management and Budget. Under the requirements of 2 C.F.R. Part 170, recipients (i.e., direct recipients) of grants or cooperative agreements are required to report first-tier subawards of \$30,000 or more on the FSRS portal or SAM.gov website. Prime recipients must report by the end of the month following the month in which the obligation is made. It is management’s responsibility to design and implement internal controls to reasonably ensure compliance with laws and regulations and to ensure management’s objectives are achieved.

The State of Ohio is considered the prime recipient for federal funds applicable to Transparency Act reporting and the state agencies receiving these federal funds are expected to report the subawards obligated in accordance with the Transparency Act. During the audit period, the Ohio Department of Education and Workforce (the Department) disbursed approximately \$692.6 million to 1,156 subrecipients for the Child Nutrition Cluster whose reimbursements were required to be reported on the FSRS portal or SAM.gov website in accordance with the Transparency Act. The Child Nutrition Cluster is an entitlement grant as opposed to a subaward, as a result, funds are not obligated in the same manner as subawards. The Department developed a new process for collecting the grant information to be reported; however, the new process was not implemented during the audit period. Consequently, the Department had no control procedures in place to ensure the Child Nutrition Cluster’s payments were accurately entered into the FSRS or SAM.gov website for the School Breakfast Program and National School Lunch Program. As a result, the following errors were noted:

School Breakfast Program

<i>Transactions tested</i>	<i>Subaward not reported</i>	<i>Report not timely</i>	<i>Subaward amount incorrect</i>	<i>Subaward missing key elements</i>
1,057	1,057	0	0	0

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OHIO DEPARTMENT OF EDUCATION AND WORKFORCE

2. CHILD NUTRITION CLUSTER – TRANSPARENCY ACT REPORTING (Continued)

School Breakfast Program (continued)

<i>Dollar amount of tested transactions</i>	<i>Subaward not reported</i>	<i>Report not timely</i>	<i>Subaward amount incorrect</i>	<i>Subaward missing key elements</i>
\$180,668,373	\$180,668,373	\$0	\$0	\$0

National School Lunch Program

<i>Transactions tested</i>	<i>Subaward not reported</i>	<i>Report not timely</i>	<i>Subaward amount incorrect</i>	<i>Subaward missing key elements</i>
1,156	1,156	0	0	0
<i>Dollar amount of tested transactions</i>	<i>Subaward not reported</i>	<i>Report not timely</i>	<i>Subaward amount incorrect</i>	<i>Subaward missing key elements</i>
\$511,909,695	\$511,909,695	\$0	\$0	\$0

A lack of effective internal controls over the preparation and review of reports increases the risk of these reports being inaccurate and incomplete when submitted to the federal grantor agency. By not complying with federal Transparency Act reporting requirements, the Department risks federal funding being reduced, taken away, or other sanctions imposed by the federal grantor agency. If the payments are not reported within FSRS portal or SAM.gov website, the risk exists that those using the Transparency Reports could be relying on inaccurate information. Based on discussions with management, this was caused by the necessity to review the information available and determine what data should be reported as part of the Transparency Act Reporting requirements. Also, there were delays in getting access to the FSRS portal and SAM.gov and missing several unique entity identifiers for many of the subrecipients.

We recommend the Department design and implement internal controls over its Transparency Act reporting to ensure the accuracy and completeness of expenditures entered on the SAM.gov website [as of March 8, 2025] for every program within the Child Nutrition Cluster. These procedures should include a supervisory review of the report information collected before it is submitted within the SAM.gov website. Management should periodically review these control procedures to ensure they are operating as intended.

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OHIO ENVIRONMENTAL PROTECTION AGENCY

1. CWSRF & DWSRF – LOAN PAYMENT MONITORING

Finding Number:	2025-010
State Agency Number:	EPA-01
Assistance Listing Numbers and Titles:	66.458 Clean Water State Revolving Fund (CWSRF) 66.468 Drinking Water State Revolving Fund (DWSRF)
Federal Award Identification Numbers / Years:	DWSRF 98595421 / 2021 DWSRF 00E03243 / 2022 DWSRF 00E03332 / 2022 DWSRF 01E03243 / 2023 DWSRF 01E03332 / 2023 DWSRF 02E03246 / 2024 DWSRF 98595424 / 2024 CWSRF 00E03331 / 2022 CWSRF 01E03331 / 2023 CWSRF 02E03345 / 2024 CWSRF 00E03345 / 2024
Federal Agency:	Environmental Protection Agency
Compliance Requirements:	Activities Allowed or Unallowed, Allowable Costs / Cost Principles, Cash Management, Matching, Level of Effort, Earmarking and Period of Performance
Repeat Finding from Prior Audit?	Yes
Prior Audit Finding Number:	2024-011

MATERIAL WEAKNESS

It is management's responsibility to design and implement an internal control structure capable of providing reasonable assurance that objectives are being achieved. As the prime recipient of federal funds awarded through the CWSRF and DWSRF programs, the Agency must implement internal controls that reasonably ensure amounts paid to borrowers (usually local government agencies), through the Ohio Water Development Authority (OWDA), are processed accurately, completely, and in compliance with the applicable federal laws and regulations.

During the audit period, the Agency expended approximately \$156.9 million in federal funds for the CWSRF program and approximately \$125.1 million in federal funds for the DWSRF program to borrowers, providing low interest financing for costs associated with the planning, design, and construction of eligible clean and drinking water projects and activities to protect human health. Ohio Rev. Code (ORC) § 6111.036 requires the Agency and OWDA to share responsibility for the management of the program. An interagency agreement between the Agency and OWDA establishes the responsibilities to be performed by each agency, including assigning OWDA the authority to make payments to program recipients in accordance with the approved loan agreement and the disbursement protocol. Prior to providing funding for a project, the Agency enters into a loan agreement with the borrower and prepares a disbursement protocol agreement, which establishes the eligible costs and source of funds for the project. After receiving invoices for construction projects, the borrower completes the electronic Fund Payment Request form (FPR) via OWDA's website. OWDA reviews the FPR for reasonableness and compliance with the loan agreement, approves the FPR, disburses the

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OHIO ENVIRONMENTAL PROTECTION AGENCY

1. CWSRF & DWSRF – LOAN PAYMENT MONITORING (Continued)

funds to the borrower, and forwards the documentation to the Agency. Agency coordinators review the documentation to ensure the disbursement was allowable under the grant requirements and saves a copy of the FPR and supporting documentation in the Assistance Information Management System (AIMS). Although the Agency maintains a written procedure stating this review should be performed within 45 days of the disbursement made by OWDA and should be performed for 70% of the disbursement vouchers it appears the written procedure was inconsistently applied and the following items were noted:

- For three of four (75%) quarters selected for testing, the Agency did not maintain evidence that management was monitoring procedures to ensure 70% of disbursement voucher reviews were completed.
- For 11 of 60 (18.3%) CWSRF disbursements selected for testing, the disbursements were not reviewed within 45 days in AIMS; the disbursements were reviewed three to 192 days after payment, averaging 35 days late.
- For ten of 60 (16.7%) DWSRF disbursements selected for testing, the disbursements were not reviewed within 45 days in AIMS; the disbursements were reviewed 12 to 146 days after payment, averaging 64 days late.

Additionally, the Agency completes quarterly reconciliations over CWSRF and DWSRF program revenues and expenditure activity, by examining internal records maintained for disbursements, transfers, and grant balances, OWDA records, and bank statements. The completed reconciliation spreadsheet is reviewed and approved by the Agency's Chief Financial Officer. Although the Agency completed the quarterly reconciliations during the audit period, four of eight (50%) reconciliations tested for both programs were not completed and reviewed timely, ranging from three days to 135 days after the end of the quarter, for an average of 70 days.

Without performing timely reviews of invoices and FPRs submitted for reimbursement by the borrower or performing other monitoring activities, the Agency cannot be reasonably assured OWDA's review process ensured payments made to borrowers were accurate and for allowable activities. If the Agency does not perform timely reviews, there is an increased risk that noncompliance will not be identified in a timely manner. As a result, there is a risk federal funding will be reduced or withdrawn, or other sanctions will be imposed by the federal grantor agency. Additionally, without performing timely reconciliations between the Agency's internal records and bank statements and subsequently investigating and resolving any significant differences noted, there is an increased risk that decisions are based off miscoded or inaccurate account balances. Through discussions with management, the Agency did not implement any monitoring tools until after the prior year comment was communicated. The Agency also updated its policies and procedures, but these policies did not reflect the process followed by Agency personnel.

We recommend management evaluate existing policies regarding disbursement reviews and reconciliations and update them as necessary, to ensure the monitoring procedures performed match up to what is documented in their policy manual. Management should evaluate the transactions processed to identify areas of risk and other relevant criteria when designing the procedures regarding the Agency's review of invoices received from OWDA. We also recommend management implement periodic monitoring procedures to ensure the disbursement review and reconciliation procedures are performed timely, consistently, and accurately.

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OHIO ENVIRONMENTAL PROTECTION AGENCY

1. CWSRF & DWSRF – LOAN PAYMENT MONITORING (Continued)

Auditor of State Conclusion:

The response to this finding included within the State of Ohio Corrective Action Plan indicated the Agency disagreed as internal policies were followed as intended and appropriate controls were in place as of May 2025 which required an Auditor of State Conclusion.

The Agency's internal policy states, in part: "DEFA-OFA [Division of Environmental and Financial Assistance (DEFA) – Office of Financial Administration (OFA)] staff monitors these disbursements by performing a review of 70% of the disbursement vouchers for compliance with program requirements." Furthermore, the internal policy states, in part: "Timely review is to be performed within 45 days of receipt [60 days of receipt beginning June 2025]". The Agency did not maintain documentation for three of four quarters, evidencing over 70% of all disbursement vouchers received in 2025 were reviewed within 45 days. Therefore, this finding remains as stated above.

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OHIO DEPARTMENT OF JOB AND FAMILY SERVICES

1. UNEMPLOYMENT INSURANCE – IMPROPER PAYMENTS

Finding Number:	2025-011
State Agency Number:	JFS-01
Assistance Listing Number and Title:	17.225 – Unemployment Insurance
Federal Award Identification Numbers / Years:	UI-37243-22-55-A-39 / 2022
	UI-39342-23-55-A-39 / 2023
	24-A-55-UI000039 / 2024
	25-A-55-UI000070 / 2025
Federal Agency:	Department of Labor
Compliance Requirements:	Activities Allowed or Unallowed, Allowable Costs/Costs Principles, Eligibility
Repeat Finding from Prior Audit?	No

QUESTIONED COSTS

2 C.F.R. § 2900.4 gives regulatory effect to the Department of Labor (DOL) for 2 C.F.R. § 200.1 which states, in part:

Improper payment means a payment that should not have been made or that was made in an incorrect amount under statutory, contractual, administrative, or other legally applicable requirements. The term improper payment includes: any payment to an ineligible recipient; any payment for an ineligible good or service; any duplicate payment; any payment for a good or service not received, except for those payments where authorized by law; any payment that is not authorized by law; and any payment that does not account for credit for applicable discounts. . . .

Ohio Rev. Code (ORC) § 4141.28 states, in part:

. . .

(B) APPLICATION FOR DETERMINATION OF BENEFIT RIGHTS

. . . An individual filing an application for determination of benefit rights shall furnish proof of identity at the time of filing in the manner prescribed by the director.

. . .

ORC § 4141.29 states, in part:

. . .

(A) No individual is entitled to a waiting period or benefits for any week unless the individual:

. . .

(4)(a)(i) Is able to work and available for suitable work and, except as provided in division (A)(4)(a)(ii) or (iii) of this section, is actively seeking suitable work either in a locality in which the individual has earned wages subject to this chapter during the individual's base period, or if the individual leaves that locality, then in a locality where suitable work normally is performed.

. . .

ORC § 4141.30 states, in part:

. . .

(B) With the exceptions in division (B)(4) of this section, benefits are payable to each eligible and qualified individual on account of each week of involuntary total unemployment after the specified waiting period at the weekly benefit amount determined by:

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OHIO DEPARTMENT OF JOB AND FAMILY SERVICES

1. UNEMPLOYMENT INSURANCE – IMPROPER PAYMENTS (Continued)

- (1) Computing the individual's average weekly wage as defined in division (O)(2) of section 4141.01 of the Revised Code;
- (2) Determining the individual's dependency class under division (E) of this section;
- (3) Computing the individual's weekly benefit amount to be fifty percent of the individual's average weekly wage except, that the individual's weekly benefit amount shall not exceed the maximum amount shown for the individual's dependency class...

...

The federal government established rules, regulations, and requirements related to eligibility, benefit amounts and timing, monitoring responsibilities, etc. regarding Unemployment benefits. It is management's responsibility to implement controls, processes, and procedures to provide reasonable assurance over the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with these rules, regulations, and requirements.

During state fiscal year 2025, the Department disbursed approximately \$950.9 million in unemployment benefits through the Ohio Job Insurance (OJI) benefit system. Eligibility for unemployment benefits was determined within OJI based upon requirements outlined in state and/or federal laws. Weekly, claimants confirmed their unemployment status and completed the required work search activities. If the claimant's benefit payment was flagged, an adjudicator performed an additional review and requested fact-finding information for either monetary or nonmonetary issues. The claimant continued to receive weekly benefit payments until the adjudicator investigated the issue and confirmed the claimant's status. If an issue was suspected of fraud, the issue was routed to the Department's Benefit Payment Control section to be investigated, adjudicated and, if applicable, an overpayment flag was created in OJI. The Department's policy, which is based on U.S. Department of Labor guidance, is to adjudicate possible fraud cases within 21 days or 90 days, depending on the circumstances of the case. Although the Department had various controls in place over regular unemployment benefit payments, the OJI system requires the Adjudicators to manually enter a significant amount of data into the system. To pay an unemployment benefit claim, the Adjudicators may have to clear multiple issues identified in the system before the claim can be paid. Furthermore, there are no alerts indicating when a pending issue prevents a claim from being paid which can result in significant delays in the payments to the claimants.

Additionally, these controls did not prevent or detect the following noncompliance errors, resulting in known questioned costs totaling \$3,274. The likely questioned costs would be in excess of \$25,000 and therefore required to be reported under 2 C.F.R. § 200.516:

- For two of 25 (8%) regular unemployment benefit claims identified in an OJI system data match as potential unemployment claims processed more than 30 days after the claimant's benefit year end, the claimant was not eligible to receive benefits for the weeks claimed, was overpaid, or was underpaid, as follows:
 - One claimant did not provide the necessary documents to prove their identity. The Claims Examiner cleared the identity verification issue in OJI; however, there is no documentation showing the claimant verified their identity. As a result, the claimant was overpaid benefits of \$2,988 during the audit period.
 - Due to an OJI system issue at the time the claim was filed, the claimant's dependency class designated did not agree with the information provided on the application. This resulted in an underpayment of \$143.

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OHIO DEPARTMENT OF JOB AND FAMILY SERVICES

1. UNEMPLOYMENT INSURANCE – IMPROPER PAYMENTS (Continued)

- For one of 25 (4%) regular unemployment benefit claims identified in an OJI system data match as potentially exceeding the maximum allowable amount, the claimant stated in the application a qualifying dependent. However, the Department denied the dependent without mailing an Eligibility notice to allow the claimant to prove the identity of the dependent. This resulted in the claimant potentially being underpaid \$124 for the week reviewed.
- For one of 60 (1.77%) regular unemployment benefit claims selected for testing, the claimant was not eligible to receive benefits for the week claimed per ORC 4141.29(A)(4)(a)(i). The claimant did not provide the necessary documents evidencing clearance to work, therefore, the claimant was ineligible for unemployment benefits. This resulted in an overpayment of \$286 to the claimant.

Without effective internal controls for the eligibility determination and benefit payment processes, including manual data entry or the lack of alerts indicating when a pending issue prevents a claim from being paid, there is an increased risk benefit payments will be inaccurate, unallowable, or eligibility determinations not being made in a timely manner. Overpayments to ineligible claimants may subject the Department to penalties or sanctions which may jeopardize future funding and limit its ability to fulfill program requirements to provide benefits to those in need. Based on discussions with management, these errors were due to oversight and system design flaws within OJI.

We recommend Department management:

- Evaluate and strengthen current internal control procedures over the Unemployment Insurance program to ensure claimants are eligible, receive the correct weekly benefits and system design flaws such as limiting manual data entry and developing alerts for pending issues that impact claims being paid timely. This should include evaluating the cause of the errors identified above and updating controls as necessary.
- Periodically monitor the established controls to determine if they are working effectively and as intended.
- Perform periodic reviews of the claimant files to reasonably ensure the information is properly maintained and accurately entered into the related systems.
- Evaluate underpayments, overpayments and/or payments to ineligible claimants and offset future benefits or seek reimbursement, where necessary.

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OHIO DEPARTMENT OF JOB AND FAMILY SERVICES

2. SNAP CLUSTER AND TANF – IEVS ALERTS

Finding Number:	2025-012
State Agency Number:	JFS-02
Assistance Listing Numbers and Titles:	10.551/10.561 – SNAP Cluster 93.558 – Temporary Assistance for Needy Families (TANF)
Federal Award Identification Numbers / Years:	232OH102S2514 / 2023 (SNAP Cluster) 232OH102S6018 / 2023 (SNAP Cluster) 242OH102S2514 / 2024 (SNAP Cluster) 242OH102S6018 / 2024 (SNAP Cluster) 252OH102S2514 / 2025 (SNAP Cluster) 252OH102S6018 / 2025 (SNAP Cluster) 2301OHTANF / 2023 (TANF) 2401OHTANF / 2024 (TANF) 2501OHTANF / 2025 (TANF)
Federal Agencies:	Department of Agriculture Department of Health and Human Services
Compliance Requirement:	Special Tests and Provisions – Income Eligibility Verification System
Repeat Finding from Prior Audit?	Yes
Prior Audit Finding Numbers:	2024-012

NONCOMPLIANCE AND MATERIAL WEAKNESS

7 C.F.R. § 272.8(c), states the following regarding the Supplemental Nutrition Assistance Program (SNAP) Cluster:

(1) State agency action on information items about recipient households shall include: (i) Review of the information and comparison of it to case record information; (ii) For all new or previously unverified information received, contact with the households and/or collateral contacts to resolve discrepancies as specified in §§ 273.2(f)(4)(iv) and 273.2 (f)(9)(iii) and (f)(9)(iv); and (iii) If discrepancies warrant reducing benefits or terminating eligibility, notices of adverse action.

(2) State agencies must initiate and pursue the actions on recipient households specified in paragraph (c)(1) of this section so that the actions are completed within 45 days of receipt of the information items. Actions may be completed later than 45 days from the receipt of information if:

- (A) The only reason that the actions cannot be completed is the nonreceipt of verification requested from collateral contacts; and
- (B) The actions are completed as specified in § 273.12 of this chapter when verification from a collateral contact is received or in conjunction with the next case action when such verification is not received, whichever is earlier.

(3) When the actions specified in paragraph (c)(1) of this section substantiate an over issuance, State agencies must establish and take actions on claims as specified in § 273.18 of this chapter.

(4) State agencies must use appropriate procedures to monitor the timeliness requirements in paragraph (c)(2) of this section.

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OHIO DEPARTMENT OF JOB AND FAMILY SERVICES

2. SNAP CLUSTER AND TANF – IEVS ALERTS (Continued)

45 C.F.R. § 205.56(a)(1)(iv) states the following regarding the Temporary Assistance for Needy Families (TANF) program:

For individuals who are recipients when the information is received or for whom a decision could not be made prior to authorization of benefits, the State agency shall within forty-five (45) days of its receipt, initiate a notice of case action or an entry in the case record that no case action is necessary, except that: Completion of action may be delayed beyond forty-five (45) days on no more than twenty (20) percent of the information items targeted for follow-up, if:

- (A) The reason that the action cannot be completed within forty-five (45) days is the nonreceipt of requested third-party verification; and
- (B) Action is completed promptly, when third party verification is received or at the next time eligibility is redetermined, whichever is earlier. If action is completed when eligibility is redetermined and third party verification has not been received, the State agency shall make its decision based on information provided by the recipient and any other information in its possession.

As the lead agency responsible for administering the SNAP Cluster and TANF federal programs for the State of Ohio, the Department is responsible for providing reasonable assurance that only eligible individuals receive assistance and documentation maintained is accurate, complete, and properly recorded in the Ohio Benefits system to ensure appropriate eligibility determinations. It is the Department's responsibility to implement sufficient controls, systems, processes, and procedures to reasonably ensure compliance with the rules and regulations associated with these programs and only eligible recipients receive benefits. When automated systems are utilized to perform certain functions related to this compliance requirement, management must ensure the system is properly designed and operating effectively. The Department is also responsible for overall program compliance and must have appropriate oversight and monitoring procedures in place to ensure those they rely on are operating in accordance with all expectations, guidelines, and requirements related to their tasks. As part of monitoring, the Department's Fraud Control Section conduct Fraud Triad Reviews, which in part include a review of 1) Income Eligibility Verification System (IEVS) processing timeliness, 2) proper verifications, 3) proper disposition coding and 4) random supervisory reviews. The Fraud Control Section also conducts random reviews of cases with an IEVS alert to ensure they were cleared properly and timely, as well as monitor the JFSR 4005, IEVS Monthly Summary Report to track completion of IEVS alerts and to identify counties that need technical assistance.

The SNAP Cluster and TANF federal programs are administered using a multi-agency approach: overall compliance and administration of the programs fall under the Department, and programming and administration of the State's eligibility determination computer system, Ohio Benefits, falls under the Ohio Department of Administrative Services (DAS). The Department also utilizes the 88 Ohio County Departments of Job and Family Services (counties) in the eligibility determination process to work with applicants, receive/enter eligibility documentation into the Ohio Benefits system, and follow up on alerts issued by the system.

The Ohio Benefits system was utilized for processing eligibility for the SNAP Cluster and TANF programs with total expenditures to recipients of approximately \$3.2 billion and \$210 million, respectively, during state fiscal year (SFY) 2025. The Ohio Benefits system contains the eligibility and benefit information/determinations for these programs, including the IEVS functionality which compares reported recipient income to income information maintained by outside data sources (Social Security Administration, Internal Revenue Service (IRS), etc.). Information that does not agree is communicated in the form of an Ohio Benefits system alert. The Ohio Benefits system then determines if the alert is a 'match' that requires action. The IEVS match, indicated by 'Yes' in the Ohio Benefits system, is forwarded to the appropriate

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2. SNAP CLUSTER AND TANF – IEVS ALERTS (Continued)

county agency for investigation and resolution. Each match has a defined due date, which is unique based on the priority level and other policy and process related factors. However, we noted the following weaknesses:

- **Volume of Alerts** – During SFY 2025, more than 16.9 million alerts (3.0 million IEVS alerts and 13.9 million non-IEVS alerts) were issued for all public assistance programs that utilize Ohio Benefits, including the SNAP Cluster and TANF programs. Alerts can be generated by Ohio Benefits via interface outputs/updates, batch outputs or other triggers within the system. However, the volume of incoming alerts being sent to the county caseworkers results in an increased workload and ineffective application of the alert process.
- **Caseworker Reliance/Training** – The current process relies heavily on the knowledge and judgement of county caseworkers in the eligibility process, including reviewing IEVS matches. The Department utilizes its monitoring of the JFSR 4005, IEVS Monthly Summary Report to better identify those county agencies which require additional training and technical assistance. The Department also continues to conduct statewide trainings and individual trainings for county agencies to assist them in working IEVS alerts/matches; however, these trainings are typically optional and/or attended by a representative of the county agency who is expected to relay the information to others.

Additionally, we noted the following noncompliance with federal regulations where IEVS alerts were not cleared timely.

- **Clearing Alerts** – While the Department has controls and procedures in place to review and monitor IEVS alerts and matches generated and processed by the Ohio Benefits system, there were instances when matches were not being completed by the county agencies in accordance with the required timeframes established in 7 C.F.R. § 272.8, and 45 C.F.R. § 205.56. Furthermore, an Ohio Benefits data file containing IEVS matches showed 202,334 of the 376,492 (53.7%) IEVS alerts sent to the county agencies during the audit period were not cleared within 45 days as required. The matches were cleared between one and 433 days beyond the 45-day requirement, for an average of 131 days late.

Failure to implement system enhancements timely, perform monitoring activities, mandate training for county caseworkers, and complete IEVS alerts within the established timeframes increases the risk benefits given to ineligible recipients or for inappropriate amounts will not be identified timely. This condition could adversely affect the Department's ability to comply with IEVS requirements for these federal programs which could result in federal sanctions or penalties. Based on discussions with management, this was caused by the Department's county administered approach, creating challenges to making training mandatory. Training is continued to be offered and made available to county personnel. Further, management indicated they continue to work with DAS to monitor the system and enhancements to ensure they meet the desired impact of clearing alerts in a timely manner, as well as reach out to county and state personnel to offer technical assistance. However, the high volume of alerts presents difficulties to the caseworkers.

We recommend Department management continue to work collectively with DAS to implement/update robust processes, procedures, and system controls to address the weaknesses associated with the IEVS process within the Ohio Benefits system. These changes/updates should include, but not be limited to:

- Including a more centralized evaluation of alert/match activity and/or better use of automated tools to vet and prioritize items requiring follow-up at the county level. This would allow Department level personnel to become more experienced and adept at identifying and investigating anomalies and help focus the resources of both Department and county personnel.

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OHIO DEPARTMENT OF JOB AND FAMILY SERVICES

2. SNAP CLUSTER AND TANF – IEVS ALERTS (Continued)

- Continuing to perform periodic and timely reviews of the JFSR 4005, IEVS Monthly Summary Report at the Department level to monitor the status and completion of IEVS matches, as well as identify areas of training for the counties. Such procedures should also include required monitoring by each County IEVS Coordinator or other supervisory personnel (through the eligibility system). The Department should clearly communicate the expectations for these monitoring procedures to the counties and implement procedures to ensure the counties are properly completing them, possibly as part of the Fraud Triad Reviews.
- Requiring mandatory IEVS training for all county agency employees who are entering the assistance group information into Ohio Benefits to help ensure proper and complete information is being collected, entered, and verified prior to an individual's eligibility determination being made. The Department should continue to provide this training initially to ensure all users are knowledgeable of the process, procedures, and impacts of the work they do. As changes occur to the rules/regulations, system, or process, detailed training should be required of all users on those changes.

We also recommend the Department continue to monitor the IEVS alert processing procedures guide for the matches issued by the Ohio Benefits system to ensure matches are properly documented within the system, worked within the proper timeframes, and proper verification documentation is obtained and maintained by the county agencies for resolved matches.

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OHIO DEPARTMENT OF MEDICAID

1. MEDICAID CLUSTER AND CHIP – INELIGIBLE RECIPIENTS

Finding Number:	2025-013
State Agency Number:	MCD-01
Assistance Listing Numbers and Titles:	93.767 – Children’s Health Insurance Program (CHIP) 93.767 COVID 19 – CHIP 93.775/93.777/93.778 – Medicaid Cluster 93.775/93.777/93.778 COVID-19 – Medicaid Cluster
Federal Award Identification Numbers / Years:	2305OH5023 / 2023 (CHIP) 2405OH5024 / 2024 (CHIP) 2505OH5025 / 2025 (CHIP) 2305OH5MAP / 2023 (Medicaid Cluster) 2405OH5MAP / 2024 (Medicaid Cluster) 2505OH5MAP / 2025 (Medicaid Cluster)
Federal Agency:	Department of Health and Human Services
Compliance Requirements:	Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility
Repeat Finding from Prior Audit?	Yes
Prior Audit Finding Number:	2024-014

QUESTIONED COSTS, NONCOMPLIANCE, AND MATERIAL WEAKNESS

NOTE: Finding number 2025-014 details deficiencies and weaknesses in internal control related to the Medicaid Cluster and CHIP programs regarding the Department’s eligibility processes. That finding is integral to and should be read in conjunction with this finding.

42 C.F.R. § 435.10, State Plan requirements, pertaining to the Medicaid Cluster states, in part

A. State plan must---

- (a) Provide that the requirements of this part are met; and
- (b) Specify the groups to whom Medicaid is provided, as specified in subparts B, C, and D of this part, and the conditions of eligibility for individuals in those groups.

42 C.F.R. § 431.17, Maintenance of records, pertaining to the Medicaid Cluster states, in part:

- (b) Content of records. A State plan must provide that the Medicaid agency will maintain or supervise the maintenance of the records necessary for the proper and efficient operation of the plan. The records must include all of the following:

- (1) Individual records on each applicant and beneficiary that contain the following:

- (i) All information provided on the initial application submitted . . . on behalf of, the applicant or beneficiary, including the signature on the date of application.

...

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OHIO DEPARTMENT OF MEDICAID

1. MEDICAID CLUSTER AND CHIP – INELIGIBLE RECIPIENTS (Continued)

- (iii) The date of, basis for, and all documents or other evidence to support any determination, denial, or other adverse action, including decisions made at application, renewal, and as a result of a change in circumstance, taken with respect to the applicant or beneficiary, including all information provided by, or on behalf of, the applicant or beneficiary, and all information obtained electronically or otherwise by the agency from third-party sources.

...

- (v) Any changes in circumstances reported by the individual and any actions taken by the agency in response to such reports.

- (vi) All renewal forms and documentation returned by, or on behalf of, a beneficiary, to the Medicaid agency in accordance with § 435.916 of this chapter, . . . including the signature on the form and date received.

...

42 C.F.R. § 435.916, Regularly scheduled renewals of Medicaid eligibility, states in part:

(a) *Frequency of renewals.* . .

- (1) The eligibility of Medicaid beneficiaries not described in paragraph (a)(2) of this section must be renewed once every 12 months, and no more frequently than once every 12 months.
- (2) The eligibility of qualified Medicare beneficiaries described in section 1905(p)(1) of the Act must be renewed at last once every 12 months, and no more frequently than once every 6 months.

(b) *Renewals of eligibility* –

- (1) Renewal on basis of information available to agency. The agency must make a redetermination of eligibility for all Medicaid beneficiaries without requiring information from the individuals if able to do so based on reliable information contained in the individual's account or other more current information available to the agency, including but not limited to information through any data bases accessed by the agency . . .

42 C.F.R. § 435.912(c), Timely determination and redetermination of eligibility, states in part:

- (3) . . . the determination of eligibility for any applicant or individual whose account was transferred from another insurance affordability program may not exceed—
 - (i) 90 calendar days for applicants who apply for Medicaid on the basis of disability; and
 - (ii) 45 calendar days for all other applicants.

42 U.S.C. § 1397bb(b), pertaining to the Children's Health Insurance Program (CHIP) states, in part:

(1) Eligibility Standards

- (A) The plan shall include a description of the standards used to determine the eligibility of targeted low-income children for child health assistance under the plan. . .

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OHIO DEPARTMENT OF MEDICAID

1. MEDICAID CLUSTER AND CHIP – INELIGIBLE RECIPIENTS (Continued)

42 C.F.R. § 457.380(d), Eligibility verification pertaining to CHIP states:

Income. If the State does not accept self-attestation of income, the State must verify the income of an individual by using the data sources and following standards and procedures for verification of financial eligibility consistent with § 435.945(a), § 435.948, and § 435.952 of this chapter.

42 C.F.R. § 457.344, Changes in circumstances pertaining to CHIP, states in part:

(a) *Procedures for reporting changes. The agency must:*

(1) Have procedures designed to ensure that enrollees understand the importance of making timely and accurate reports of changes in circumstances that may affect their eligibility . . .

(b) State action on information about changes . . . the State must promptly redetermine eligibility between regularly scheduled renewals of eligibility required under § 457.343, whenever it has reliable information about a change in an enrollee's circumstances that may impact the enrollee's eligibility for CHIP, the amount of child or pregnancy-related health assistance for which the enrollee is eligible, or the enrollee's premiums or cost sharing charges. . . .

(1) The State must redetermine eligibility based on available information, if possible. When needed information is not available, the State must request such information from the enrollee in accordance with § 435.952(b) and (c) of this chapter . . .

Ohio Rev. Code § 5164.57(A)(1), Recovery of Medicaid Overpayments states, in part:

. . . the department of medicaid may recover a medicaid payment or portion of a payment made to a medicaid provider to which the provider is not entitled if the department notifies the provider of the overpayment during the five-year period immediately following the end of the state fiscal year in which the overpayment was made.

Ohio Admin. Code § 5160-26-02.1, Managed care: termination of enrollment states, in part:

. . .

(B) The Ohio department of medicaid (ODM) will terminate a member from enrollment in a managed care organization (MCO) for any of the following reasons: . . .

(3) The member dies, in which case MCO enrollment ends on the date of death

(D) All of the following apply when enrollment in an MCO or the SPBM [Single Pharmacy Benefit Manager] is terminated for any of the reasons set forth in paragraph (B) or (C) of this rule: . . .

(5) ODM shall recover from the MCO or the SPBM any capitation paid for retroactive enrollment termination occurring . . .

The Medicaid and CHIP State Plan outlines the specific eligibility conditions and standards within Sections 2.2 – Coverage and Conditions of Eligibility and 2.6 A – Financial Eligibility, Eligibility Conditions and Requirements for Medicaid, and Section 4 – Eligibility Standards and Methodology for CHIP. It is management's responsibility to implement policies and procedures to provide reasonable assurance they have complied with these requirements.

As the lead agency for administering the Medicaid Cluster and CHIP federal grant awards for the State of Ohio, the Department is responsible for providing reasonable assurance only eligible individuals receive

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OHIO DEPARTMENT OF MEDICAID

1. MEDICAID CLUSTER AND CHIP – INELIGIBLE RECIPIENTS (Continued)

assistance and the documentation maintained is accurate, complete, and properly recorded in the Ohio Benefits system to ensure appropriate eligibility determinations. It is also the Department's responsibility to implement sufficient controls, systems, processes, and procedures to reasonably ensure compliance with the rules and regulations associated with these programs and only eligible recipients receive benefits. The Department is responsible for overall program compliance and must have appropriate oversight and monitoring procedures in place to ensure those they rely on are operating in accordance with all expectations, guidelines, and requirements related to their tasks.

During state fiscal year (SFY) 2025, the Department disbursed a combined total of \$29.6 billion in public assistance benefits to recipients processed through the Ohio Benefits system related to the following programs:

<i>Assistance Listing Number & Title</i>	<i>Benefits Paid</i>	<i># of Recipients*</i>
93.767 - CHIP	\$916,720,909	242,000
93.775/93.777/93.778 – Medicaid Cluster	\$28,653,789,593	2,646,003
Combined Total	\$29,570,510,502	2,888,003
<i>* We did not separately identify recipients who could be covered under both programs.</i>		

These programs are administered using a multi-agency approach, as follows: overall compliance and administration of the Medicaid Cluster and CHIP programs fall under the Department, and programming and administration of the State's eligibility determination computer system, Ohio Benefits, falls under the Ohio Department of Administrative Services (DAS). The Ohio Benefits system contains the eligibility and benefit information/determinations for these programs. The Department also, through a Memorandum of Understanding with the Ohio Department of Job & Family Services (JFS), utilizes the 88 County Departments of Job & Family Services (CDJFS) in the eligibility determination process to work with applicants, receive/enter eligibility documentation into the Ohio Benefits system, and follow up on alerts issued by the system.

Currently, individuals applying to receive public assistance benefits complete an application through various methods. The CDJFS collect and maintain any documentation provided by the individual either in a paper case file or in the OnBase Enterprise Documentation Management System (EDMS) maintained under contract by DAS and utilized by the Department. After collecting documentation, the county caseworker enters the individual's information into the Ohio Benefits system which determines the initial eligibility benefit amount and assigns the benefit aid category, where applicable. This process is also used to perform eligibility redeterminations on an annual basis or when prompted through a system alert. Once the determination is made, the Ohio Benefits system uploads the eligibility information to the Department's new Ohio Medicaid Enterprise System's (OMES) Fiscal Intermediary (FI) to process the provider payments.

The following noncompliance was noted related to eligibility for the Medicaid Cluster and CHIP programs, which included questioned costs for Medicaid totaling \$2,384 and CHIP totaling \$204,076:

- One of 81 (1.2%) Medicaid recipients and six of 80 (7.5%) CHIP recipients selected for testing were not eligible to receive benefits on the date services were performed as they were not validly enrolled beneficiaries based on information in Ohio Benefits, the State's official eligibility determination system. Therefore, these items will result in questioned costs for all claims paid for services provided for these individuals during the time they were ineligible, totaling \$1,238 for Medicaid and \$204,076 for CHIP. The items noted included issues such as:
 - The recipient failed to timely report an increase in income.
 - The wrong household size was utilized when determining eligibility; as a result, the recipient was over the income limit.

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OHIO DEPARTMENT OF MEDICAID

1. MEDICAID CLUSTER AND CHIP – INELIGIBLE RECIPIENTS (Continued)

- Three of 81 (3.7%) Medicaid recipients and seven of 80 (8.8%) CHIP recipients selected for testing were not placed in the correct benefit aid category. One of the three Medicaid recipients and six of the seven CHIP recipients were included in the first bullet and deemed ineligible for both programs.
- One of 81 (1.2%) Medicaid recipients and seven of 80 (8.8%) CHIP recipients selected for testing did not have adequate documentation to support the Department's decision on the recipient's eligibility, or incorrect information was entered into Ohio Benefits. The Medicaid recipient and six of the seven CHIP recipients were included in the first bullet and deemed ineligible for both programs.
- One of 81 (1.2%) Medicaid recipients selected for testing was eligible during the date of service initially tested; however, during testing we identified questioned costs for Medicaid after the recipient's date of death resulting in questioned costs totaling \$1,146.
- One of 13 (7.7%) CHIP recipients selected for testing with applications during the audit period did not have the initial eligibility determination completed within 45 days.

ADDITIONAL QUESTIONED COSTS:

The Ohio Benefits system is designed to generate alerts to notify the CDJFS caseworkers of a deceased match. The Department has 10 calendar days to process a re-determination when a change has been reported affecting a recipient's ongoing eligibility. When the Department has been notified of a potential death of a recipient, the recipient is to be removed from managed care and placed in fee for service until confirmation of the death is received.

An analysis of the Medicaid Cluster's managed care capitation payments and the fee for service medical claims paid during SFY 2025 were compared to the death master file received from the Ohio Department of Health to identify any payments with a capitation month or date of service after the recipient's date of death. The Department made 13,159 payments, totaling \$2.5 million, on behalf of 2,165 deceased individuals receiving Medicaid benefits were included in the population to determine if the payments were allowed. We selected 60 of the 2,165 deceased individuals for further testing to determine if the Department took the appropriate action to identify and/or recover the payments. Twenty-one of 60 (35%) Medicaid recipients tested had an unallowable fee for service payment made on behalf of these deceased individuals which was not recovered by the Department, resulting in questioned costs, totaling \$41,599.

Furthermore, during testing we determined the Department recouped overpayments or reversed unallowable claims on behalf of 25 recipients, totaling \$59,295. The questioned costs noted above only include the outstanding amounts.

The items noted above under Noncompliance and Additional Questioned Costs resulted in questioned costs for both the Medicaid Cluster and CHIP, as summarized in the table below:

<i>Summary of Questioned Costs by Category</i>	<i>Medicaid Cluster</i>	<i>CHIP</i>
Ineligible Recipients	\$2,384	\$204,076
Deceased Individuals	\$41,599	N/A*
Total Questioned Costs:	\$43,983	\$204,076
<i>*We completed testing over CHIP Deceased Individuals; however, we did not identify any claims paid past the recipient's date.</i>		

Without proper controls for entering, processing, and maintaining recipient information, including working system alerts in a timely manner, there is an increased risk that benefits paid to or on behalf of recipients

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1. MEDICAID CLUSTER AND CHIP – INELIGIBLE RECIPIENTS (Continued)

will be inaccurate or unallowable. Overpayments or payments to or on behalf of ineligible recipients may subject the Department to penalties or sanctions which may jeopardize future funding and limit its ability to fulfill program requirements to provide benefits to those in need. Based on discussions with management, the issues identified were caused by oversight and systemic issues.

We recommend the Department evaluate and seek reimbursement for all claims that were incorrectly paid. We also recommend management continue to work collectively with the related state agencies to implement/update robust processes, procedures, and system programming to address the weaknesses in the overall eligibility process, including those associated with the Ohio Benefits system. We also recommend the Department regularly evaluate selected benefit payments to verify the recipient's eligibility, verify the recipient information entered into Ohio Benefits by the CDJFS is accurate and the information is being maintained to support the Department's eligibility decision, and ensure initial eligibility determinations and redeterminations are completed timely. Any problems noted should be promptly corrected to reduce the risk of benefit payments being made on behalf of ineligible individuals and additional training provided to the State and/or county employees affected.

Lastly, we recommend the Department evaluate current processes for identifying deceased individuals to ensure Ohio Benefits and OMES FI are updated in a timely manner. Controls should be implemented to ensure CDJFS caseworkers are following up with the Social Security Administration, Ohio Department of Health, or other death indicators in a timely manner. This should include developing a process for confirming an individual's death if the family member, caretaker, or facility is not responding to the CDJFS caseworkers and ensuring the recipient is disenrolled from the managed care plan and converted to fee for services until date of death is confirmed. We further recommend the Department develop procedures to identify the improper payments to providers on behalf of deceased individuals and seek recovery, reimbursement, or offset future payments, when necessary.

Auditor of State Conclusion:

The response to this finding included within the State of Ohio Corrective Action Plan indicated the Department disagreed with a portion of the Medicaid Cluster and CHIP eligibility errors which required an Auditor of State Conclusion.

For both the Medicaid and CHIP recipients, eligibility was determined based on older income and the county caseworker did not obtain current income information and/or the recipient failed to report an increase in income (e.g., new employment) in a timely manner. Additionally for the CHIP recipient, SWICA alerts were identified prior to determining eligibility and not worked properly, resulting in the recipient being ineligible for the designated benefit aid category.

Based on this information, the Medicaid and CHIP recipients would have been over the income limit for the benefit aid categories, and the Medicaid recipient would have been deemed ineligible to receive Medicaid benefits. Therefore, this finding remains as stated above.

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2. MEDICAID CLUSTER AND CHIP – IEVS ALERTS

Finding Number:	2025-014
State Agency Number:	MCD-02
Assistance Listing Numbers and Titles:	93.767 – Children’s Health Insurance Program (CHIP) 93.767 COVID 19 – CHIP 93.775/93.777/93.778 – Medicaid Cluster 93.775/93.777/93.778 COVID-19 – Medicaid Cluster
Federal Award Identification Numbers / Years:	2305OH5023 / 2023 (CHIP) 2405OH5024 / 2024 (CHIP) 2505OH5025 / 2025 (CHIP) 2305OH5MAP / 2023 (Medicaid Cluster) 2405OH5MAP / 2024 (Medicaid Cluster) 2505OH5MAP / 2025 (Medicaid Cluster)
Federal Agency:	Department of Health and Human Services
Compliance Requirement:	Eligibility
Repeat Finding from Prior Audit?	Yes
Prior Audit Finding Number:	2024-015

NONCOMPLIANCE AND MATERIAL WEAKNESS

NOTE: Finding number 2025-013 details deficiencies and weaknesses in internal control related to the Medicaid Cluster and CHIP programs regarding the Department’s eligibility processes. That finding is integral to and should be read in conjunction with this finding.

42 C.F.R. § 435.945 states, in part, the following regarding the Medicaid Cluster program:

- (a) Except where the law requires other procedures . . . the agency may accept attestation of information needed to determine the eligibility of an individual for Medicaid . . . without requiring further information (including documentation) from the individual.
- (b) The agency must request and use information relevant to verifying an individual's eligibility for Medicaid in accordance with § 435.948 through § 435.956 . . .

42 C.F.R. § 457.380, states, in part, the following regarding the Children’s Health Insurance Program (CHIP):

- (a) *General requirements.* Except where law requires other procedures . . . the State may accept attestation of information needed to determine the eligibility of an individual for CHIP. . . without requiring further information (including documentation) from the individual.
- (b) *Status as a citizen, national or a non-citizen.*
 - (1) Except for newborns identified in § 435.406(a)(1)(iii)(E) of this chapter, who are exempt from any requirement to verify citizenship, the agency must—
 . . .

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2. MEDICAID CLUSTER AND CHIP – IEVS ALERTS (Continued)

- (ii) Provide a reasonable opportunity period to verify such status in accordance with § 435.956(a) (5) and (b) of this chapter and provide benefits during such reasonable opportunity period to individuals determined to be otherwise eligible for CHIP.

Furthermore, 42 U.S.C. § 1320b–7(a) Requirements of State eligibility systems states, in part:

In order to meet the requirements of this section, a State must have in effect an income and eligibility verification system which meets the requirements of subsection (d) and under which—

- (1) the State shall require, as a condition of eligibility for benefits under any program listed in subsection (b), that each applicant for or recipient of benefits under that program furnish to the State his social security account number (or numbers, if he has more than one such number), and the State shall utilize such account numbers in the administration of that program so as to enable the association of the records pertaining to the applicant or recipient with his account number;
- (2) wage information from agencies administering State unemployment compensation laws available pursuant to section 3304(a)(16) of the Internal Revenue Code of 1986, wage information reported pursuant to paragraph (3) of this subsection, and wage, income, and other information from the Social Security Administration and the Internal Revenue Service available pursuant to section 6103(l)(7) of such Code, shall be requested and utilized to the extent that such information may be useful in verifying eligibility for, and the amount of, benefits available under any program listed in subsection (b), as determined by the Secretary of Health and Human Services
- (4) the State agencies administering the programs . . . adhere to standardized formats and procedures . . . under which —
 - (A) the agencies will exchange with each other information in their possession which may be of use in establishing or verifying eligibility or benefit amounts under any other such program
...
 - (C) the use of such information shall be targeted to those uses which are most likely to be productive in identifying and preventing ineligibility and incorrect payments. . . .

In order to comply with 42 C.F.R. § 435.945 and 42 U.S.C. § 1320b-7, the State of Ohio codified specific rules related to its Income Eligibility Verification System (IEVS) in the Ohio Administrative Code.

Ohio Admin. Code 5160:1-1-04 states, in part:

- (A) This rule describes the requirements in section 1137 of the Social Security Act and in section 42 C.F.R. 435.945, requiring state agencies administering certain federally funded public assistance programs to establish procedures for obtaining, using and verifying information relevant to determinations of eligibility. The Ohio department of medicaid (ODM) shall obtain and share income and benefit information with the following sources:
 - (1) The social security administration (SSA).
 - (2) The internal revenue service (IRS).
 - (3) The state wage information collection agency (SWICA).
 - (4) Agencies administering the unemployment compensation (UC) benefits.

...

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2. MEDICAID CLUSTER AND CHIP – IEVS ALERTS (Continued)

(C) Administrative agency responsibilities. Within forty-five days of receipt of the information, the administrative agency shall initiate, pursue, and complete the actions specified . . .

(3) Review and compare against the case record all information received from the IEVS data matches to determine whether the information affects the individual's eligibility, in accordance with 42 C.F.R. 435.948.

(4) Obtain additional information or documentation from the individual, if needed, to determine eligibility and initiate appropriate action in accordance with 42 C.F.R. 435.952(c).

(5) . . . The administrative agency shall verify information. . . .

(6) Update case information and redetermine eligibility when the verification received is discrepant from information currently listed in the electronic eligibility system. . . .

As the lead agency responsible for administering the Medicaid Cluster and CHIP federal programs for the State of Ohio, the Department is responsible for providing reasonable assurance only eligible individuals receive assistance and documentation maintained is accurate, complete, and properly recorded in the Ohio Benefits system to ensure appropriate eligibility determinations. It is the Department's responsibility to implement sufficient controls, systems, processes, and procedures to reasonably ensure compliance with the rules and regulations associated with these programs and only eligible recipients receive benefits. When automated systems are utilized to perform certain functions related to this compliance requirement, management must ensure the system is properly designed and operating effectively. The Department is also responsible for overall program compliance and must have appropriate oversight and monitoring procedures in place to ensure those they rely on are operating in accordance with all expectations, guidelines, and requirements related to their tasks.

The Medicaid Cluster and CHIP federal programs are administered using a multi-agency approach: overall compliance and administration of the programs fall under the Department, and programming and administration of the State's eligibility determination computer system, Ohio Benefits, falls under the Ohio Department of Administrative Services (DAS). The Department also, through a Memorandum of Understanding with the Ohio Department of Job & Family Services (JFS), utilizes the 88 Ohio counties in the eligibility determination process to work with applicants, receive/enter eligibility documentation into the Ohio Benefits system, and follow up on alerts issued by the system.

The Ohio Benefits system was utilized for processing eligibility for the Medicaid Cluster and CHIP programs' recipients with total expenditures of approximately \$28.7 billion and \$916.7 million, respectively during state fiscal year (SFY) 2025. The Ohio Benefits system contains the eligibility and benefit information/determinations for these programs, including the Income Eligibility Verification System (IEVS) functionality which compares reported recipient income to income information maintained by outside data sources (Social Security Administration, Internal Revenue Service (IRS), etc.). Information that does not agree is communicated in the form of an Ohio Benefits system alert. The Ohio Benefits system then determines if the alert is a 'match' that requires action. The IEVS match, indicated by 'Yes' in the Ohio Benefits system, is forwarded to the appropriate county agency for investigation and resolution. Each match has a defined due date, which is unique based on the priority level and other policy and process related factors. However, we noted the following weaknesses:

- Volume of Alerts – During SFY 2025, more than 16.9 million alerts (3.0 million IEVS alerts and 13.9 million non-IEVS alerts) were issued for all public assistance programs that utilize Ohio Benefits, including the Medicaid Cluster and CHIP programs. Alerts can be generated by Ohio Benefits via interface outputs/updates, batch outputs, or other triggers within the system. The volume of incoming alerts/matches being sent to the county caseworkers results in an increased workload and ineffective application of the alert process.

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2. MEDICAID CLUSTER AND CHIP – IEVS ALERTS (Continued)

- Caseworker Reliance/Training – The current process relies heavily on the knowledge and judgement of county caseworkers in the eligibility process, including reviewing IEVS matches. The Department relies heavily on JFS to coordinate with and provide statewide and individual trainings for county agencies to assist them in working IEVS alerts/matches; however, these trainings are typically optional and/or attended by a representative of the county agency who is expected to relay the information to others.

Additionally, we noted the following noncompliance with federal regulations where IEVS alerts were not cleared timely.

- Clearing Alerts – While the Department has controls and procedures in place to review and monitor IEVS alerts and matches generated and processed by the Ohio Benefits system, there were instances when matches were not being completed by the county agencies in accordance with the required timeframes. Furthermore, an Ohio Benefits data file containing IEVS matches showed 833,232 of the 1,721,772 (48.4%) IEVS alerts sent to the county agencies during the audit period were not cleared within 45 days as required. The matches were cleared between one and 433 days beyond the 45-day requirement, for an average of 217 days late.

Failure to implement system enhancements timely, perform monitoring activities, mandate training for county caseworkers, and complete IEVS alerts within the established timeframe increases the risk benefits given to ineligible recipients or for inappropriate amounts will not be identified timely. This condition could adversely affect the Department's ability to comply with IEVS requirements for these federal programs which could result in federal sanctions or penalties. Based on discussions with management, the high volume of alerts generated likely caused the timeliness issues. Management indicated they will continue to work with JFS and DAS to enhance the statewide eligibility system to reduce the high volume of alerts.

We recommend the Department continue to work collectively with the related state agencies to implement/update robust processes, procedures, and system controls to address the weaknesses associated with the IEVS process within the Ohio Benefits system. These changes/updates should include, but not be limited to:

- Including a more centralized evaluation of alert/match activity and/or better use of automated tools to vet and prioritize items requiring follow-up at the county level. This would allow Department level personnel to become more experienced and adept at identifying and investigating anomalies and help focus the resources of both Department and county personnel.
- Requiring mandatory IEVS training for all county agency employees who are entering the assistance group information into Ohio Benefits to help ensure proper and complete information is being collected, entered, and verified prior to an individual's eligibility determination being made. The Department should continue to provide this training initially to ensure all users are knowledgeable of the process, procedures, and impacts of the work they do. As changes occur to the rules/regulations, system, or process, detailed training should be required of all users on those changes.

We also recommend the Department continue to monitor the IEVS alert processing procedures guide for the matches issued by the Ohio Benefits system to ensure matches are properly documented within the system, worked within the proper timeframes, and proper verification documentation is obtained and maintained by the county agencies for resolved matches.

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3. MEDICAID CLUSTER AND CHIP – TRANSPARENCY ACT REPORTING

Finding Number:	2025-015
State Agency Number:	MCD-03
Assistance Listing Numbers and Titles:	93.767– Children’s Health Insurance Program (CHIP) 93.767 COVID 19 - CHIP 93.775/93.777/93.778 – Medicaid Cluster 93.775/93.777/93.778 COVID-19 – Medicaid Cluster
Federal Award Identification Numbers / Years:	2505OH5021 / 2025 (CHIP) 2305OH5MAP / 2023 (Medicaid Cluster) 2405OH5MAP / 2024 (Medicaid Cluster) 2505OH5MAP / 2025 (Medicaid Cluster)
Federal Agency:	Department of Health and Human Services
Compliance Requirement:	Reporting
Repeat Finding from Prior Audit?	No

NONCOMPLIANCE AND MATERIAL WEAKNESS

The Federal Funding Accountability and Transparency Act (Pub. L. No. 109-282, as amended by Section 6202 of Public Law 110-252, hereafter referred to as the “Transparency Act” that are codified in 2 C.F.R. Part 170) requires prime recipients of federal awards who make first-tier subawards to report the subaward on the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS portal or SAM.gov) website maintained by the federal Office of Management and Budget. Under the requirements of 2 C.F.R. Part 170, recipients (i.e., direct recipients) of grants or cooperative agreements are required to report first-tier subawards of \$30,000 or more on the FSRS portal or SAM.gov website. Prime recipients must report by the end of the month following the month in which the obligation is made. It is management’s responsibility to design and implement internal controls to reasonably ensure compliance with laws and regulations and to ensure management’s objectives are achieved.

The State of Ohio is considered the prime recipient for federal funds applicable to Transparency Act reporting and the state agencies receiving these federal funds are expected to report the subawards obligated in accordance with the Transparency Act. During state fiscal year 2025, the Department obligated approximately \$213.3 million for 554 subawards which exceeded \$30,000 and were required to be reported on the FSRS portal or SAM.gov website in accordance with the Transparency Act for the Medicaid Cluster and CHIP programs.

<i>Assistance Listing Number</i>	<i>Assistance Listing Title</i>	<i>Number of Subawards</i>	<i>Amount Obligated</i>
93.767	CHIP	55 *	\$4,093,420
93.775/93.777/93.778	Medicaid Cluster	499 **	\$209,213,770
* Includes county advance subawards administered by the Ohio Department of Job and Family Services (JFS).			
** Includes 482 county advance subawards administered by JFS.			

For the county advance subawards, JFS’ Office of Fiscal and Monitoring Services (OFMS) is responsible for compiling and providing the subaward information to the Department for the Medicaid Cluster and CHIP programs for entry on the FSRS portal or SAM.gov website. Once the Department enters the county

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3. MEDICAID CLUSTER AND CHIP – TRANSPARENCY ACT REPORTING (Continued)

advance subaward information for these programs, it provides JFS' OFMS a summary of the subaward information that was entered on the FSRs portal or SAM.gov website. Additionally, for subawards administered by the Department, designated personnel are responsible for compiling and entering the subaward information for the Medicaid Cluster and CHIP programs on the FSRs portal or SAM.gov website. Although the Department had controls in place over the compilation and submission of the subawards, the following errors were noted:

CHIP

<i>Transactions Tested</i>	<i>Subaward not reported</i>	<i>Report not timely</i>	<i>Subaward amount incorrect</i>	<i>Subaward missing key elements</i>
7	0	1	0	0
<i>Dollar Amount of Tested Transactions</i>	<i>Subaward not reported</i>	<i>Report not timely</i>	<i>Subaward amount incorrect</i>	<i>Subaward missing key elements</i>
\$625,072	\$0	\$51,000	\$0	\$0

Medicaid Cluster

<i>Transactions Tested</i>	<i>Subaward not reported</i>	<i>Report not timely</i>	<i>Subaward amount incorrect</i>	<i>Subaward missing key elements</i>
44	1	11	1	1
<i>Dollar Amount of Tested Transactions</i>	<i>Subaward not reported</i>	<i>Report not timely</i>	<i>Subaward amount incorrect</i>	<i>Subaward missing key elements</i>
\$38,407,442	\$326,528	\$6,370,016	\$326,528	\$326,528

By not complying with federal Transparency Act reporting requirements, the Department risks federal funding being reduced, taken away, or other sanctions imposed by the federal grantor agency. If the subawards are not reported timely within the FSRs portal or SAM.gov website, the risk exists that those using the Transparency Reports could be relying on inaccurate information. Based on discussion with management, this issue was caused by oversight, manual errors, and subaward data obtained in an untimely manner.

We recommend the Department re-evaluate its Transparency Act reporting procedures to ensure information is entered on the SAM.gov website [as of March 8, 2025], including from its partner agencies, regarding subawards subject to the Transparency Act. We recommend the Department ensure these procedures identify the responsibilities between it and the partner agencies, promote compliance with Federal regulations, and the timely collection and submission of information for the Medicaid Cluster and CHIP programs. These procedures should be adequately documented and communicated to staff as well as the partner agencies to help ensure the subawards are properly reported in compliance with the Transparency Act for the respective programs. We also recommend timely communication with subrecipients to ensure subaward information is received and submitted by the deadline. Management should periodically review these control procedures to ensure they are operating as intended.

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4. MEDICAID CLUSTER AND CHIP – THIRD PARTY LIABILITY

Finding Number:	2025-016
State Agency Number:	MCD-04
Assistance Listing Numbers and Titles:	93.767 – Children’s Health Insurance Program (CHIP) 93.767 COVID 19 – CHIP 93.775/93.777/93.778 – Medicaid Cluster 93.775/93.777/93.778 COVID-19 – Medicaid Cluster
Federal Award Identification Numbers / Years:	2305OH5023 / 2023 (CHIP) 2405OH5024 / 2024 (CHIP) 2505OH5025 / 2025 (CHIP) 2305OH5MAP / 2023 (Medicaid Cluster) 2405OH5MAP / 2024 (Medicaid Cluster) 2505OH5MAP / 2025 (Medicaid Cluster)
Federal Agency:	Department of Health and Human Services
Compliance Requirement:	Allowable Costs / Cost Principles – Third Party Liability
Repeat Finding from Prior Audit?	No

NONCOMPLIANCE AND SIGNIFICANT DEFICIENCY

42 C.F.R. § 433.136, Definitions states, in part:

Third Party means any individual, entity or program that is or may be liable to pay all or part of the expenditures for medical assistance furnished under a State plan.

42 C.F.R. § 433.138(b)(1), Identifying liable third parties states, in part:

If the Medicaid agency determines eligibility for Medicaid, it must, during the initial application and each redetermination process, obtain from the applicant or beneficiary such health insurance information as would be useful in identifying legally liable third party resources so that the agency may process claims under the third party liability payment procedures specified in § 433.139(b) through (f). Health insurance information may include, but not limited to, the name of the policy holder, his or her relationship to the applicant or beneficiary, the social security number of the policy holder, and the name and address of insurance company and policy number.

42 C.F.R. § 433.139(b), Payment of claims states, in part:

- (1) If the agency has established the probable existence of third party liability at the time the claim is filed, the agency must reject the claim and return it to the provider for a determination of the amount of liability. The establishment of third party liability takes place when the agency receives confirmation from the provider or a third party resource indicating the extent of third party liability. When the amount of liability is determined, the agency must then pay the claim to the extent that payment allowed under the agency’s payment schedule exceeds the amount of the third party’s payment.
- (3) The agency must pay the full amount allowed under the agency’s payment schedule for the claim and seek reimbursement from any liable third party to the limit of legal liability [in certain circumstances] . . .

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4. MEDICAID CLUSTER AND CHIP – THIRD PARTY LIABILITY (Continued)

2 C.F.R. § 200.334, Record retention requirements states, in part:

The recipient . . . must retain all Federal award records for three years from the date of submission of their final financial report. . . . Records to be retained include but are not limited to financial records, supporting documentation and statistical records. . . .

The Department is the lead agency responsible for administering the Medicaid Cluster and CHIP federal grant programs for the State of Ohio. It is the Department's responsibility to design and implement a system of internal controls to ensure legally liable third parties are identified, maintain verification documentation, and the claim is paid correctly. The Department is responsible for overall program compliance and must have appropriate oversight and monitoring procedures in place to ensure its third party liability process is operating effectively and as intended.

During state fiscal year (SFY) 2025, the Department verified 10,600 third party insurance records within the Medicaid Information Technology System (MITS) which generated a document control number (DCN) record and stored the associated verification documentation received as a response to the verification letters sent to the third party providers within the DCN Panel. Additionally, monthly the Department reviewed a sample of verifications to ensure the third party liability insurance information was properly verified and information within MITS was accurate. As of July 7, 2025, MITS was decommissioned and the third party liability process was moved to the Ohio Medicaid Enterprise System (OMES) Fiscal Intermediary (FI) module. However, no historical evidence such as the DCN or supporting third party insurance documentation was available for review within FI. As such, the Department was unable to provide any of the third party verifications and compliance with federal requirements could not be verified during the audit period.

By not maintaining historical third party insurance verifications within FI, the Department cannot be reasonably assured the third party insurance information was verified to ensure accurate payment of the fee-for-service claims and compliance with federal regulations during the audit period. Based on discussions with the Department, the issue was caused by the system change from MITS to FI, as a result, access to MITS was revoked and therefore no record of verifications could be provided for audit.

We recommend the Department re-evaluate its policies and procedures over third party insurance verifications to ensure the liability insurance verification information is documented and maintained to be compliant with federal requirements and be available upon request. We recommend the Department continues to review the third party liability DCNs (or equivalent parameter within FI) monthly to ensure the information was properly verified, coverage types were properly identified, and all information in FI and other systems is correct. We further recommend the Department take necessary steps to ensure the proper conversion of all relevant data elements and related documentation is completed by ensuring historical data is maintained and available when a major system upgrade and/or replacement is performed.

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5. MEDICAID CLUSTER/CHIP – SURVEILLANCE UTILIZATION REVIEWS

Finding Number:	2025-017
State Agency Number:	MCD-05
Assistance Listing Numbers and Titles:	93.767 – Children’s Health Insurance Program (CHIP) 93.767 COVID 19 – CHIP 93.775/93.777/93.778 – Medicaid Cluster 93.775/93.777/93.778 COVID-19 – Medicaid Cluster
Federal Award Identification Numbers / Years:	2305OH5023 / 2023 (CHIP) 2405OH5024 / 2024 (CHIP) 2505OH5025 / 2025 (CHIP) 2305OH5MAP / 2023 (Medicaid Cluster) 2405OH5MAP / 2024 (Medicaid Cluster) 2505OH5MAP / 2025 (Medicaid Cluster)
Federal Agency:	Department of Health and Human Services
Compliance Requirement:	Special Tests and Provisions – Utilization Control
Repeat Finding from Prior Audit?	Yes
Prior Audit Finding Number:	2024-018

SIGNIFICANT DEFICIENCY

The Department is the lead agency responsible for administering the Medicaid Cluster and CHIP federal grant programs for the State of Ohio. It is the Department’s responsibility to design and implement a system of internal controls to safeguard against unnecessary utilization of care and services associated with the Medicaid Cluster and CHIP programs. The Department is responsible for overall program compliance and must have appropriate oversight and monitoring procedures in place to ensure its statewide surveillance and utilization program safeguards against unnecessary or inappropriate use of Medicaid services against excess payments, assesses the quality of those services, and provides for the control of the utilization of all services provided under the state plan.

During state fiscal year (SFY) 2025, the Department disbursed approximately \$28.7 billion and \$916.7 million in Medicaid Cluster and CHIP benefits, respectively, to providers for the managed care program and the fee for service medical claims through the Ohio Medicaid Enterprise System (OMES) Fiscal Intermediary (FI) module. The Department’s Surveillance and Utilization Review section utilized a vendor to identify the over-utilization of inpatient and outpatient hospital Medicaid services, including the State’s psychiatric hospitals. The vendor supports the Department by reviewing medical claims to determine if they were for an allowable use according to program requirements. If the vendor identifies an improper claim (i.e., billing errors, lack of pre-admission review, lack of medical necessity, etc.), the take back claim (an adjustment request for the provider overpayment) information is recorded on an inpatient/outpatient report and provided to the Department. However, in September 2023 the Department suspended the processing of these inpatient and outpatient hospital take back claims through OMES FI which resulted in the Department postponing the recoupment of provider overpayments during the audit period. Furthermore, the Department anticipates a backlog of take back claims that will need to be reviewed and processed once the system is fixed.

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OHIO DEPARTMENT OF MEDICAID

5. MEDICAID CLUSTER/CHIP – SURVEILLANCE UTILIZATION REVIEWS (Continued)

A lack of effective internal controls related to the over utilization of inpatient and outpatient hospital claims, increases the risk of improper and/or unnecessary medical claims going undetected. By not safeguarding against unnecessary or inappropriate use of Medicaid and CHIP services, there is an increased risk of provider payments being noncompliant with federal program requirements. Based on discussions with the Department, this issue was caused by the inability to override certain edits in OMES FI resulting in ineffective processing of take back claims.

We recommend the Department develop and implement internal controls over its utilization reviews to reasonably ensure the inpatient and outpatient hospital take back claims are processed through the OMES FI module accurately and in a timely manner. The Department should take the necessary steps to correct the edits attributing to the untimely and ineffective processing of these take back claims. The Department should also develop and implement a process for reviewing the backlog of these take back claims to reasonably ensure improper payments to providers are recouped in a timely manner.

**STATE OF OHIO
JULY 1, 2024 THROUGH JUNE 30, 2025
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

OHIO DEPARTMENT OF NATURAL RESOURCES

1. ABANDONED MINE LAND RECLAMATION – TRANSPARENCY ACT REPORTING

Finding Number:	2025-018
State Agency Number:	DNR-01
Assistance Listing Number and Title:	15.252 – Abandoned Mine Land Reclamation
Federal Award Identification Numbers / Years:	S18AF20022 / 2018
	S19AF20016 / 2019
	S20AF20010 / 2020
	S21AF10044 / 2021
	S22AF00025 / 2022
	S22AF00035 / 2022
	S23AF00006 / 2023
	S23AF00045 / 2023
	S23AF00103 / 2023
	S24AF00033 / 2024
	S24AF00045 / 2024
	S24AF00086 / 2024
	S24AR80002 / 2024
	S25AF00119 / 2025
Federal Agency:	Department of Interior
Compliance Requirement:	Reporting
Repeat Finding from Prior Audit?	Yes
Prior Audit Finding Number:	2024-020

NONCOMPLIANCE AND MATERIAL WEAKNESS

The Federal Funding Accountability and Transparency Act (Pub. L. No. 109-282, as amended by Section 6202 of Public Law 110-252, hereafter referred to as the “Transparency Act” that are codified in 2 C.F.R. Part 170) requires prime recipients of federal awards who make first-tier subawards to report the subaward on the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS portal or SAM.gov) website maintained by the federal Office of Management and Budget. Under the requirements of 2 C.F.R. Part 170, recipients (i.e., direct recipients) of grants or cooperative agreements are required to report first-tier subawards of \$30,000 or more on the FSRS portal or SAM.gov website. Prime recipients must report by the end of the month following the month in which the obligation is made. It is management’s responsibility to design and implement internal controls to reasonably ensure compliance with laws and regulations and to ensure management’s objectives are achieved.

The State of Ohio is considered the prime recipient for federal funds applicable to Transparency Act reporting and the state agencies receiving these federal funds are expected to report the subawards obligated in accordance with the Transparency Act. During state fiscal year 2025, the Department obligated approximately \$34.6 million for 20 subawards which exceeded \$30,000 and were required to be reported on the FSRS portal or SAM.gov website in accordance with the Transparency Act for the Abandoned Mine Land Reclamation program. However, the Department did not have controls in place to ensure the timely

STATE OF OHIO
JULY 1, 2024 THROUGH JUNE 30, 2025
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

OHIO DEPARTMENT OF NATURAL RESOURCES

1. ABANDONED MINE LAND RECLAMATION – TRANSPARENCY ACT REPORTING (Continued)

submission of these subawards within the FSRs portal or SAM.gov website which resulted in the following errors:

<i>Transactions Tested</i>	<i>Subaward not reported</i>	<i>Report not timely</i>	<i>Subaward amount incorrect</i>	<i>Subaward missing key elements</i>
4	0	4	0	0
<i>Dollar Amount of Tested Transactions</i>	<i>Subaward not reported</i>	<i>Report not timely</i>	<i>Subaward amount incorrect</i>	<i>Subaward missing key elements</i>
\$7,150,000	\$0	\$7,150,000	\$0	\$0

By not complying with federal Transparency Act reporting requirements, the Department risks federal funding being reduced, taken away, or other sanctions imposed by the federal grantor agency. If the subawards are not reported timely within the FSRs portal or SAM.gov website, the risk exists that those using the Transparency Reports could be relying on inaccurate information. Based on discussion with management, this issue was caused by oversight and information not being compiled timely for submission.

We recommend the Department evaluate its Transparency Act reporting procedures and update as necessary to ensure compliance with Federal regulations, including the collection and timeliness of information submitted regarding subawards made for the Abandoned Mine Land Reclamation program. These procedures should include a supervisory review of the report information before it is submitted on the SAM.gov website [as of March 8, 2025]. Management should periodically review these control procedures to ensure they are operating as intended.

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SUPPLEMENTAL INFORMATION

Management's Corrective Action Plans



State of Ohio

Finding Number: 2025-001
State Agency: Ohio Department of Behavioral Health
Finding Description: Block Grants for Prevention and Treatment of Substance Abuse – Cash Management

Corrective Action Plan:

The Department respectfully disagrees with the audit finding, as the 20-day disbursement policy represents what is "administratively feasible" given the operational environment and necessary internal controls. The regulation doesn't prescribe a specific timeframe but requires disbursements "as close as is administratively feasible," and the Auditor's eight-business-day standard was determined without consultation with the Department. Only one instance among 16 tested disbursements (6.3%) exceeded the Auditor's timeframe, demonstrating processes are functioning effectively 93.7% of the time even against this more stringent standard. The Department remains committed to continuous improvement in its cash management practices while maintaining proper fiscal stewardship of federal funds.

Anticipated Completion Date for Corrective Action:

December 2026

Contact Person Responsible for Corrective Action:

Name: Scott Ferguson
 Title: Chief Financial Officer
 Address: 30 E Broad Street, 11th Floor, Columbus, Ohio
 Phone Number: (614) 752-9340
 E-Mail Address: Scott.Ferguson@dbh.ohio.gov

Finding Number: 2025-002
State Agency: Ohio Department of Behavioral Health
Finding Description: Block Grants for Prevention and Treatment of Substance Abuse – Transparency Act Reporting

Corrective Action Plan:

The Department will review current processes for the Federal Funding Accountability and Transparency Act (FFATA) reporting to ensure subawards are reported within the Federal requirements. In January 2026, the Department implemented a new process to electronically upload subawards directly into SAM.gov. The Department will continue to monitor the new process to ensure subawards are reported timely and in accordance with Federal FFATA requirements.

Anticipated Completion Date for Corrective Action:

June 2026

Contact Person Responsible for Corrective Action:

Name: Scott Ferguson
 Title: Chief Financial Officer
 Address: 30 E Broad Street, 11th Floor, Columbus, Ohio
 Phone Number: (614) 752-9340
 E-Mail Address: Scott.Ferguson@dbh.ohio.gov

Finding Number: 2025-003
State Agency: Ohio Department of Development
Finding Description: Low-Income Home Energy Assistance Program – Period of Performance

Corrective Action Plan:

The Department will evaluate its current policies and procedures relating to the processing of expenditure transactions and update them, as necessary, to reasonably ensure compliance with period of performance requirements.

Anticipated Completion Date for Corrective Action:

June 2026

Contact Person Responsible for Corrective Action:

Name: Daniel Schreiber

Title: Deputy Chief, Budget

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Phone Number: 614-466-2209

E-Mail Address: daniel.schreiber@development.ohio.gov

Finding Number: 2025-004
State Agency: Ohio Department of Development
Finding Description: Coronavirus State and Local Fiscal Recovery Funds – Subrecipient Monitoring

Corrective Action Plan:

The Department developed and re-evaluated its internal control procedures to ensure that all subprograms and subrecipients will be adequately monitored for program compliance. The Department also evaluated its existing control procedures to reasonably ensure that the quarterly program reports submitted through the Salesforce System will be timely, accurate, and complete.

Anticipated Completion Date for Corrective Action:

Completed April 2025

Contact Person Responsible for Corrective Action:

Name: Thomas Fitz Gibbon

Title: Deputy Chief, Office of Division Support

Address: 77 South High Street, Columbus, Ohio 43220

Phone Number: 614-466-0043

E-Mail Address: thomas.fitzgibbon@development.ohio.gov

Finding Number: 2025-005
State Agency: Ohio Department of Development
Finding Description: Coronavirus State and Local Fiscal Recovery Funds – Reporting

Corrective Action Plan:

The Department evaluated and strengthened internal controls over its reporting process to reasonably ensure the information presented in the quarterly Performance and Expenditure Reports will be current, accurate, complete, and agree with support prior to submission to the Ohio Office of Budget and Management. The procedures will be periodically monitored to ensure they are working as intended. The Department cross trained employees so in the event of turnover or extended leave, the reporting process can continue without disruption or delays.

Anticipated Completion Date for Corrective Action:

Completed April 2025

Contact Person Responsible for Corrective Action:

Name: Thomas Fitz Gibbon

Title: Deputy Chief, Office of Division Support

Address: 77 South High Street, Columbus, Ohio 43220

Phone Number: 614-466-0043

E-Mail Address: thomas.fitzgibbon@development.ohio.gov

Finding Number: 2025-006
State Agency: Ohio Department of Development
Finding Description: Low-Income Home Energy Assistance Program – Reporting

Corrective Action Plan:

The Department will re-evaluate and strengthen existing internal control procedures or implement additional procedures, as necessary, to provide reasonable assurance that the financial information and/or performance data being reported to the federal government is accurate and traces to supporting documentation.

Anticipated Completion Date for Corrective Action:

May 2026

Contact Person Responsible for Corrective Action:

Name: Sherita Montgomery

Title: Financial Manager of Accounting & Reporting

Address: 77 S. High Street, Columbus, Ohio

Phone Number: 614-466-5938

E-Mail Address: sherita.montgomery@development.ohio.gov

Finding Number: 2025-007
State Agency: Ohio Department of Development
Finding Description: Low-Income Home Energy Assistance Program – Transparency Act Reporting

Corrective Action Plan:

The Department will continue to evaluate its internal controls over the SAM.gov reporting process, by collecting and reporting complete, accurate, and timely information regarding the subawards subject to the Transparency Act. The Department will cross-train employees over the Transparency Act reporting process to ensure the SAM.gov reporting can be performed by various personnel during vacations or with employee turnover. Management will review these procedures to ensure they promote compliance with federal regulations and are operating as intended.

Anticipated Completion Date for Corrective Action:

June 2026

Contact Person Responsible for Corrective Action:

Name: Colin Grisier

Title: Senior Manager for Reporting and Compliance

Address: 77 South High Street, Columbus, Ohio 43215

Phone Number: 614-446-2625

E-Mail Address: Colin.Grisier@development.ohio.gov

Finding Number: 2025-008
State Agency: Ohio Department of Education and Workforce
Finding Description: Summer Electronic Benefits Transfer - Ineligible Students

Corrective Action Plan:

The Department is a partnering agency for this program and does not manage the disbursement of funds. However, as a partnering agency for the program, the Department will continue updating its internal controls over the Summer Electronic Benefits Transfer (EBT) program's eligibility determinations to ensure only eligible students are receiving benefits. These procedures will include regular communication to school districts, expanded data fields, school submission of a single combined enrollment and benefits file, and additional verification of the accuracy and completeness of the student data submitted by the districts to ensure only eligible students are approved to receive benefits. Since the questioned costs were isolated to calendar year 2024, and the Department has taken steps to correct the issue, this issue should not reoccur. The Department will work with Job and Family Services (JFS) to resolve the identified questioned costs. If needed, this will include evaluating the projected questionable costs to determine the actual amount that may have been disbursed to ineligible students and assisting JFS efforts to address those disbursements.

Anticipated Completion Date for Corrective Action:

May 2026

Contact Person Responsible for Corrective Action:

Name: Corey Fronk

Title: Administrator of Audits and Risk Management

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Phone Number: (614) 644-7812

E-Mail Address: Corey.Fronk@education.ohio.gov

Finding Number: 2025-009
State Agency: Ohio Department of Education and Workforce
Finding Description: Child Nutrition Cluster - Transparency Act Reporting

Corrective Action Plan:

The Department has designed and implemented additional internal controls over Transparency Act reporting to ensure that the Child Nutrition Cluster expenditures are timely and accurately entered into the SAM.gov website. These procedures include several edit checks of the data before it is uploaded as well as a reconciliation of the reported data to ensure compliance with federal regulations.

Anticipated Completion Date for Corrective Action:

Completed December 2025

Contact Person Responsible for Corrective Action:

Name: Corey Fronk

Title: Administrator of Audits and Risk Management

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Phone Number: (614) 644-7812

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Finding Number: 2025-010
State Agency: Ohio Environmental Protection Agency
Finding Description: Clean Water State Revolving Fund & Drinking Water State Revolving Fund – Loan Payment Monitoring

Corrective Action Plan:

Ohio EPA respectfully disagrees with the finding because as of May 2025, internal policies were followed as intended and appropriate controls were in place. Internal testing shows that over 80% of all disbursement vouchers received in 2025 were reviewed within 45 days.

Moving forward, Ohio EPA will evaluate the payment review and monitoring procedure to ensure documentation clearly demonstrates compliance with review requirements. As appropriate, procedures will be updated to align written guidance with current operational practices.

Anticipated Completion Date for Corrective Action:

March 2026

Contact Person Responsible for Corrective Action:

Name: Craig Rethman

Title: Chief Financial Officer

Address: 50 W. Town Street, Suite 700, Columbus, Ohio 43215

Phone Number: 614-644-2892

E-Mail Address: craig.rethman@epa.ohio.gov

Finding Number: 2025-011
State Agency: Ohio Department of Job and Family Services
Finding Description: Unemployment Insurance – Improper Payments

Corrective Action Plan:

For Benefits Adjudication:

Standard procedures for verifying claimant eligibility for unemployment benefits remain in place. Adjudication staff have been reminded to double-check start dates and eligibility documentation to prevent the recurrence of similar errors.

For Benefit Payment Control (BPC):

The Department remains committed to strengthening accountability and proactively identifying any potential training gaps within the team. To support this effort, the Department has recently implemented monthly random case reviews conducted by supervisors, followed by individualized email feedback to staff to reinforce expectations and provide timely coaching. Additionally, supervisors are now required to track all audits and document follow up actions to ensure consistent monitoring and early identification of any emerging trends. These measures are intended to enhance quality assurance, support staff development, and maintain the high standards expected within the Department.

Anticipated Completion Date for Corrective Action:

Completed February 2026

Contact Person Responsible for Corrective Action:

For Benefits Adjudication:

Name: Traci A. Brown

Title: Assistant Deputy Director - Benefits Adjudication

Address: 30 East Board Street, Columbus, Ohio 43215

Phone Number: 614-387-3647

E-Mail Address: Traci.Brown@jfs.ohio.gov

For Benefit Payment Control (BPC):

Name: BJ Knutson-Cruset

Title: Bureau Chief

Address: 6680 Poe Ave, Dayton, Ohio 45414

Phone Number: 937-264-5742

E-Mail Address: bj.knutson-cruset@jfs.ohio.gov

Finding Number: 2025-012
State Agency: Ohio Department of Job and Family Services
Finding Description: Supplemental Nutrition Assistance Program Cluster and Temporary Assistance Needy Families – Income Eligibility Verification System Alerts

Corrective Action Plan:

The Ohio Benefits team, in partnership with the Program Office, continues to develop and implement system enhancements to assist in the reduction of the work effort related to the Income Eligibility Verification System (IEVS) for the county workers. A complete end to end review was conducted and improvements were identified and implemented into the Ohio Benefits system to assist with the volume and usefulness of the data in the IEVS matches. A summary of the changes implemented can be found on the table below. We continue to monitor the impact of these changes on the overall volume and frequency of IEVS matches.

Description	Release/Release Date	Summary
State Wage Information Collection Agency (SWICA) Alerts Reduction	4.14.1/January 18, 2025	Modified the income comparison check to not generate the SWICA Alert if the income received on the file is less than \$750/quarter or \$250/month when compared to the Salary, Wages Income record in Ohio Benefits Worker Portal (OBWP)
Public Assistance Reporting Information System (PARIS) Alerts Reduction	4.14.1/ January 18, 2025	Modified PARIS Veteran and Federal Wage Match to suppress generating E-Verify records and alerts if the inbound record has the same data as previous PARIS E-Verify records Modified PARIS Interstate Match to suppress generating E-Verify records and alerts if the record does not include Client Eligibility Information Modified PARIS Alerts to generate only one alert to each worker assigned to the case based on the alert hierarchy
National News Hire (NNH) Alerts Reduction	4.14.1/ January 18, 2025	Modified NNH interface to not generate E-Verify (Interface Detail) records or Alert if the interface detail screen and alert has already been generated in the past for the same employer, and the inbound record has the same Employer Information as previous E-Verify records Modified NNH interface to generate only one alert to each worker assigned to the case based on the alert hierarchy
Beneficiary Earnings and Data Exchange (BENDEX) Alerts Reduction	4.15.1/March 28, 2025	Modified BENDEX Interface to not generate E-Verify records or Alerts if the information received on the inbound record has not changed from the last update received from SSA Modified BENDEX interface to generate only one alert to each worker assigned to the case based on the alert hierarchy Modified the BENDEX Difference Alert (> \$49) to be program neutral and retired the existing program specific alerts for the income limit check
IEVS threshold modification – Unemployment Compensation Benefit (UCB)	5.1.1/August 15, 2025	Modified income comparison check to not generate the IEVS: Unemployment Compensation – Discrepancy Alert if the difference is less than \$250/month (changed from \$25/month to \$250/month)

IEVS threshold modification – State Data Exchange Supplemental Security Income (SDX SSI) Interface	5.1.1/ August 15, 2025	Modified income comparison check to not generate the IEVS: IEVS: SDX-SSI Response from SSA – Unearned Income Difference Alert if the difference is less than \$250/month (changed from \$25/month to \$250/month)
IEVS threshold modification – BENDEX Interface	5.1.1/ August 15, 2025	Modified income comparison check to not generate the BENDEX Difference Alert if the difference is less than \$250/month (changed from \$49/month to \$250/month)
IEVS threshold modification – Internal Revenue Service (IRS) Unearned Income Interface	5.1.1/ August 15, 2025	Modified the IEVS: IRS Income Program Block alert to be suppressed when the 'Income Amount' and 'Income Indicator' on the E-Verify record of the incoming tax data is within \$250/month of the existing matching unearned income on the individual's case

Also, as reported previously, the state has requested a waiver from Food and Nutrition Services at the U.S. Department of Agriculture related to the requirement to interface with the IRS Unearned Income data source. This interface produces outdated, and therefore unusable, data. The same data is available and received from other sources timelier, making the Internal Revenue Service's Unearned Income data source unnecessary. Other states have already implemented this change with success. This request is currently pending national office review. If this waiver is approved, we will drop this interface, eliminating approximately 1 million matches per year. If the waiver is not approved, a separate effort will be made to update the threshold to match the other data sources listed above. Reduction of the volume of these matches is anticipated to lead to improvements in the timely completion of matches on the part of the county worker while continuing to remain compliant with IEVS policies.

The Department provides IEVS Alert/Match Processing training to educate staff on matches received through IEVS for the Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF) programs. This training supports eligibility workers by enhancing their understanding of IEVS matches, their importance in ensuring case accuracy, and the associated processing requirements. The IEVS Processing training is available on demand through the Ohio Benefits Portal and Ohio Learn, the state's learning management system. Additionally, the Department offers one-on-one IEVS training and technical assistance to counties upon request. The state is reviewing our ability to mandate any type of training and will include this in our review.

Fraud Control Triad Reviews and Assessments are conducted on a three-year cycle, ensuring that each county is evaluated at least once within that period, resulting in approximately 28 county reviews annually. These reviews include an assessment of IEVS alert and match activity, along with clear communication regarding each county's responsibility to monitor all IEVS activity for compliance.

Anticipated Completion Date for Corrective Action:

August 2026

Contact Person Responsible for Corrective Action:

Name: Christina L Burt
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Finding Number: 2025-013
State Agency: Ohio Department of Medicaid
Finding Description: Medicaid Cluster/Children's Health Insurance Program – Ineligible Recipients

Corrective Action Plan:

Medicaid and CHIP Eligibility

The Ohio Department of Medicaid (ODM) agrees that accurate and timely eligibility determinations are essential to the integrity of the Medicaid program. Medicaid eligibility rules are complex. During the audit, AOS Auditors submit questions about sampled cases to county departments (CDJFS) and to ODM for review. For future audits, the Department and the Auditor have agreed to meet before the audit concludes to review potential eligibility issues and ensure both teams understand the actions taken on each case.

The Department does not agree with the finding that one of the sampled Medicaid recipients was improperly enrolled. In this case, the county agency did not receive reliable information about the individual's income until October 2024—after the date the services were provided. The CDJFS discontinued services promptly once the information was reported. Under 42 CFR § 435.919, agencies must redetermine eligibility when they receive reliable information that may affect eligibility. Therefore, the individual was validly enrolled at the time services were received.

The Department also disagrees with one CHIP-related finding where a child was placed in an incorrect aid category. The child was enrolled in the CHIP 1 category, while Auditors found the child was eligible for CHIP 2. Both categories provide the same federal match rate and the same benefits. The child remained eligible for Ohio's CHIP program regardless of category.

The administrative issues noted above are technical inaccuracies that require correction; however, they do not mean the individuals were ineligible for Medicaid. For example, if a CDJFS fails to upload employment documents into Ohio Benefits, this is a procedural error. If the person's income still meets the program requirements, they remain eligible. It is important to emphasize that errors in documentation or processing do not necessarily mean ineligible individuals received benefits.

Dates of Death and Ohio Medicaid

The Department agrees with the Auditor's concern about services being billed after an individual's date of death. However, a portion of the 13,159 payments cited—totaling \$2.5 million and covering 2,165 deceased individuals—were either allowable under policy or have already been recouped. For example, monthly rental charges for durable medical equipment (DME) may be billed after the date of death if the equipment was delivered earlier. Under OAC 5160-10-01(C)(16)(e), a monthly rental payment covers the entire month. If the Auditor's sample reflects the larger population, roughly two-thirds of the payments identified were appropriate. Presenting the full \$2.5 million without this context may be misleading to readers unfamiliar with common billing practices and applicable rules.

The Department has been actively addressing the issues that lead to improper payments after the date of death throughout SFY 2025. The Department updated its use of death certificate data from the Ohio Department of Health (ODH), which required a revised data-use agreement and new automation. The updated interagency agreement took effect May 6, 2025, and a bot was deployed on July 25, 2025 to automatically verify dates of death and discontinue Medicaid coverage. This change shifts work away from county caseworkers, reduces system alerts, and prevents additional payments. The average delay between date of death and this automated update is now 57 days, compared to an average 142-day delay when relying on the federal master death file. This new approach both reduces workload and speeds up eligibility updates.

The Department is also testing a process to automatically identify and recover fee-for-service (FFS) claims paid after the verified date of death. Providers will be notified of these claims so they can be reprocessed or recouped. While automation is being developed, ODM is also implementing a manual process to ensure recovery moves forward. Managed care capitation payments are already automatically recouped and are not part of this process.

During the SFY 2025 audit, the Auditor did not identify any managed care capitation payments made for months after an individual's death, indicating that the corrective actions implemented are effective.

For point-of-sale pharmacy claims, the Single Pharmacy Benefit Manager (SPBM) has implemented a review process to identify claims paid more than one day after a member's date of death. As of July 1, 2025, these claims are being reversed and recouped. Many such claims were the result of automatic prescription refills. To address this, ODM and the SPBM issued a memo to all Medicaid pharmacy providers on March 24, 2025, reminding them that automatic refills are not permitted for Ohio Medicaid members. Refills must be initiated by a prescriber, member, or authorized agent. Claims found to be automatic refills may be subject to recoupment.

The Department will continue to verify recipient eligibility, ensure information in Ohio Benefits is accurate, and confirm that eligibility decisions are fully supported and completed on time. The Department's Medicaid Eligibility Quality Control (MEQC) team conducts ongoing reviews of approved, denied, and discontinued cases to ensure accuracy. When the MEQC team identifies an error or technical issue, the responsible party must provide a root-cause analysis and corrective action plan. MEQC also partners with the Department's County Technical Assistance and County Engagement teams to ensure training addresses recurring issues.

The Department agrees with the Auditor's recommendation to continue working with state and county agencies to strengthen processes, procedures, and system programming related to eligibility, including improvements to the Ohio Benefits system. The department meets with the Department of Job and Family Services and the Department of Children and Youth regularly to discuss policy changes, assess impacts, and identify alignment opportunities. All agencies also participate in system meetings to review issues, plan enhancements, and ensure updates do not negatively affect other programs.

The Department will pursue full reimbursement of all claims improperly paid for services after an individual's date of death. FFS claims have been referred to the Bureau of Program Integrity's Surveillance Utilization Review Section (SURS) for review and recoupment. SPBM pharmacy claims will be reviewed and recouped through the established SPBM process.

Anticipated Completion Date for Corrective Action:
December 2026

Contact Person Responsible for Corrective Action:
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Finding Number: 2025-014
State Agency: Ohio Department of Medicaid
Finding Description: Medicaid Cluster/ Children's Health Insurance Program – IEVS Alerts

Corrective Action Plan:

The Department agrees with the finding related to the large volume of system alerts and remains committed to ongoing work with our vendor, the Department of Job and Family Services (ODJFS), and the Department of Children and Youth (DCY) to improve the Ohio Benefits eligibility system and reduce unnecessary alerts, including those generated through IEVS. These efforts are already showing progress: total incoming alerts decreased from 21.2 million in SFY 2024 to 16.9 million in SFY 2025. ODM has also reduced the average time it takes to clear alerts.

Alerts play a key role in program integrity by notifying county caseworkers of important eligibility information that may require action. Anytime new programs are added to the Ohio Benefits system or program rules change, new alerts may be generated.

ODM meets every other month with ODJFS to review IEVS-related issues. This collaboration resulted in nine system enhancements in SFY 2025 to reduce unnecessary alert generation. Several enhancements introduced Smart Alert Hierarchy logic, which prevents duplicate alerts by directing an alert to the individual's first active or pending program in the sequence: Medicaid, SNAP, TANF, Child Care. Notable changes include:

- AVS alerts: Only the final alert is generated 15 business days after the request.
- SWICA alerts: The threshold for generating alerts increased to \$750 per quarter or \$250 per month.
- PARIS alerts: Alerts are no longer generated when data matches previous records or when information is incomplete; Smart Alert Hierarchy now applies.
- New Hire alerts: Alerts are suppressed when employer information has not changed; Smart Alert Hierarchy applies.
- BENDEX alerts: Alerts are suppressed when SSA information has not changed; program-specific income limit alerts were retired; Smart Alert Hierarchy applies.
- IEVS UCB and SDX alerts: Alerts no longer generate when changes are under \$250 per month (up from \$25).
- IEVS BENDEX alerts: Alerts suppressed for changes under \$250 per month (up from \$49).
- IRS Unearned Income alerts: Alerts suppressed when income differences are within \$250 per month of existing records.

ODM is continuing to evaluate additional alert-reduction opportunities. Confirmed upcoming system updates include:

- Release 5.5 (anticipated June 12, 2026): Automation of verified-upon-receipt SDX interfaces, suppressing alerts after automatic reconciliation.
- Release 5.6 (anticipated August 22, 2026): Updated thresholds for IRS Unearned Income alerts.

Regarding automation, ODJFS explored using bots to process IEVS alerts. However, federal rules prohibit automation in IEVS processing for SNAP, and because IEVS alerts span multiple programs, automation cannot be applied solely for Medicaid. ODM will continue working with ODJFS to evaluate future options.

ODM's Technical Assistance, Compliance, and County Engagement teams regularly train and support county staff. ODJFS provides a web-based course, available year-round through the County Resources

website, to ensure ongoing access despite frequent staffing changes. The training is being updated to be more interactive and modular. The next live annual training event is scheduled for October 2026.

The Auditor of State noted that 833,232 of the 1,721,772 IEVS alerts issued during the audit period (48.4%) were not cleared within 45 days. Federal rules require agencies to develop and follow verification procedures (42 CFR 435.945), and state rule OAC 5160:1-1-04 requires agencies to take specific steps to determine eligibility within 45 days. However, clearing an alert in the Ohio Benefits system is not itself a federal or state requirement. ODM agrees counties must improve the administrative step of clearing alerts, but failure to clear an alert does not necessarily mean the information was not reviewed or acted upon in a timely manner. ODM will continue to emphasize the importance of completing this final step.

Anticipated Completion Date for Corrective Action:
January 2027

Contact Person Responsible for Corrective Action:
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Finding Number: 2025-015
State Agency: Ohio Department of Medicaid
Finding Description: Medicaid Cluster/ Children's Health Insurance Program - Transparency Act Reporting

Corrective Action Plan:

ODM agrees with the Auditor's recommendation to re-evaluate its Federal Funding Accountability and Transparency Act (FFATA) reporting procedures to ensure subaward information—including data reported by partner agencies—is entered accurately and on time in SAM.gov. ODM is committed to timely reporting and is implementing the following actions to address this finding:

- Multiple ODM staff now have SAM.gov access. (Completed)
- ODM will document FFATA reporting procedures in a formal manual.
- ODM is creating a tracking sheet with an approval process to verify that monthly reports from partner agencies are complete and accurate.
- ODM has improved communication with subrecipients to ensure subaward information is received and submitted by required deadlines.

Anticipated Completion Date for Corrective Action:
June 2026

Contact Person Responsible for Corrective Action:
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Title: Audit Remediation Manager
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Finding Number: 2025-016
State Agency: Ohio Department of Medicaid
Finding Description: Medicaid/ Children's Health Insurance Program - Third Party Liability

Corrective Action Plan:

The Department agrees with the finding and already has a plan underway to resolve the issues. ODM has been working with the Ohio Medicaid Enterprise System Fiscal Intermediary (FI) vendor to document the Third Party Liability (TPL) process and identify needed system updates, including importing electronic historical evidence into the FI module and creating new system panels that make TPL information easier for staff to view and work with. Thirteen TPL-related system updates have been identified; eight are already in progress and nearly complete. Once these updates are finished, TPL data including archived historical information will be accessible directly in FI in a familiar format.

The Centers for Medicare and Medicaid Services requires states to use commercial off-the-shelf (COTS) products and rely on default tools whenever possible. The FI system initially lacked a data structure that could store all historical TPL information in an accessible way. Because the COTS system does not use the same tracking fields as the prior system, some historical evidence such as Document Control Numbers (DCNs) or supporting insurance documentation could not be viewed in FI during the audit period. ODM is adding new panels and data fields so this historical information can be accessed more easily going forward.

TPL is complex, and due to the FI system limitations, monitoring is currently a manual process. The ODM TPL Unit Manager continues to review a sample of verifications to ensure insurance information is accurate and correctly captured in FI. The manager maintains a spreadsheet documenting TPL activity, with all relevant recipient information except the DCN (which is not available in FI). The TPL Unit manually removes or end dates TPL coverage in FI and sends a file to the vendor each week to add TPL information to the Other External Enrollment panel.

The Department will take necessary steps to ensure all relevant data elements and documentation are maintained and accessible when major system upgrades or replacements occur, including appropriate retention of historical data.

Anticipated Completion Date for Corrective Action:

July 2026

Contact Person Responsible for Corrective Action:

Name: Megan Powell

Title: Audit Remediation Manager

Address: 50 West Town Street, Suite 400, Columbus, Ohio 43215

Phone Number: 614-752-3844

E-Mail Address: megan.powell@medicaid.ohio.gov

Finding Number: 2025-017
State Agency: Ohio Department of Medicaid
Finding Description: Medicaid Cluster/ Children's Health Insurance Program - Surveillance Utilization Reviews

Corrective Action Plan:

The Department agrees with the Auditor's recommendation to strengthen internal controls over utilization reviews of hospital claims to ensure claims are processed accurately and timely through the Ohio Medicaid Enterprise System Fiscal Intermediary (FI) module.

The Department is addressing the system edits that caused delays and ineffective processing of take-back claims. The recoupment process is in place; however, hospital recoupments are temporarily paused while necessary system testing and provider training are completed. The Department intentionally halted recoupments because system issues prevented hospitals from resubmitting corrected claims after a recoupment occurred.

The Department is working with system vendors to update system logic so hospital claims can be processed correctly. The changes are currently in the testing phase, and, once validated, will be implemented statewide. As of February 20, vendors have deployed two system fixes. A hospital provider is now testing claims and confirming these fixes resolved the issues. During testing, an opportunity was identified to clarify requirements for hospital providers and is developing a simplified process document to support them.

It is important to note that Surveillance Utilization Reviews (SURS) vendor findings may reflect billing or coding errors that do not always result in incorrect payment. A finding may indicate an overpayment, an underpayment, or no change. When a billing error is identified, hospitals may be permitted to re-bill with corrected information so that the proper payment can be made.

Recouping claims before the system logic is corrected could create a financial hardship for hospitals that delivered medically necessary services to eligible individuals.

The Department has a monitoring process in place. After final testing and acceptance, the SURS team will send the appropriate files to the vendor for processing. Once the FI vendor processes the file, SURS will receive claim status information and will track these claims to ensure accurate reprocessing. When take-back processing is resumed, recoupments will be staggered to help avoid financial hardship for providers.

Anticipated Completion Date for Corrective Action:

July 2026

Contact Person Responsible for Corrective Action:

Megan Powell

Audit Remediation Manager

50 West Town Street, Suite 400, Columbus, Ohio 43215

614-752-3844

megan.powell@medicaid.ohio.gov

Finding Number: 2025-018
State Agency: Ohio Department of Natural Resources
Finding Description: Abandoned Mine Land Reclamation – Transparency Act Reporting

Corrective Action Plan:

The Ohio Department of Natural Resources has timely entered all awarded subrecipient agreements into SAM.gov as of September 2025 and implemented a new automated tracking/reminder process through a newly built grant SharePoint tracker. Going forward, subrecipient information will be entered into SAM.gov by the end of the month following the month in which the award was issued.

Anticipated Completion Date for Corrective Action:

Completed September 2025

Contact Person Responsible for Corrective Action:

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Management's Summary Schedule of Prior Audit Findings



State of Ohio

2022 Audit Findings

Ohio Department of Job and Family Services

2022-011 / SNAP Cluster – Ineligible Recipient

Questioned Costs: \$3,629

The audit finding is no longer valid and does not require further action because two years have passed since the fiscal year 2022 Single Audit was submitted to the Federal Audit Clearinghouse and the U.S. Department of Agriculture has not issued a management decision and is not currently engaged with the Ohio Department of Job and Family Services on the finding.

2023 Audit Findings

Ohio Department of Development

2023-003 / Emergency Solutions Grant Program - Obligation, Expenditure, and Payment Requirements

Status: Partially Corrected

Finding first reported in Fiscal Year 2022.

The Department implemented a people-focused solution in which grants staff add calendar appointments with reminders of upcoming grant award deadlines. Additionally, process improvements are underway to ensure that grant awards are issued in a timely manner and that required deadlines are met. The Department has also established a process to ensure that all reimbursement requests accepted can be approved within the required timeframe. In situations where meeting the deadline may be challenging- such as near fiscal yearend-reimbursement requests are not accepted. This expectation has been clearly communicated to grantees well in advance of such scenarios. Although the deficiencies noted in the finding were not fully resolved, the finding will not be repeated because the program was not selected as a major program for testing by the Auditor of State in fiscal year 2025.

2023-006 / CDBG and LIHEAP - Transparency Act Reporting

Status: Partially Corrected

Finding first reported in Fiscal Year 2021.

The Department has evaluated internal controls regarding the collection of data, including changes/updates to subawards. The subaward information that is entered into the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) website is reconciled to internal records monthly. Policies and procedures over the FSRS reporting process are documented. The finance team created a TEAMS folder where all supporting documentation is kept minimizing the negative impact of staff turnover. The finance team includes a monthly tracker documenting FSRS reporting status in the TEAMS folder. Although the deficiencies noted in the finding were not fully resolved, the finding will not be repeated because the program was not selected as a major program for testing by the Auditor of State in fiscal year 2025.

2024 Audit Findings

Ohio Department of Medicaid

2024-001 / Medicaid Cluster – Ineligible Recipients

Status: Partially Corrected

Finding first reported in Fiscal Year 2024.

The Ohio Department of Medicaid (ODM) continues to work collaboratively with partner state agencies to implement and refine processes, procedures, and system programming to address weaknesses in the overall eligibility process and the Ohio Benefits system. This work includes ongoing joint training efforts for county departments of job and family services to reduce eligibility determination errors. ODM, in coordination with the Ohio Department of Job and Family Services, has also developed the Ohio Benefits Program Resources Portal to house training materials and courses for all public assistance programs. Due to federal delays in securing a new vendor for Federal Wage and Veterans Administration Benefits, all states have been receiving only interstate matches. A new agreement is expected to be in place this fall. ODM plans to provide updated training on processing Public Assistance Reporting Information System (PARIS) matches once the agreement is in place and all matches from all sources are being received. Since the changes are not fully implemented, the finding will be repeated.

Ohio Department of Development

2024-002 / Low-Income Home Energy Assistance Program – Period of Performance

Questioned Costs: \$576,505

Status: Partially Corrected

Finding first reported in Fiscal Year 2024.

A final federal determination letter has not yet been received from the U.S. Department of Health and Human Services to resolve the questioned costs portion of the finding. For the control deficiency component, the review process is being reinforced with personnel to ensure adherence to funding guidelines, along with reeducation at the manager level on the encumbrance process. Operations has issued new educational materials outlining approval level responsibilities, and the review process has been reiterated with the Deputy Chiefs, with an emphasis on required checkpoints. Operations is also leading the development of a new revenue tracking process that will allow the Department the ability to monitor within the system the obligation dates that must be followed. The long-term goal is to implement a system validation to prevent encumbrances beyond the allowable obligation period, aligning with the broader people solution. Operations will follow up with accounting to ensure return of the costs questioned is processed properly. Because these changes are not yet fully implemented, the finding will be repeated.

Ohio Department of Development (continued)

2024-003 / Low-Income Home Energy Assistance Program – Transparency Act Reporting

Status: Uncorrected

Finding first reported in Fiscal Year 2021.

The Department will obtain signed and dated contracts directly from the Ohio Buys system to ensure complete and accurate reporting of all subawards. Additionally, employees will be cross-trained on the reporting process so that the function can be performed consistently by multiple staff members. Management will periodically review these procedures to ensure they remain effective and comply with federal requirements. Because there were issues migrating to a new system, information had to be manually input which resulted in delays and a repeat finding.

2024-004 / Low-Income Home Energy Assistance Program - Reporting

Status: Fully Corrected

2024-005 / Coronavirus State and Local Fiscal Recovery Funds – Subrecipient Monitoring

Status: Partially Corrected

Finding first reported in Fiscal Year 2023.

The Department has implemented a quarterly process where all quarterly progress reports from subrecipients will be tracked, backup documentation collected, appropriate follow-up actions will be taken, and files will be retained. Program staff will be trained immediately. In addition, a monthly subrecipient monitoring process with the contractor has been revised. The Department developed a guide that provides timeline program and monitoring dates and required several applicants to attend compliance refresh training in March 2025. The finance division has developed a training schedule, list of resources, and additional policies/requirements and tools that were rolled out at Grant Consortium meetings in calendar year 2025. A risk assessment policy and tools were implemented in April 2025 and a subrecipient monitoring policy and tools were implemented in June 2025. Since the process was not fully implemented for all subprograms during fiscal year 2025, the finding will be repeated.

2024-006 / Coronavirus State and Local Fiscal Recovery Funds - Reporting

Status: Partially Corrected

Finding first reported in Fiscal Year 2023.

Before submitting the next quarterly report to the Office of Budget and Management (OBM), program and operations staff will conduct a reverse-engineering review to verify that all reported metrics are accurate, appropriate, and complete. The Department will perform an internal review of each report prior to its submission to OBM. All supporting documentation used to prepare quarterly reports will be stored in a centralized audit-response folder within the Division Support TEAM. Operations will begin training program staff immediately on proper file-retention procedures. Since the prior audit finding was not issued until February 2025, changes made were not fully implemented for all fiscal year 2025 resulting in a repeat finding.

Ohio Department of Development (continued)

2024-007 / Coronavirus State and Local Fiscal Recovery Funds – Suspension and Debarment

Status: Fully Corrected

2024-008 / Emergency Rental Assistance Program - Reporting

Status: Partially Corrected

Finding first reported in Fiscal Year 2023.

The Department will pull all the Emergency Rental Assistance (ERA) quarterly reports subject to audit, and have a review done by respective teams (Program Managers, Operations) to ensure it is compatible with the auditor's request. All future reports will be reviewed and approved by Operations before submission. During the year reporting requirements were changed. Any changes in reporting are to be logged in the centralized audit response folder in the Division Support TEAMS channel. Operations will start training with program staff immediately on file retention procedures. Although the deficiencies noted in the finding were not fully resolved, the finding will not be repeated because the program was not selected as a major program for testing by the Auditor of State in fiscal year 2025[LS1].

2024-009 / Emergency Rental Assistance Program - Earmarking

Status: Fully Corrected

Ohio Department of Education and Workforce

2024-010 / Child Nutrition Cluster – Transparency Act Reporting

Status: Uncorrected

Finding first reported in Fiscal Year 2024.

The Department will design and implement additional internal controls over Transparency Act reporting to ensure that the program expenditures are timely and accurately entered into the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) website. These procedures will include a supervisory review of the expenditure data prior to submission to ensure compliance with federal regulations. The Department is corresponding with the United States Department of Agriculture and other states to help determine the most effective way to report these expenditures in a timely manner going forward. Since the changes are not fully implemented, the finding will be repeated.

Ohio Environmental Protection Agency

2024-011 / DWSRF – Loan Payment Monitoring

Status: Partially Corrected

Finding first reported in Fiscal Year 2024.

The written payment procedure was updated to include a monitoring process conducted by the Project Coordination Unit Supervisor and/or Manager. Further, the voucher review timeline for compliance has been updated from 45 to 60 days. Because these revisions were not fully implemented for the entirety of fiscal year 2025, the finding will be repeated.

Ohio Department of Job and Family Services

2024-012 / SNAP Cluster and TANF – IEVS Alerts

Status: Partially Corrected

Finding first reported in Fiscal Year 1997.

The Ohio Benefits team, in partnership with the Program Office, continues to develop and implement system enhancements to reduce the workload associated with the Income Eligibility Verification System (IEVS) for the county workers. A full end to end review has been completed, and updates to the match thresholds are being slotted. This change was implemented in the 4.14.1 release in January 2025, and the state will continue to monitor its impact. Additional changes are planned for three IEVS sources in the 5.1.1 release. The Department continues to offer IEVS Alert/Match Processing Training, which county workers may attend live or view via recorded sessions. The training is updated regularly as needed. Fraud Control Triad Reviews and Assessments also continue to be conducted in fiscal year 2025. Because the improvements were not fully implemented during fiscal year 2025, the finding will be repeated.

2024-013 / IT – UI FUTA Certification Match

Status: Fully Corrected

Ohio Department of Medicaid

2024-014 / Medicaid Cluster/CHIP - Ineligible Recipients

Questioned Costs: \$348,220

Status: Partially Corrected

Finding first reported in Fiscal Year 2024.

To resolve the questioned costs component of the audit finding, a final federal determination letter was received from the U.S. Department of Health and Human Services. Pertaining to the noncompliance and material weakness portion of the finding, the Ohio Department of Medicaid (ODM) continues to work collectively with related state agencies to implement/update robust processes, procedures, and system programming to address weaknesses in the overall eligibility process and in the Ohio Benefits system. ODM has committed to deliver training using a variety of methods to account for individuals' different learning styles and work schedules. ODM, in collaboration with the Ohio Department of Job and Family Services (ODJFS), has developed the Ohio Benefits Program Resources Portal to house training materials and courses for all public assistance programs. ODM continues to work with ODJFS and the Ohio Department of Administrative Services (DAS) to improve the Ohio Benefits System with a recent completion of the third sprint in March 2025. The team is now planning targeted work on IEVS alerts for R5.1.1. ODM employs a team of auditors and nurses in our Bureau of Program Integrity (BPI), Surveillance, Utilization, and Review Section (SURS) who routinely use data mining to identify potential improper payments. Since the changes were not fully implemented during fiscal year 2025, the finding will be repeated.

2024-015 / Medicaid Cluster/CHIP - IEVS Alerts

Status: Uncorrected

Finding first reported in Fiscal Year 2017.

The Ohio Department of Medicaid (ODM) continues to work with the Ohio Department of Job and Family Services (ODJFS) and the Department of Administrative Services (DAS) to enhance the Ohio Benefits eligibility system to reduce the high volume of alerts. The third alert sprint occurred as planned in March. A journal entry will be generated by the batch that includes the Alert Category, Sub-Category, Program, and Creation Date of all alerts cleared by the batch. The Ohio Benefits team is now planning targeted work on IEVS Alerts for release 5.1.1. Also, implementation of a bot to update date of death in the Ohio Benefits system will reduce the overall number of alerts generated, allowing county caseworkers more time to work other important alerts. The Medicaid Eligibility Quality Control (MEQC) team will continue to review alert activities as part of their ongoing eligibility determination reviews. Since the changes were not fully implemented by the end of fiscal year 2025, the single audit finding will be repeated.

2024-016 / Medicaid Cluster/CHIP - Provider Revalidations

Status: Fully Corrected

Ohio Department of Medicaid (Continued)

2024-017 / Medicaid/CHIP - Provider License Renewal and Exception Reports

Status: Fully Corrected

2024-018 / Medicaid Cluster/CHIP - Surveillance Utilization Reviews

Status: Uncorrected

Finding first reported in Fiscal Year 2023.

The Department was in the process of implementing a System Application Modification (SAM) and testing the Ohio Medicaid Enterprise System (OMES) changes before forwarding the files to the vendor for processing. The claims system vendor is manually processing adjustment of claims. When the adjustments are completed, ODM will review that the manual adjustments were completed correctly. SURS will forward the remaining claims to the vendor for processing. After the adjustment of the above-mentioned claims and testing and implementation of the SAM, the department will resume sending adjustment reports to the vendor for processing. Since the changes were not fully implemented by the end of fiscal year 2025, the single audit finding will be repeated.

Ohio Department of Behavioral Health

2024-019 / Opioid STR & SUPTRS BG - Cash Management

Status: Partially Corrected

Finding first reported in Fiscal Year 2024.

The Department engaged LeanOhio staff to assess the potential for a process mapping engagement to address this finding. After that review, the Department decided to use internal resources trained in LeanOhio to conduct process mapping and workflow configuration. That project kicked off in mid-September 2025. Since the changes were not fully implemented for fiscal year 2025, the single audit finding will be repeated.

Ohio Department of Natural Resources

2024-020 / Abandoned Mine Land Reclamation - Transparency Act Reporting

Status: Partially Corrected

Finding first reported in Fiscal Year 2024.

The Department of Natural Resources entered all subrecipient agreements into SAM.gov to comply with the Federal Funding Accountability and Transparency Act (FFATA). Going forward, subrecipient information will be entered by the Division of Mineral Resources Management's contracting staff as agreements are carried out. A procedure document has been created and provided to staff. Entry of subrecipient agreements is currently being tracked in a spreadsheet as a SharePoint tool is being built for the division to manage the program and subrecipients. The system will include a task for the FFATA/SAM.gov entry with the due date calculated from the contract execution date. The system will send reminders to staff as the due date is approaching and if past due. Since the prior audit finding was not issued until February 2025, changes made were not fully implemented for all fiscal year 2025 resulting in a repeat finding.

ATTACHMENT



Office of Budget
and Management

Fiscal Year Ended June 30, 2025



STATE OF OHIO

Annual Comprehensive Financial Report

ACKNOWLEDGMENTS

Report prepared by the
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Special appreciation is given to all fiscal and accounting personnel throughout the State whose extra efforts to contribute accurate, timely financial data for their agencies made this report possible.

STATE OF OHIO

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended
June 30, 2025



Office of Budget and Management

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STATE OF OHIO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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The Old Montgomery County Courthouse - Dayton, Ohio

Introductory Section



December 17, 2025

The Honorable Mike DeWine, Governor of Ohio;
The Honorable Jim Tressel, Lieutenant Governor of Ohio;
Members of the General Assembly;
Agencies, Boards, Commissions;
And fellow Ohioans:

It is my privilege to present the State of Ohio's Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2025, prepared in accordance with Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB).

The Office of Budget and Management (OBM) prepared this report pursuant to Section 126.21 of the Ohio Revised Code. The report includes the state's basic financial statements, providing an overview of the state's financial position and the management of Ohio's financial operations. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with OBM.

To the best of my knowledge and belief, the information presented is accurate in all material respects and reported in a manner that fairly depicts the financial position and results of operations of the state of Ohio. All disclosures necessary for a reasonable understanding of the state's economic activities are included.

This letter of transmittal is intended to complement management's discussion and analysis (MD&A) and should be read in conjunction with it. The MD&A provides an overview of the state's financial activities, addressing both governmental and business-type activities reported in the government-wide financial statements.

The reporting format for our ACFR is significantly different from how the State typically presents its finances on a non-GAAP budgetary basis. The most obvious difference is that the "General Fund" in the ACFR includes more than the state's General Revenue Fund (GRF). The General Fund also includes reimbursement-supported funds used for activities administered by state agencies for which special revenue or proprietary fund classifications were inappropriate.

The state is responsible for establishing and maintaining internal controls designed to ensure that the state's assets are protected from loss, theft, or misuse, and that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and that the valuation of cost and benefit requires estimates and judgments by management.

INDEPENDENT AUDIT RESULTS

In compliance with the Ohio Revised Code, the Office of the Auditor of State performed an annual financial audit. The audit was conducted in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States. Included in the Financial Section of this report is the Auditor's unmodified opinion. This opinion indicates that there was no limitation on the Auditor's examination and that the financial statements were presented fairly, in all material respects, in accordance with GAAP.

Additionally, the Auditor of State audits the State's compliance with the requirements of the federal Single Audit Act Amendments of 1996 and related Office of Management and Budget (OMB) Uniform Guidance. The Single Audit report will be issued separately from the state's ACFR.

PROFILE OF THE GOVERNMENT

History

Ohio's first constitution was adopted in 1802, and Ohio entered the Union in 1803. Ohio's present constitution was amended by a state constitutional convention in 1851 and has since been amended numerous times. The Ohio Constitution establishes a state governmental structure modeled on the federal system, with three separate branches of government — executive, legislative, and judicial.

Governmental Structure

The executive branch consists of the Governor and Lieutenant Governor, who are jointly elected, and four additional statewide elected officials: Attorney General, Auditor of State, Secretary of State, and Treasurer of State. Each of these officials is elected to a four-year term.

Approximately 100 agencies, boards, and commissions are part of the executive branch of government and receive appropriations from the legislature, along with several judicial and legislative agencies. An organizational chart of the state government can be found on pages viii and ix.

The Ohio General Assembly consists of two separate chambers, the Senate, a 33-member body, and the House of Representatives, a 99-member body. Each member is elected to represent the residents of a geographical district for a specified term. Members of the General Assembly are subject to term-limits; senators are restricted to serving two consecutive four-year terms, and representatives are restricted to serving four successive two-year terms. Each chamber has a presiding officer who calls the chamber to order and directs the calendar of events. The presiding officer in the Senate is the President of the Senate, and the presiding officer of the House of Representatives is the Speaker of the House. A new General Assembly is convened in January of each odd-numbered year.

Within the judicial system, the Supreme Court is the court of last resort in Ohio. Most of its cases are appeals from the 12 district courts of appeal. The Chief Justice and six justices are elected to six-year terms.

Reporting Entity and Its Services

For financial reporting purposes, the state's reporting entity consists of (1) the primary government, (2) component units for which the primary government is financially accountable, and (3) other component units for which the nature and significance of their relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria set forth in Governmental Accounting Standards Board's (GASB) Statement 14, the Financial Reporting Entity, Statement 39, Determining Whether Certain Organizations are Component Units, an amendment of GASB 14, Statement 61, the Financial Reporting Entity: Omnibus, an amendment of GASB 14 and Statement 80, Blending Requirements for Certain Component Units, an amendment of GASB 14, are used to determine the organizations for which the state is financially accountable. NOTE 1A to the financial statements explains more fully which financial activities are included in the state's reporting entity.

The state provides a wide range of services and support to its citizenry that are accounted for in the following functions or programs: primary, secondary, and other education, higher education support, public assistance and Medicaid, health and human services, justice and public protection, environmental protection and natural resources, transportation, general government, community and economic development, workers' compensation, lottery, unemployment compensation, tuition credits, and other business-type activities.

Retirement Systems

Employees of the primary government or its component units may be eligible to participate in the Ohio Public Employees Retirement System, State Teachers Retirement System of Ohio, State Highway Patrol Retirement System, or an alternative retirement plan. Further information on the state's participation in the different retirement systems can be found in NOTE 9 to the financial statements.

Risk Management

As discussed in NOTE 1Q to the financial statements, the state's primary government is self-insured for claims under its traditional healthcare plan and its vehicle liability plan. Employee and public official fidelity bonding is placed with a private insurer. Tort liability is self-funded; however, several state agencies have also acquired private insurance. State-owned buildings are covered under a catastrophic property policy for both real and personal property losses. All other liability risk to State property is self-funded on a pay-as-you-go basis. The state's primary government and its component units participate in a public entity risk pool, which is accounted for in the Workers' Compensation Enterprise Fund, to finance their workers' compensation liability.

Budgetary Control and Accounting System

Ohio's Constitution requires a balanced state budget. The state's biennial operating budget begins on July 1 of odd-numbered years and ends 24 months later, on June 30. The state maintains budgetary controls to ensure compliance with legal provisions embodied in the appropriated budget approved by the General Assembly. Budgets are entered into the statewide accounting system once the appropriations bill becomes law. Controls are maintained first at the agency level, with additional controls at the fund and appropriation level to ensure that expenditures do not exceed authorized limits.

The state's non-GAAP budgetary schedules are prepared on a modified cash basis of accounting. This means that revenues are recognized when cash is received, and expenditures are recognized when cash is paid. Encumbrances, reservations of appropriation authority as of June 30, the end of the state fiscal year, are reflected as expenditures on the budgetary basis of accounting.

Budget-to-actual comparisons are available in this report for each governmental fund for which an appropriated annual budget has been adopted. For the General Fund; Job, Family, and Other Human Services Special Revenue Fund; and the Pandemic Relief Special Revenue Funds; comparisons are presented as part of the required supplementary information. For other budgeted non-major governmental funds with appropriated annual budgets, budget-to-actual comparisons are in the non-major governmental funds section of the ACFR.

Additional discussion of the budgetary and GAAP bases of accounting is provided in NOTE 1 to the financial statements.

The accounting system maintains all non-GAAP budgetary basis transactions and most GAAP basis adjustments. In addition to information obtained from the accounting system for financial reporting, selected financial information from the state's agencies is compiled to complete the GAAP-based financial statements.

Differences between the two bases of accounting (GAAP vs. non-GAAP budgetary) include: 1) entity differences — the GAAP reporting entity may include organizations such as financing authorities and other component units that are not included in the state's budget; 2) basis differences — the GAAP basis results in the reporting of accruals while the non-GAAP budgetary basis results in the reporting of cash transactions; and 3) timing differences — for example, GAAP recognizes expenditures for payables for goods and services received, whereas the non-GAAP budgetary basis considers unliquidated encumbrances as expenditures. Reconciliation between the GAAP basis and non-GAAP budgetary basis fund balances is presented in the ACFR as a note to the budgetary section of required supplementary information.

ECONOMIC OVERVIEW AND OUTLOOK

The Economy in 2025

The economy in fiscal year (FY) 2025 remained solid despite uncertainty about prices, the labor market, and the effects of U.S. trade policy. According to the Bureau of Economic Analysis, U.S. real gross domestic product (GDP) grew at a seasonally adjusted annual rate of 3.3 percent in the first quarter of FY 2025. In the third quarter of FY 2025, GDP declined by 0.6 percent; however, GDP rebounded in the fourth quarter to an annual growth rate of 3.8 percent. The large swings in GDP in the second half of the fiscal year were attributed to uncertainty in U.S. trade policy.

Ohio's GDP charted a similar course to that of the national trend in FY 2025, increasing at an annual rate of 2.1 percent during the first quarter. In the second quarter, growth decelerated compared to the first quarter but remained strong at 1.4 percent. In the third quarter, GDP declined before accelerating again in the fourth quarter of FY 2025 to a seasonally adjusted annual rate of 3.9 percent, ahead of the national growth rate.

In the first few months of the fiscal year, the Federal Reserve continued its efforts to balance reducing inflation with maintaining a strong labor market. At the beginning of FY 2025, the consumer price index (CPI) for all urban consumers was down to 2.9 percent. Consequently, after holding rates in the 5.25 to 5.50 percent range

for more than a year, in September 2024, the Federal Reserve made the first of three rate cuts in FY 2025, bringing rates down to the 4.25 to 4.5 percent range by December 2024. In line with those rate cuts, CPI fell to 2.3 percent in April 2025 but then began to increase again, ending the fiscal year at 2.7 percent.

Throughout the country, and in Ohio, the strong labor market conditions seen in FY 2024 began to moderate in FY 2025. According to the Bureau of Labor Statistics, Ohio's unemployment rate increased throughout FY 2025, culminating in a 4.9 percent unemployment rate in June of 2025. However, Ohio's labor force participation rate increased during the fiscal year, while the national rate declined. By the end of FY 2025, Ohio's labor force participation rate had risen to 62.7 percent, 0.4 percentage point above the national rate.

Ohio's Economic Outlook

Looking to the future, Ohio remains well-positioned to capitalize on the successes of FY 2025, through FY 2026 and beyond.

Ohio's economy thrives on technological and research advancements. Ohio ranked 5th in CNBC's America's Top States for Business 2025, thanks to its infrastructure, low cost of doing business, access to capital, and technology and innovation. CompTIA identified approximately 22,000 technology businesses in Ohio that employed roughly 269,000 Ohioans in calendar year 2024. Ohio's educational institutions and private research facilities have core strengths in advanced manufacturing, biosciences, instruments and controls, power and propulsion, and information technology.

Ohioans' entrepreneurial spirit is part of what makes our state the heart of innovation. New business filings have grown dramatically in recent years. In FY 2025, filings were 2.9 percent above FY 2024's filings.

Overall, the economy in FY 2025 demonstrated resolve and resilience amid challenging economic headwinds stemming from lingering inflation, elevated interest rates, and uncertainty over U.S. trade policy. Ohio continues to progress steadily in the first few months of FY 2026.

FY 2025 State Finances in Review

The Ohio General Revenue Fund (GRF) finances in FY 2025 reflect total state-source revenues performing above forecast, while expenditures were carefully managed.

For the fiscal year, GRF tax revenues increased by \$1.15 billion (4.1%) from FY 2024. Vibrant personal income tax performance explains most of the total tax revenue growth, as receipts from this source increased 9.9 percent from the prior year. Tax receipts from the non-auto sales tax and auto sales tax increased by 2.1 percent and 3.7 percent, respectively, and commercial activity tax receipts decreased by 5.3 percent.

Total FY 2025 GRF tax revenues were \$1.5 billion (5.4%) above the estimate. Below are the results of the four most significant GRF tax sources.

Selected General Revenue Fund Tax Receipts Actual vs. Estimate (\$ in millions)				
	Actual FY 2025	Estimated FY 2025	Variance	Percent Variance
Non-Auto Sales & Use	\$ 12,033.4	\$ 11,372.2	\$ 661.2	5.8%
Auto Sales & Use	\$ 1,987.6	\$ 1,904.0	\$ 83.6	4.4%
Personal Income	\$ 10,461.5	\$ 9,770.2	\$ 691.3	7.1%
Commercial Activity Tax	\$ 2,240.2	\$ 2,197.0	\$ 43.2	2.0%

Ohio held its first expanded sales tax holiday in FY 2025, providing a sales tax exemption on nearly all goods priced below \$500 from July 30 to August 8, 2024. The resulting foregone sales tax revenue was fully offset by a transfer from the expanded sales tax holiday fund to the GRF. About 70 percent (\$460.6 million) of the non-sales tax variance was due to overestimating the tax revenue loss from the sales tax holiday. This also means the transfer to the GRF was \$460.6 million below initial estimates. If the sales tax holiday transfer is included in tax revenues, total GRF tax revenues were \$1.04 billion (3.7%) above the forecast.

Total tax and non-tax GRF receipts, including transfers, were above the FY 2025 estimate by \$972 million (2.2%). Federal grant revenue was above estimate for the year, by \$61.3 million (0.4%), while other non-tax sources were \$112.1 million (20.2%) above the forecast. Transfers were \$701.7 million (-73.9%) below the estimate, primarily due to the lower-than-expected sales tax holiday transfer discussed above. Excluding federal grant revenue, total tax and non-tax receipts, and transfers, the variance from the estimated amount was positive, amounting to \$910.7 million (3.1%).

ACKNOWLEDGEMENTS

In closing, I would like to express my appreciation to the financial reporting staff of OBM's Grants and Financial Reporting Section and the staff of the various state agencies whose time and dedicated efforts made this report possible. I encourage you to review Ohio's Annual Comprehensive Financial Report, or ACFR, at obm.ohio.gov. Also available for review is the Popular Annual Financial Report, or PAFR, which is derived from the ACFR and communicates the financial results of the state's operations to the state's stakeholders in more general terms and includes graphics and other visuals to enhance the economic message.

Very respectfully yours,



Kimberly A. Murnieks
Director

STATE OF OHIO OFFICIALS

As of June 30, 2025

EXECUTIVE

Mike DeWine
Governor

Jim Tressel
Lieutenant Governor

Dave Yost
Attorney General

Keith Faber
Auditor of State

Robert Sprague
Treasurer of State

Frank LaRose
Secretary of State

LEGISLATIVE

Rob McColley
President of the Senate

Matt Huffman
Speaker of the House

JUDICIAL

Sharon Kennedy
Chief Justice
Supreme Court

STATE OF OHIO ORGANIZATION CHART

FINANCIAL REPORTING ENTITY		
PRIMARY GOVERNMENT		
LEGISLATIVE Senate (33 Members) House of Representatives (99 Members)	EXECUTIVE Governor Lieutenant Governor Attorney General Auditor of State Secretary of State Treasurer of State State Board of Education (11 Elected Members, and 8 At-Large Members)	JUDICIAL Supreme Court Chief Justice and 6 Justices
Governmental Activities: <i>General Government:</i> Capitol Square Review & Advisory Board Senate House of Representatives Legislative Service Commission Legislative Committees	Governmental Activities: <i>Primary, Secondary and Other Education:</i> Arts Council Broadcast Educational Media Commission Department of Education and Workforce Deaf and Blind Education Services State Library Board <i>Higher Education Support:</i> Department of Higher Education State Board of Career Colleges and Schools <i>Public Assistance and Medicaid:</i> Department of Children and Youth Department of Job and Family Services Department of Medicaid <i>Health and Human Services:</i> Commission on Hispanic/Latino Affairs Commission on Minority Health Department of Aging Department of Developmental Disabilities Department of Health Department of Behavioral Health (Formerly Department of Mental Health and Addiction Services) Department of Veteran Services Opportunities for Ohioans with Disabilities <i>Justice and Public Protection:</i> Adjutant General's Department Board of Tax Appeals Civil Rights Commission Department of Public Safety Department of Rehabilitation and Correction Department of Youth Services Ethics Commission Office of the Attorney General Public Defender Commission <i>Environmental Protection and Natural Resources:</i> Department of Natural Resources Environmental Protection Agency Environmental Review Appeals Commission Lake Erie Commission <i>Transportation:</i> Department of Transportation	Governmental Activities: <i>Justice and Public Protection:</i> Supreme Court Judicial Conference Judiciary Court of Claims

PRIMARY GOVERNMENT (Continued)		
	<i>General Government:</i> Consumers' Counsel Department of Administrative Services Department of Commerce Department of Insurance Department of Taxation Office of Budget and Management Office of the Governor Office of the Inspector General Office of the Lieutenant Governor Office of the Secretary of State Office of the Treasurer of State Public Utilities Commission Sinking Fund Commission State Racing Commission Other Boards and Commissions <i>Community and Economic Development:</i> Department of Agriculture Department of Development Expositions Commission Public Works Commission Business-Type Activities: Bureau of Workers' Compensation and Industrial Commission Department of Job and Family Services— Unemployment Compensation Program Lottery Commission Office of the Auditor of State Tuition Trust Authority	

COMPONENT UNITS		
Blended Component Units: Buckeye Tobacco Settlement Financing Authority (included as Governmental Activities)	Discretely Presented Component Units (continued):	
	State Universities:	
Fiduciary Component Unit: State Highway Patrol Retirement System	Bowling Green State University	Ohio University
	Central State University	Shawnee State University
Discretely Presented Component Units: <i>Financing Authorities and Commissions:</i> Ohio Air Quality Development Authority Ohio Capital Fund Ohio Facilities Construction Commission Ohio Turnpike and Infrastructure Commission <i>Nonprofit Organizations:</i> Jobs Ohio	Cleveland State University	University of Akron
	Kent State University	University of Cincinnati
	Miami University	University of Toledo
	Northeast Ohio Medical University	Wright State University
	Ohio State University	Youngstown State University
	State Community Colleges:	
	Cincinnati State	Owens State
	Clark State	Southern State
	Columbus State	Terra State
	Edison State	Washington State
	Northwest State	

FIDUCIARY
STABLE Program STAR Ohio Variable College Savings Plan Custodial Funds

JOINT VENTURES	RELATED ORGANIZATIONS
Great Lakes Protection Fund Community and Technical Colleges	Higher Educational Facility Commission Ohio Housing Finance Agency Ohio Access to Justice Foundation Ohio Water Development Authority Petroleum Underground Storage Tank Release Compensation Board



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Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO



National Veterans Memorial and Museum - Columbus, Ohio

Financial Section



65 East State Street
Columbus, Ohio 43215
(614) 466-3402 or (800) 443-9275
StateRegion@ohioauditor.gov

INDEPENDENT AUDITOR'S REPORT

The Honorable Mike DeWine, Governor
State of Ohio
Columbus, Ohio 43215

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Ohio (the State), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the State's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the following organizations which represent the percentages of total assets and expenditures/expenses/deductions indicated for the related opinion units as of June 30, 2025, and the respective changes in financial position and where applicable, cash flows, thereof for the year then ended:

Opinion Unit	Organization	Percent of Opinion Unit's Total	
		Assets	Expenditures/ Expenses/ Deductions
Governmental Activities (GA)	Treasurer of State Lease Revenue Bonds and Buckeye Tobacco Settlement Financing Authority (BTSFA)	2%	1%
Business-Type Activities (BTA)	Ohio Bureau of Workers' Compensation and Ohio Tuition Trust Authority	90%	24%
GA/BTSFA Revenue Bonds	Buckeye Tobacco Settlement Finance Authority	100%	100%
BTA / Workers' Compensation	Ohio Bureau of Workers' Compensation	100%	100%
Aggregate Discretely Presented Component Units	Bowling Green State University; Cleveland State University; Columbus State Community College; JobsOhio; Kent State University; Miami University; The Ohio State University; Ohio University; Shawnee State University; University of Akron; University of Cincinnati; University of Toledo; Wright State University; and Youngstown State University	92%	94%
Aggregate Remaining Fund Information	State Highway Patrol Retirement System; State Treasury Asset Reserve of Ohio; Treasurer of State Lease Revenue Bonds; and Ohio Tuition Trust Authority	42%	5%

Efficient • Effective • Transparent

Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for these independently audited organizations, are based solely on the reports of other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the State, 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. The financial statements of JobsOhio, which represent five percent of total assets and eight percent of the total expenses of the aggregate discretely presented component units, were not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the State'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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the State'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 State'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, required budgetary comparison schedules, schedules for infrastructure assets accounted for using the modified approach, and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions* be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board 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 evidence sufficient to express an opinion or provide any assurance.

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State's basic financial statements. The financial section's combining statements and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial section's combining statements and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual financial report. The other information comprises the introductory and statistical sections, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2025, on our consideration of the State'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 State'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 State's internal control over financial reporting and compliance.

KEITH FABER
Ohio Auditor of State



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

December 17, 2025

State of Ohio

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2025

(Unaudited)

Introduction

This section of the State of Ohio's annual financial report presents management's discussion and analysis of the State's financial performance during the fiscal year ended June 30, 2025. The management's discussion and analysis section should be read in conjunction with the preceding transmittal letter and the State's financial statements, which follow.

Financial Highlights

Government-wide Financial Statements

During fiscal year 2025, net position of the State's primary government increased by \$192.9 million (after a restatement of beginning balance) and ended fiscal year 2025 with a \$50.7 billion balance. Net position of the State's component units increased by \$3.05 billion (after a restatement of beginning balance) and ended fiscal year 2025 with a \$23.53 billion balance. See additional discussion beginning on page 9.

Fund Financial Statements

Governmental funds reported a combined ending fund balance of \$26.98 billion that was comprised of \$170.3 million in nonspendable, \$9.79 billion restricted for specific purposes, \$2.5 billion committed, \$10.95 billion in assigned, and \$3.57 billion in unassigned. See additional discussion beginning on page 13.

As of June 30, 2025, the General Fund's fund balance was approximately \$17.15 billion, including \$60.3 million in nonspendable, \$1.62 billion in restricted, \$912.9 million in committed, \$10.95 billion in assigned, and \$3.61 billion in unassigned. The General Fund's fund balance decreased by \$625.5 million or 3.5 percent during fiscal year 2025. See additional discussion beginning on page 13.

Proprietary funds reported net position of \$12.03 billion (after a restatement of beginning balance), as of June 30, 2025, an increase of \$1.18 billion or 10.8 percent over the prior fiscal year. This increase is largely due to the net increase of \$1.16 billion in the Workers' Compensation Fund. For more information, see additional discussion beginning on page 14.

Capital Assets

The carrying amount of capital assets, including lease and subscription-based information technology (IT) assets, for the State's primary government increased to \$31.52 billion at June 30, 2025. The majority of the \$824.8 million increase during fiscal year 2025 was from additions in construction-in-progress. See additional discussion beginning on page 15.

Long-Term Debt — Bonds and Notes Payable and Certificates of Participation Obligations

Overall, the carrying amount of total long-term debt for the State's primary government decreased \$230 million or 1.5 percent during fiscal year 2025, for an ending balance of \$15.32 billion. During the year, the State issued a par amount of \$1.66 billion dollars in long-term debt of which \$553.5 million was refunding bonds. See additional discussion beginning on page 16.

Overview of the Financial Statements

This annual report consists of three required components: management's discussion and analysis, basic financial statements, including the accompanying notes to the financial statements, and required supplementary information. In addition, this report includes an optional section that contains combining statements and schedules for the non-major governmental funds, nonmajor proprietary funds, fiduciary funds, and nonmajor discretely presented component unit funds.

The basic financial statements are comprised of the government-wide financial statements and fund financial statements. The table on the following page summarizes the major features of these statements.

Major Features of the State of Ohio's Government-wide and Fund Financial Statements				
	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire State government (except fiduciary funds) and the State's component units	The activities of the State that are not proprietary or fiduciary, such as general government, transportation, justice and public protection, etc.	Activities the State operates similar to private businesses, such as the workers' compensation insurance program, lottery, tuition credit program, etc.	Instances in which the State is the trustee or agent for someone else's resources
Required Financial Statements	• Statement of Net Position • Statement of Activities	• Balance Sheet • Statement of Revenues, Expenditures and Changes in Fund Balances	• Statement of Net Position • Statement of Revenues, Expenses and Changes in Fund Net Position • Statement of Cash Flows	• Statement of Fiduciary Net Position • Statement of Changes in Fiduciary Net Position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

Government-wide Financial Statements – Reporting the State as a Whole

The two government-wide financial statements, prepared on a basis and focus similar to those used by private-sector companies, report the State's net position and how it has changed. Net position — the difference between the State's assets/deferred outflows of resources and liabilities/deferred inflows of resources — is one way to measure the State's financial health, or position. Over time, increases or decreases in the State's net position indicate whether its financial health has improved or deteriorated, respectively. However, a reader should consider additional nonfinancial factors, such as changes in the State's economic indicators and the condition of the State's highway system, when assessing the State's overall financial status.

These statements, found on pages 22 through 25 of this report, are divided into three categories as follows.

Governmental Activities — Most of the State's basic services are reported under this category, such as primary, secondary and other education, higher education support, public assistance and Medicaid, and transportation. Taxes, federal grants, and charges for services, fees, fines and forfeitures finance most of these activities.

Business-type Activities — The State charges fees to customers to help cover the costs of certain services it provides. The State reports the following programs and activities as business-type: workers' compensation insurance program, lottery operations, unemployment compensation program, guaranteed college tuition credit program, and the Auditor of State's governmental auditing and accounting services.

Component Units — The State presents the financial activities of the Ohio Facilities Construction Commission, Ohio State University, and other entities as discretely presented component units under a separate column in the government-wide financial statements. The Buckeye Tobacco Settlement Financing Authority is presented as a blended component unit with its activities blended and included under governmental activities. Although legally separate, the State is financially accountable for its component units. For further explanation and a complete list of component units, see NOTE 1A. to the financial statements.

Fund Financial Statements – Reporting more detail about the State’s most significant funds

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. State law and bond covenants mandate the use of some funds. The Ohio General Assembly establishes other funds to control and manage money for particular purposes or to show that the State is properly using certain taxes and grants. The State employs fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The basic fund financial statements can be found on pages 26 through 45 of this report while the combining fund statements and schedules can be found on pages 183 through 233. The State has three kinds of funds as follows:

Governmental Funds — Most of the State’s basic services are included in governmental funds, which focus on how cash and other financial assets that can readily be converted to cash flow in and out (i.e., near-term inflows and outflows of spendable resources) and the balances remaining at year-end that are available for spending (i.e., balances of spendable resources). Consequently, the governmental fund financial statements provide a detailed short-term view that helps the financial statement reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the State’s programs. Because these statements do not encompass the long-term focus of the government-wide statements, a reconciliation schedule, which follows each of the governmental fund financial statements, explains the relationship (or differences) between them.

The State’s governmental funds include the General Fund, Job, Family and Other Human Services Special Revenue Fund, Buckeye Tobacco Settlement Financing Authority Revenue Bonds Debt Service Fund, and Pandemic Relief Funds Special Revenue Fund, all of which are considered major funds. Data from the other governmental funds, which are classified as nonmajor funds, are combined into an aggregated presentation under a single column on the basic governmental fund financial statements. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

For budgeted governmental funds, the State also presents budgetary comparison schedules in required supplementary information and combining statements to demonstrate compliance with the appropriated budget. The State’s budgetary process is explained further in NOTE 1D. to the financial statements.

Proprietary Funds — Services for which the State charges customers a fee are generally reported in proprietary funds. Financial statements for the proprietary funds, which are classified as enterprise funds, provide both long- and short-term financial information.

Presented under separate columns on the three statements is information for the Workers’ Compensation, Lottery Commission, and Unemployment Compensation enterprise funds, all of which are considered to be major funds. Data from the other enterprise funds, which are classified as nonmajor funds, are combined into an aggregated presentation under a single column on the statements. Individual fund data for each of these nonmajor proprietary funds is provided in the form of combining statements elsewhere in this report.

The enterprise funds are the same as the State’s business-type activities reported in the government-wide financial statements, but the proprietary fund financial statements provide more detail and additional information, such as information on cash flows.

Fiduciary Funds — The State is the trustee, or fiduciary, for assets that — because of a trust arrangement — can only be used for the trust beneficiaries. The State is also the fiduciary of some custodial funds. The State is responsible for ensuring the assets reported in these funds are used for their intended purposes. The State Highway Patrol Retirement System Pension Trust Fund, Private Purpose Trust Funds, STAR Ohio Investment Trust Fund, and the Custodial Funds are presented on two statements. Fiduciary information is excluded from the government-wide financial statements because the State cannot use these assets to finance its operations. Individual fund data for the Private Purpose Trust Funds and Custodial Funds is provided in the form of combining statements elsewhere in this report.

Discretely Presented Component Unit Statements (Component Unit)

Following the fund financial statements, the State includes statements for its major discretely presented component units within the basic financial statements section. Nonmajor discretely presented component units are also presented in aggregation under a single column in the component unit financial statements and in combining statements elsewhere in this report.

Notes to the Financial Statements

The basic financial statements section includes notes that more fully explain the information in the government-wide and fund financial statements; the notes provide additional detail that is essential to a full understanding of the data presented in the financial statements. The notes can be found on pages 50 through 147 of this report.

Required Supplementary Information

Following the notes is a section of required supplementary information in three parts. The first part discusses the assessed condition and estimated and actual maintenance and preservation costs of the state's highway and bridge infrastructure assets that are reported using the modified approach. Limited in application to a government's infrastructure assets, the modified approach provides an alternative to the traditional recognition of depreciation expense. The second part presents schedules disclosing the following for the various retirement systems in which the State participates: the State's share of pension and other postemployment benefit (OPEB) obligations, required employer contributions for pension/actuarially determined employer contributions for OPEB as compared to employer contributions actually paid, and covered payroll. The final part is the budgetary comparison schedule for the General Fund and major special revenue funds and the accompanying note that explains the GAAP versus budgetary basis. Required supplementary information can be found on pages 149 through 181 of this report.

FINANCIAL ANALYSIS OF THE STATE AS A WHOLE

Net Position

During fiscal year 2025, as shown in the table below, the combined net position of the State's primary government increased by \$192.9 million (after a restatement of beginning balance) or by 0.4 percent. Net position reported for governmental activities decreased approximately \$982.6 million or 2.5 percent, compared to the net position on July 1, 2024, and business-type activities increased \$1.18 billion (after restatement), or 10.8 percent. Condensed financial information derived from the Statement of Net Position for the primary government is presented in the following table.

Net Position As of June 30, 2025 and 2024 <i>(dollars in thousands)</i>						
	As of June 30, 2025			As of June 30, 2024 (not restated)		
	Governmental Activities	Business- Type Activities	Total Primary Government	Governmental Activities	Business- Type Activities	Total Primary Government
Current and Other Assets	\$ 42,054,833	\$ 26,809,868	\$ 68,864,701	\$ 46,274,392	\$ 25,824,179	\$ 72,098,571
Capital Assets.....	31,463,370	59,787	31,523,157	30,626,890	71,439	30,698,329
Total Assets.....	73,518,203	26,869,655	100,387,858	76,901,282	25,895,618	102,796,900
Deferred Outflows of Resources.....	4,479,485	77,077	4,556,562	5,208,066	118,278	5,326,344
Current and Other Liabilities.....	15,327,091	470,599	15,797,690	17,700,475	620,016	18,320,491
Noncurrent Liabilities.....	22,146,397	14,429,167	36,575,564	22,717,084	14,510,103	37,227,187
Total Liabilities.....	37,473,488	14,899,766	52,373,254	40,417,559	15,130,119	55,547,678
Deferred Inflows of Resources.....	1,850,980	15,818	1,866,798	2,029,350	25,775	2,055,125
Net Position:						
Net Investment in Capital Assets.....	28,458,336	56,354	28,514,690	27,671,314	67,986	27,739,300
Restricted.....	10,154,788	11,625,214	21,780,002	9,532,489	10,420,895	19,953,384
Unrestricted.....	60,096	349,580	409,676	2,458,636	369,121	2,827,757
Total Net Position.....	\$ 38,673,220	\$ 12,031,148	\$ 50,704,368	\$ 39,662,439	\$ 10,858,002	\$ 50,520,441

As of June 30, 2025, the primary government's net investment in capital assets (e.g., land, buildings, infrastructure, and construction-in-progress) was \$28.51 billion. Restricted net position was approximately \$21.78 billion, resulting in an unrestricted \$409.7 million balance. Net position is restricted when constraints placed on their use are either 1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or 2) legally imposed through constitutional or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of "restricted" or "net investment in capital assets." The State's Budget Stabilization Fund balance of approximately \$3.94 billion at June 30, 2025, is included within unrestricted net position.

The government-wide Statement of Net Position reflects a \$60.1 million balance for unrestricted governmental activities, a significant decrease from the \$2.46 billion balance reported at June 30, 2024. The decrease in unrestricted and total net position is attributable to multiple factors. Expenses rose in various areas, with the largest being a \$4.57 billion increase in public assistance and Medicaid. Although revenues also increased from last year, with the highest being \$825.2 million in income taxes, the revenue increase was not enough to surpass the rise in expenses. The unrestricted net position is heavily influenced by the following three factors:

1) The State of Ohio, like many other state governments, issues general and special obligation debt, the proceeds of which benefit local governments and component units. The proceeds are used to build facilities for public-assisted colleges and universities and local school districts and finance infrastructure improvements for local governments. The policy of selling general obligation and special obligation bonds for these purposes has been the practice for many years. Of the \$9.01 billion of outstanding general obligation and special obligation debt at June 30, 2025, \$6.6 billion is attributable to debt issued for state assistance to component units (Ohio Facilities Construction Commission and the colleges and universities) and local governments. The balance sheets of component unit and

local government recipients reflect ownership of the related constructed capital assets without the burden of recording the debt. Unspent proceeds related to these bond issuances are included on the Statement of Net Position as restricted net position. By issuing such debt, the State is left to reflect significant liabilities without the benefit of recording the capital assets constructed with the proceeds from the debt issuances.

2) The State reported liabilities of \$5.15 billion as of June 30, 2025, for its proportionate share of the net pension liability of the associated pension plans that provide benefits to State employees.

3) The State reported net OPEB liabilities of \$118 million as of June 30, 2025.

For more information related to pensions and OPEB see NOTES 9, 14, 15, and 18.

Condensed financial information derived from the Statement of Activities, which reports how the net position of the State's primary government changed during fiscal years 2025 and 2024 follows.

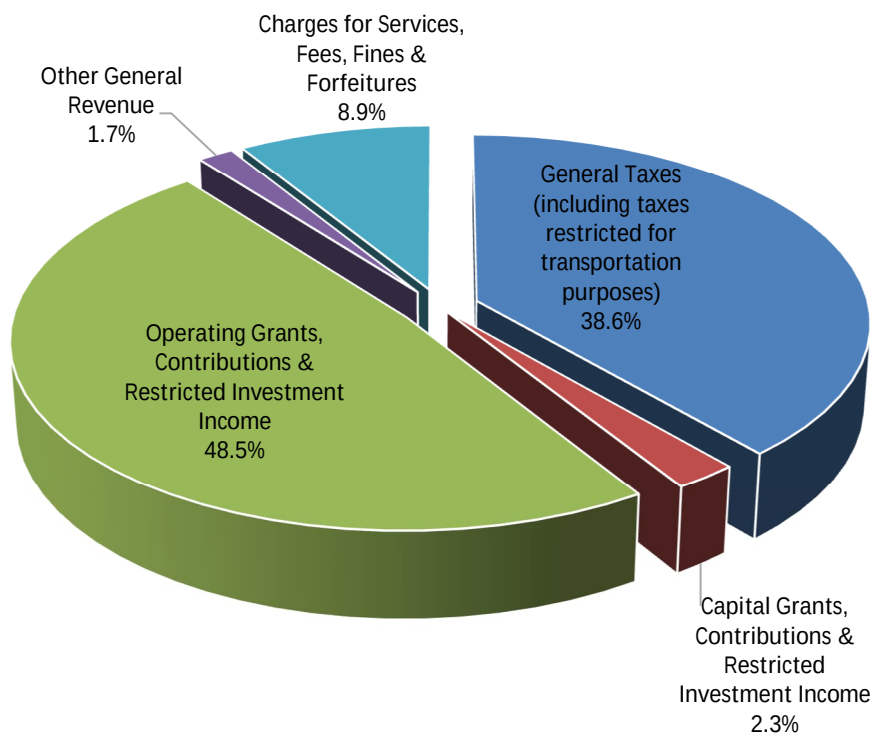
Changes in Net Position For the Fiscal Years Ended June 30, 2025 and 2024 <i>(dollars in thousands)</i>						
	Fiscal Year 2025			Fiscal Year 2024 (not restated)		
	Governmental Activities	Business- Type Activities	Total Primary Government	Governmental Activities	Business- Type Activities	Total Primary Government
Program Revenue:						
Charges for Services, Fees, Fines and Forfeitures	\$ 7,721,336	\$ 8,127,716	\$ 15,849,052	\$ 7,356,012	\$ 8,475,450	\$ 15,831,462
Operating Grants, Contributions and Restricted Investment Income/ (Loss).....	42,163,947	1,857,757	44,021,704	41,069,481	1,109,003	42,178,484
Capital Grants, Contributions and Restricted Investment Income/ (Loss).....	2,039,511	-	2,039,511	1,917,902	-	1,917,902
Total Program Revenues.....	51,924,794	9,985,473	61,910,267	50,343,395	9,584,453	59,927,848
General Revenues:						
General Taxes.....	30,839,107	-	30,839,107	29,653,123	-	29,653,123
Taxes Restricted for Transportation.....	2,752,680	-	2,752,680	2,741,108	-	2,741,108
Tobacco Settlement.....	304,076	-	304,076	321,021	-	321,021
Escheat Property.....	456,598	-	456,598	299,042	-	299,042
Unrestricted Investment Income.....	674,622	41	674,663	866,439	36	866,475
Other.....	14	-	14	127	-	127
Total General Revenues.....	35,027,097	41	35,027,138	33,880,860	36	33,880,896
Total Revenue.....	86,951,891	9,985,514	96,937,405	84,224,255	9,584,489	93,808,744
Expenses:						
Primary, Secondary and Other Education.....	17,296,917	-	17,296,917	18,261,598	-	18,261,598
Higher Education Support.....	3,195,791	-	3,195,791	2,998,656	-	2,998,656
Public Assistance and Medicaid.....	48,729,135	-	48,729,135	44,163,398	-	44,163,398
Health and Human Services.....	2,700,983	-	2,700,983	2,800,790	-	2,800,790
Justice and Public Protection.....	5,076,233	-	5,076,233	4,985,242	-	4,985,242
Environmental Protection and Natural Resources.....	1,050,895	-	1,050,895	947,033	-	947,033
Transportation.....	3,160,183	-	3,160,183	3,820,735	-	3,820,735
General Government.....	2,648,336	-	2,648,336	2,731,049	-	2,731,049
Community and Economic Development.....	5,429,126	-	5,429,126	5,432,464	-	5,432,464
Interest on Long-term Debt (excludes interest charged as program expense).....	64,988	-	64,988	97,335	-	97,335
Workers' Compensation.....	-	1,725,690	1,725,690	-	1,870,014	1,870,014
Lottery Commission.....	-	4,368,855	4,368,855	-	4,445,266	4,445,266
Unemployment Compensation.....	-	1,163,164	1,163,164	-	950,417	950,417
Tuition Trust Authority.....	-	27,919	27,919	-	23,629	23,629
Office of Auditor of State.....	-	108,234	108,234	-	93,620	93,620
Total Expenses.....	89,352,587	7,393,862	96,746,449	86,238,300	7,382,946	93,621,246
Surplus/ (Deficiency) Before Gains (Losses) and Transfers.....	(2,400,696)	2,591,652	190,956	(2,014,045)	2,201,543	187,498
Gain (Loss) on Extinguishment of Debt.....	1,901	-	1,901	3,748	-	3,748
Transfers - Internal Activities.....	1,416,218	(1,416,218)	-	1,487,705	(1,487,705)	-
Change In Net Position.....	(982,577)	1,175,434	192,857	(522,592)	713,838	191,246
Net Position, July 1 (as restated).....	39,655,797	10,855,714	50,511,511	40,185,031	10,144,164	50,329,195
Net Position, June 30.....	\$ 38,673,220	\$ 12,031,148	\$ 50,704,368	\$ 39,662,439	\$ 10,858,002	\$ 50,520,441

Governmental Activities

Expenses exceeded revenues during fiscal year 2025 for governmental activities. Expenses of \$89.35 billion for fiscal year 2025 increased \$3.11 billion or 3.6 percent over the prior fiscal year. While many expense functions decreased, the public assistance and Medicaid function increased more than 10 percent primarily due to rising healthcare costs and associated provider rate increases. Revenues of \$86.95 billion for fiscal year 2025 were \$2.73 billion higher than those reported for fiscal year 2024. General taxes (including taxes restricted for transportation purposes) comprised 38.6 percent of fiscal year 2025 total revenues and reflects an increase of 3.7 percent from the prior fiscal year. Operating grants, contributions, and restricted investment income, making up 48.5 percent of total revenues, increased by 2.7 percent compared to fiscal year 2024. Of the net transfers-in balance, approximately \$1.45 billion is from the Lottery Commission Enterprise fund to the Lottery Profits Education Fund for educational funding purposes sourced from lottery profits.

The following chart illustrates revenues by source of governmental activities as percentages of total reported for the fiscal year ended June 30, 2025.

**Governmental Activities -- Sources of Revenue
Fiscal Year 2025**



Total FY 2025 Revenue for Governmental Activities = \$86.95 Billion

The following table presents the total expenses and net cost of each of the State's governmental programs for the fiscal year ended June 30, 2025, with comparative numbers from June 30, 2024. The net cost (total program expenses less revenues generated by the program) represents the financial burden that was placed on the State's taxpayers by each of these programs. This cost is essentially funded with the State's general revenues from taxes, tobacco settlement, escheat property, and unrestricted investment income.

Program Expenses and Net Costs of Governmental Activities by Program
For the Fiscal Years Ended June 30, 2025 and 2024
(dollars in thousands)

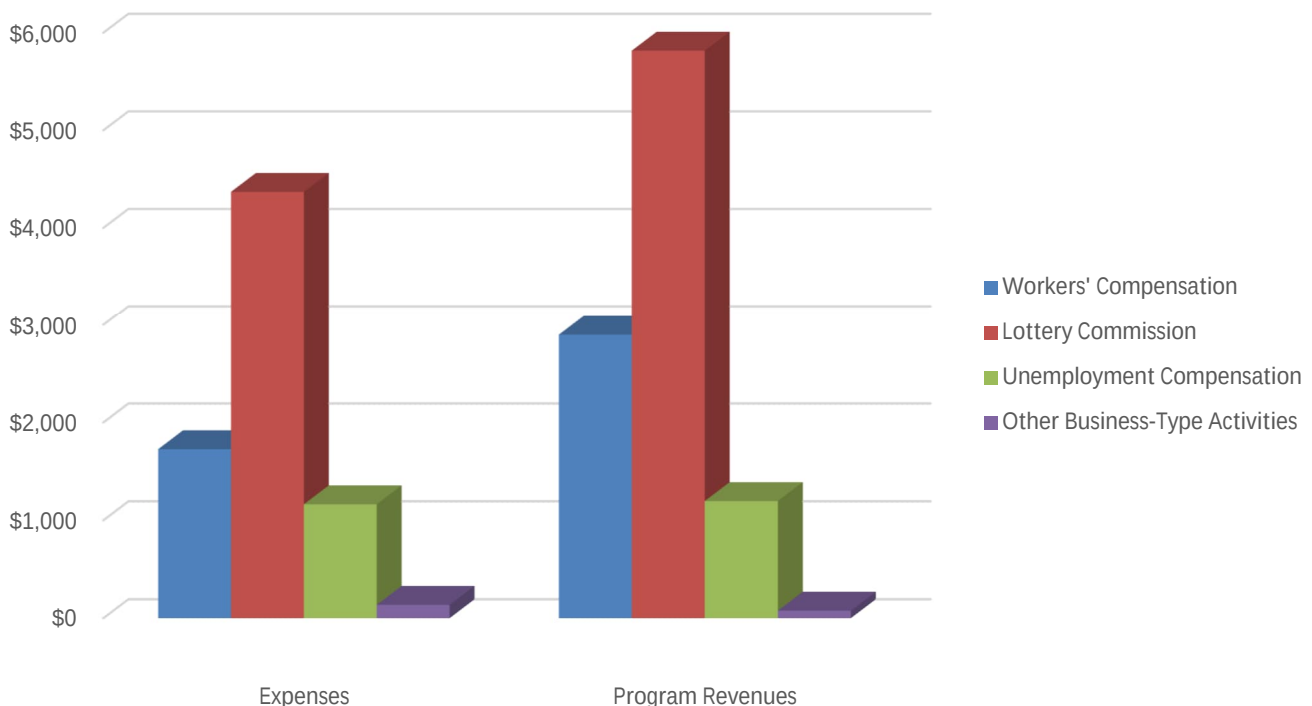
Program	Program Expenses 2025	Percent of Total Expense 2025	Net Cost of Program		Net Cost as Percentage of Total Expenses for Program		Net Cost as Percentage of Total Expenses — All Programs	
			2025	2024	2025	2024	2025	2024
Primary, Secondary and Other Education.....	\$ 17,296,917	19.4%	\$ 14,265,778	\$ 13,553,229	82.5%	74.2%	16.0%	15.7%
Higher Education Support.....	3,195,791	3.6%	3,154,021	2,961,176	98.7%	98.8%	3.5%	3.4%
Public Assistance and Medicaid.....	48,729,135	54.5%	9,636,597	8,000,642	19.8%	18.1%	10.8%	9.3%
Health and Human Services.....	2,700,983	3.0%	1,032,754	1,128,814	38.2%	40.3%	1.2%	1.3%
Justice and Public Protection.....	5,076,233	5.7%	3,260,313	3,184,651	64.2%	63.9%	3.6%	3.7%
Environmental Protection and Natural Resources.....	1,050,895	1.2%	460,528	432,377	43.8%	45.7%	0.5%	0.5%
Transportation.....	3,160,183	3.5%	816,346	1,569,287	25.8%	41.1%	0.9%	1.8%
General Government.....	2,648,336	3.0%	984,259	1,077,593	37.2%	39.5%	1.1%	1.2%
Community and Economic Development.....	5,429,126	6.1%	3,752,209	3,889,801	69.1%	71.6%	4.2%	4.5%
Interest on Long-Term Debt.....	64,988	0.1%	64,988	97,335	100.0%	100.0%	0.1%	0.1%
Total Governmental Activities.....	<u>\$ 89,352,587</u>	<u>100.0%</u>	<u>\$ 37,427,793</u>	<u>\$ 35,894,905</u>	<u>41.9%</u>	<u>41.5%</u>	<u>41.9%</u>	<u>41.5%</u>

Business-Type Activities

The State's enterprise funds reported net position of \$12.03 billion (after a restatement of beginning balance), as of June 30, 2025, compared to \$10.86 billion, as of June 30, 2024, an increase of \$1.18 billion, or 10.8 percent. The Workers' Compensation Fund reported a \$1.16 billion increase in net position over the prior year, primarily due to a gain in investment income.

The chart below compares expenses and program revenues for business-type activities. Additional analysis of the Business-Type Activities' revenues, expenses, and other changes in net position is included with the discussion of the Proprietary Funds beginning on page 14.

Business-Type Activities — Expenses and Program Revenues
Fiscal Year 2025
(dollars in millions)



FINANCIAL ANALYSIS OF THE STATE'S FUNDS

The State uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

Governmental funds reported the following results, as of and for the fiscal years ended June 30, 2025, and June 30, 2024 (dollars in thousands).

As of and for the Fiscal Year Ended June 30, 2025				
	General Fund	Other Major Funds	Nonmajor Governmental Funds	Total Governmental Funds
Unassigned Fund Balance (Deficit).....	\$ 3,608,614	\$ (35,253)	\$ (77)	\$ 3,573,284
Total Fund Balance.....	17,153,942	4,506,188	5,323,610	26,983,740
Total Revenues.....	49,343,227	23,509,621	14,225,823	87,078,671
Total Expenditures.....	49,447,475	23,877,602	18,626,400	91,951,477

As of and for the Fiscal Year Ended June 30, 2024				
	General Fund	Other Major Funds	Nonmajor Governmental Funds	Total Governmental Funds
Unassigned Fund Balance (Deficit).....	\$ 3,156,549	\$ (222)	\$ -	\$ 3,156,327
Total Fund Balance.....	17,779,412	4,940,512	6,309,188	29,029,112
Total Revenues.....	45,752,716	22,865,066	14,968,897	83,586,679
Total Expenditures.....	45,119,494	23,190,371	18,799,530	87,109,395

General Fund

The main operating fund of the State is the General Fund. Total fund balance at June 30, 2025, decreased by \$625.5 million or 3.5 percent. Significant increases in income tax and federal government revenue of \$809 million and \$2.13 billion, respectively, were overshadowed by overall increases in expenditures. The public assistance and Medicaid expenditure function increase of approximately \$2.84 billion can be attributed to rising healthcare costs and associated provider rate increases. The \$753.5 million increase in the primary, secondary, and other education expenditure function was primarily due to the ongoing phase-in of the school funding formula that provided additional monies to support literacy initiatives, career-technical education programs, and other programs. The State's Budget Stabilization Fund closed fiscal year 2025 with a record-high balance of approximately \$3.94 billion, which is included in unassigned fund balance.

General Fund Budgetary Highlights

The State ended the second year of its 2024-25 biennial budget on June 30, 2025, with a General Fund budgetary fund balance (cash less encumbrances) of \$11.87 billion. Total budgetary sources for the General Fund (including \$1.61 billion in transfers from other funds) in the amount of \$54.55 billion were above final estimates by \$294.2 million or 0.5 percent during fiscal year 2025. Total tax receipts were above final estimates by \$1.5 billion or 5 percent due to higher-than-expected personal income and sales tax receipts.

Total budgetary uses for the General Fund (including \$1.98 billion in transfers to other funds) in the amount of \$59.29 billion were below final estimates by \$4.6 billion or 7.2 percent for fiscal year 2025. The majority of lower than appropriated spending came from Medicaid and economic development programs. There was no budget stabilization designation at June 30, 2024, for use in balancing the final fiscal year 2025 budget.

The main appropriations act (Act) for the 2024-25 biennium for the General Revenue Fund (GRF), the largest, non-GAAP, budgetary-basis operating fund included in the State's General Fund, was passed in four bills by the General Assembly and signed (with selective vetoes) by the Governor, the last on July 4, 2023. This is a conservative and structurally balanced budget that focuses on Ohio's children, invests in people, supports communities, and advances a thriving and innovative economy. The Act provided for GRF appropriations of approximately \$44.8 billion in fiscal year 2025, an 8 percent increase from fiscal year 2024 appropriations.

GRF appropriations for major program categories in fiscal year 2025, relative to 2024 appropriations, reflect the following changes: 13.9 percent increase in Medicaid; increase of 3.6 percent in fiscal year 2025, which include transfers from the GRF in support of student wellness and success, for primary and secondary education; and an increase of 2 percent in fiscal year 2025 for higher education.

The Act reflected numerous tax law changes. These items included personal income tax reductions that will reduce the number of tax brackets to just two (one for taxable income between \$26,051 and \$100,000 and the other for income over \$100,000, with no tax liability for taxable income of \$26,050 or below); the sports gaming tax rate increases to 20 percent with proceeds dedicated to the school funding formula; and a 90 percent reduction in the number of businesses subject to the commercial activities tax by excluding up to \$6 million per business in 2025. The 2024-25 Act also eliminated the state sales tax on baby products, such as diapers and strollers, which will save Ohio families \$16 million per year, and created new tax credits related to housing, such as to support the supply of affordable single-family housing. Additionally, the Act raised the cap on the Budget Stabilization Fund's balance, currently at an all-time high, to 10 percent of the GRF, thus allowing the fund to continue to grow.

The Ohio Constitution prohibits the State from borrowing money to fund operating expenditures in the GRF. Therefore, by law, the GRF's budget must be balanced so that appropriations do not exceed available cash receipts and cash balances for the current fiscal year.

The State ended fiscal year 2025 with a GRF cash balance of \$2.01 billion and a GRF budgetary fund balance of \$1.11 billion. In addition to meeting the State's statutory target to maintain an ending fund balance reflecting one-half of one percent of fiscal year 2025 GRF revenues, the State made several transfers in early fiscal year 2026, including \$600 million to the Foundation Funding-All Students Fund.

Other Major Governmental Funds

The *Job, Family and Other Human Services Fund* had a fund balance of \$808.2 million at June 30, 2025, a decrease of \$310.4 million, or 27.8 percent, compared to fiscal year 2024. Overall, expenditures exceeded revenues by \$337.7 million. Although federal government revenue increased \$740.4 million in fiscal year 2025, public assistance and Medicaid expenditures increased \$731 million and ended up exceeding those revenues by \$3.52 billion.

The fund balance for the *Buckeye Tobacco Settlement Financing Authority Revenue Bonds Fund*, as of June 30, 2025, totaled approximately \$3.69 billion dollars, a decrease of \$117.6 million or 3.1 percent from the prior fiscal year. Overall expenditures exceeded revenues resulting in a net decrease in fund balance. Tobacco settlement revenue decreased by \$9.2 million during fiscal year 2025.

Fund balance for the *Pandemic Relief Fund* was \$9.8 million at June 30, 2025, a decrease of \$6.3 million from the prior year. The fund was created in late fiscal year 2020 to receive federal funding for emergency expenditures related to the COVID-19 pandemic. Federal government revenue and expenditures decreased during fiscal year 2025 by \$83.6 million and \$79.2 million, respectively, as a result of closing out one-time federal pandemic funding. The balance of funding received but not expended as of June 30, 2025, is reported as a \$1.04 billion unearned revenue liability.

Proprietary Funds

Major Proprietary Funds

The State's proprietary fund financial statements report the same type of information found in the business-type activities portion of the government-wide financial statements, but in a slightly different format.

The *Workers' Compensation Fund's* fiscal year 2025 net position increased by \$1.16 billion or 14.2 percent, to \$9.33 billion, as compared to the prior year. A \$717.4 million increase in investment income is the main reason for the increase in net position over the prior year.

For fiscal year 2025, the *Lottery Commission Fund* reported \$1.45 billion in net income before transfers-out of approximately \$1.45 billion to the Lottery Profits Education Fund. Net position at June 30, 2025, in the amount of \$394.7 million, decreased 0.9 percent from fiscal year 2024.

The *Unemployment Compensation Fund* ended fiscal year 2025 with a net position of \$2.23 billion. The Fund reported a \$21.7 million net position increase due to stable revenues which continued to outpace expenses. The unemployment rate remained low at 4.7 percent in fiscal year 2025.

Capital Asset and Debt Administration

Capital Assets Including Lease and Subscription-Based Information Technology (IT) Assets

As of June 30, 2025, and June 30, 2024, the State's primary government had invested \$31.52 billion and \$30.7 billion, respectively, net of accumulated depreciation/amortization of \$6.03 billion and \$5.9 billion, respectively, in a broad range of capital assets, as detailed in the following table.

The total increase in the State's net capital assets for the current fiscal year was 2.7 percent (a 2.7 percent increase for governmental activities and a 16.3 percent decrease for business-type activities). Depreciation/amortization expense decreased 6.2 percent for governmental activities and increased 3.4 percent for business-type activities.

The State completed construction on a variety of infrastructure, facilities, and software projects during fiscal year 2025 totaling approximately \$256.5 million, as compared with \$1.1 billion in the previous fiscal year. As further detailed in the notes to the financial statements (NOTE 20D), the State had \$1.1 billion in major construction commitments (unrelated to infrastructure), as of June 30, 2025, compared to \$842.2 million for the prior year.

Capital Assets, Net of Accumulated Depreciation/Amortization						
As of June 30, 2025 and 2024						
(dollars in thousands)						
	As of June 30, 2025			As of June 30, 2024		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Land	\$ 2,805,373	\$ 9,466	\$ 2,814,839	2,756,007	9,466	\$ 2,765,473
Buildings	1,717,921	5,034	1,722,955	1,625,064	4,844	1,629,908
Land Improvements	152,241	-	152,241	152,836	-	152,836
Machinery and Equipment	831,438	24,639	856,077	789,709	36,252	825,961
Vehicles	302,035	1,523	303,558	189,596	777	190,373
Infrastructure:						
Highway Network:						
General Subsystem	9,164,482	-	9,164,482	9,164,482	-	9,164,482
Priority Subsystem	9,634,678	-	9,634,678	9,634,678	-	9,634,678
Bridge Network	2,910,290	-	2,910,290	2,935,952	-	2,935,952
Parks, Recreation, and						
Natural Resources System ...	263,443	-	263,443	271,153	-	271,153
Leases:						
Buildings	77,934	8,283	86,217	105,709	12,377	118,086
Land	2,252	-	2,252	2,509	-	2,509
Machinery and Equipment	3,284	25	3,309	3,807	47	3,854
Subscription IT.....	48,324	1,848	50,172	49,678	1,860	51,538
	27,913,695	50,818	27,964,513	27,681,180	65,623	27,746,803
Construction-in-Progress	3,549,675	8,969	3,558,644	2,945,710	5,816	2,951,526
Total Capital Assets, Net	\$ 31,463,370	\$ 59,787	\$ 31,523,157	\$ 30,626,890	\$ 71,439	\$ 30,698,329

Modified Approach

For reporting its highway and bridge infrastructure assets, the State has adopted the use of the modified approach. To use this approach, a government must maintain an asset management system and demonstrate that the infrastructure is being preserved approximately at or above an established condition level. Under this approach, infrastructure is not depreciated, and maintenance and preservation costs are expensed. Infrastructure assets accounted for using the modified approach include approximately 43,501 lane miles of highway and approximately 108.3 million square feet of deck area that comprises 14,179 bridges for which the State has the responsibility for ongoing maintenance.

Ohio accounts for its pavement network in two subsystems: Priority and General. It is the State's goal to allow no more than 25 percent of the total lane-miles reported for each of the priority and general subsystems to be classified with a "poor" condition rating. The most recent condition assessment, completed by the Ohio Department of Transportation (ODOT) for fiscal year 2025, indicates that like fiscal year 2024, 5.6 percent and 3 percent of the priority and general subsystems, respectively, were assigned a "poor" condition rating.

For the bridge network, it is the State’s intention to allow no more than 15 percent of the total number of square feet of deck area to be in “fair” or “poor” condition. The most recent condition assessment, completed by ODOT for fiscal year 2025, indicates that only 2.7 percent of the number of square feet of bridge deck area was considered to be in “fair” or “poor” conditions, a 0.4 percent increase over the prior year.

Fiscal year 2025 total actual maintenance and preservation costs for the pavement network were \$1.12 billion, compared to estimated costs of \$1.08 billion, while total actual maintenance and preservation costs for the bridge network were \$453.5 million, \$60 million above estimate. In the previous fiscal year, total actual maintenance and preservation costs for the pavement network were \$1.16 billion, compared to estimated costs of \$827.7 million, while total actual maintenance and preservation costs for the bridge network were \$448.2 million, \$87.5 million above estimate. Overall, the State’s costs for actual maintenance and preservation for highway infrastructure assets have exceeded estimates over the past two years due to steadily increasing underlying costs for the materials and labor associated with infrastructure projects.

More detailed information on the State’s capital assets can be found in NOTE 8 to the financial statements and in the Required Supplementary Information Infrastructure section of this report.

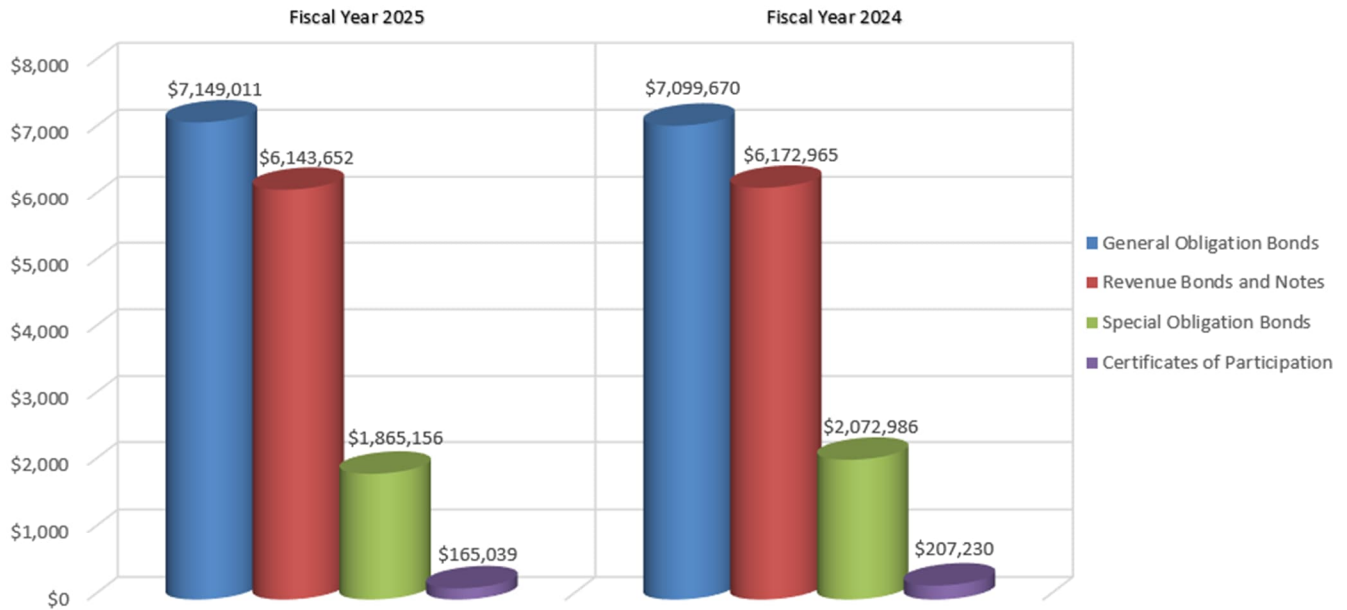
Debt — Bonds and Notes Payable and Certificates of Participation Obligations

The State’s general obligation bonds are backed by its full faith and credit. Revenue bonds and notes are secured with revenues pledged for the retirement of debt principal and the payment of interest. Special obligation bonds are supported with lease payments from tenants of facilities constructed with the proceeds from the bonds. Under certificate of participation (COPs) financing arrangements, the State is required to pay base rent (subject to appropriation) that approximates interest and principal payments made by trustees to certificate holders.

During fiscal year 2025, the State issued a par amount of \$1.39 billion in general obligation bonds, \$121.4 million in revenue bonds, and \$152.6 million in special obligation bonds. Of the general and special obligation bonds issued, \$476.3 million and \$77.2 million, respectively, were refunding bonds. The total decrease in the State’s debt for the current fiscal year, based on carrying amount, was 1.5 percent, all in governmental activities.

As of June 30, 2025, and June 30, 2024, the State had total debt, all in governmental activities, of approximately \$15.32 billion and \$15.55 billion, respectively, as shown in the following chart.

Bonds and Notes Payable and Certificates of Participation
As of June 30, 2025 and 2024
(dollars in thousands)



Credit Ratings

Ohio's long-term Issuer Default Rating, "IDR", is the highest ratings possible, validation that Ohio is financially sound and well managed. All three major credit rating agencies - S&P Global Ratings (October 2022), Moody's Investors Service (December 2023), and Fitch Ratings (December 2023) - upgraded Ohio's IDR to "AAA/Aaa/AAA", respectively. Both the State's general obligation and special obligation bonds carry a "stable" credit outlook from Moody's Investor Services, Inc., Fitch Ratings, and S&P Global Ratings. The Highway Capital Improvements General Obligations Bonds also carry a "stable" credit outlook from Kroll Bond Rating Agency. A credit outlook is an indication of the pressure on the rating over the near-to-intermediate term and should not be viewed as a precursor to a rating change. In addition, Buckeye Tobacco Settlement Financing Authority's 2032 A-2 maturity (CUSIP 118217CN6) and the 2033 A-2 maturity (CUSIP 118217CP1) were upgraded from A- to A on November 4, 2022, and October 16, 2023, respectively.

The ratings and rating outlooks in effect from time to time reflect only the views of the particular rating organization. An explanation of its view of the meaning and significance of its rating or outlook may be obtained from the respective rating agency. Generally, the rating agencies base their rating on submitted information and on their own investigations, studies, and assumptions. There can be no assurance that the ratings or outlooks assigned will continue for any given time. Rating agencies may lower or withdraw a rating at any time, if in its judgment circumstances so warrant.

The State's bonds and notes are rated as follows:

Credit Ratings As of June 30, 2025						
Bonds and Notes	Issuer	Fitch Inc.	Kroll Bond Rating Agency	Moody's Investor Services, Inc.	S & P Global Ratings Services	Security and Source of Funds
General Obligations Bonds:						
Common Schools Capital Facilities	Ohio Public Facilities Commission	AAA	N/A	Aaa	AAA	General Revenue Funds
Higher Education Capital Facilities	Ohio Public Facilities Commission	AAA	N/A	Aaa	AAA	General Revenue Funds
Highway Capital Improvements	Treasurer of State	AAA	AAA	Aaa	AAA	Highway User Receipts
Infrastructure Improvements	Ohio Public Facilities Commission	AAA	N/A	Aaa	AAA	General Revenue Funds
Coal Research and Development	Ohio Public Facilities Commission	AAA	N/A	Aaa	AAA	General Revenue Funds
Natural Resources Capital Facilities	Ohio Public Facilities Commission	AAA	N/A	Aaa	AAA	General Revenue Funds
Conservation Projects	Ohio Public Facilities Commission	AAA	N/A	Aaa	AAA	General Revenue Funds
Third Frontier Research and Development	Ohio Public Facilities Commission	AAA	N/A	Aaa	AAA	General Revenue Funds
Site Development	Ohio Public Facilities Commission	AAA	N/A	Aaa	AAA	General Revenue Funds
Veterans' Compensation	Ohio Public Facilities Commission	AAA	N/A	Aaa	AAA	General Revenue Funds
Revenue Bonds:						
Major New State Infrastructure.....	Treasurer of State	N/A	N/A	Aa1	AA+	Federal Transportation Grants
Tobacco Settlement Asset-Backed.....	Buckeye Tobacco Settlement Financing Authority	N/A	N/A	N/A	BBB+ to A*	Pledged Receipts from the Tobacco Master Settlement Agreement
*The Class 2 Senior Current Interest Bonds and the Class 2 Turbo Capital Appreciation Bonds are Non-Rated. The 2032 A-2 maturity (CUSIP 118217CN6) and the 2033 A-2 maturity (CUSIP 118217CP1) were upgraded from A- to A on November 4, 2022 and October 16, 2023, respectively.						
Special Obligation Bonds:						
Mental Health Facilities.....	Treasurer of State	AA+	N/A	Aa1	AA+	General Revenue Funds
Parks and Recreation Facilities.....	Treasurer of State	AA+	N/A	Aa1	AA+	General Revenue Funds
Cultural and Sports Facilities.....	Treasurer of State	AA+	N/A	Aa1	AA+	General Revenue Funds
Adult Correctional Facilities.....	Treasurer of State	AA+	N/A	Aa1	AA+	General Revenue Funds
Administrative Facilities.....	Treasurer of State	AA+	N/A	Aa1	AA+	General Revenue Funds
Juvenile Correctional Facilities.....	Treasurer of State	AA+	N/A	Aa1	AA+	General Revenue Funds
Transportation Building Projects.....	Treasurer of State	AA+	N/A	Aa1	AA+	Highway User Receipts
Highway Safety Facilities.....	Treasurer of State	AA+	N/A	Aa1	AA+	Highway User Receipts

Limitations on Debt

Section 17 of Article VIII of the Ohio Constitution, approved by Ohio voters in November 1999, establishes an annual debt service "cap" applicable to future issuances of direct obligations payable from the GRF or net state lottery proceeds. Generally, new obligations may not be issued if debt service for any future fiscal year on those new and the then outstanding bonds of those categories would exceed five percent of the total of estimated GRF revenues plus net state lottery proceeds for the fiscal year of issuance.

Those direct obligations of the State include general obligation and special obligation bonds that are paid from the State's GRF but exclude general obligation debt for Third Frontier Research and Development, development of sites and facilities, and veterans' compensation, and general obligation bonds payable from non-GRF funds (such as highway bonds that are paid from highway user receipts). Pursuant to the implementing legislation, the Governor has designated the Director of the Ohio Office of Budget and Management as the State official responsible for making the five percent determinations and certifications. Application of the five percent cap may be waived in a particular instance by a three-fifths vote of each house of the Ohio General Assembly and may be changed by future constitutional amendments.

The State met the requirements of Section 17 of Article VIII of the Ohio Constitution. More detailed information on the State's long-term debt, including changes during the year, can be found in NOTES 10 through 13 and NOTE 15 to the financial statements.

Conditions Expected to Affect Future Operations

Economic Factors

Based on the most recent available data, the economy continues to grow at a solid pace and is well positioned to capitalize on FY 2025's successes. Ohio's unemployment rate increased from 4.4 percent in August 2024 to 5.0 percent in August 2025. In August 2025, Ohio's nonfarm payroll employment increased by approximately 76,800 jobs from August 2024.

Nationally, real gross domestic product (GDP) expanded in the second quarter at an annualized rate of 3.8 percent. The increase in GDP for the second quarter reflected a large decrease in imports in addition to growth in personal consumption expenditures and fixed investments. Private inventories had a negative impact on GDP growth in the second quarter.

The national labor market remains on solid footing, though it appears to be gradually cooling in both labor supply and demand through September 2025. Compared to September 2024, nonfarm payroll employment increased by 1.3 million jobs. The U.S. unemployment rate for September 2025 was 4.4 percent, a slight increase from 4.1 percent in September 2024.

The 2026-27 Biennial Budget

The main appropriations act (Act) for the 2026-27 biennium for the General Revenue Fund (GRF), the largest, non-GAAP, budgetary-basis operating fund included in the State's General Fund, was passed by the General Assembly, and signed (with selective vetoes) by the Governor on June 30, 2025. Reflecting a conservative underlying economic forecast, the Act provides for GRF appropriations of approximately \$44.42 billion in fiscal year 2026, a 2 percent increase over fiscal year 2025 actual expenditures, and \$46.08 billion in fiscal year 2027, a 3.7 percent increase over fiscal year 2026 appropriations.

GRF appropriations for major program categories in fiscal year 2026, relative to fiscal year 2025 actual expenditures, and fiscal year 2027 appropriations, relative to 2026 appropriations, reflect the following changes in the table below (dollars in millions).

Program Category	FY 2025 - Actual	FY 2026 - Appropriation	Change from FY 2025 to FY 2026		FY 2027 - Appropriation	Change from FY 2026 to FY 2027	
K-12 Education	\$ 11,348.7	\$ 11,618.7	\$ 270.0	2.4%	\$ 11,974.0	\$ 355.3	3.1%
HHS - Medicaid	21,921.9	22,303.7	381.8	1.7%	23,384.3	1,080.6	4.8%
HHS - Non-Medicaid	2,062.4	2,178.1	115.7	5.6%	2,187.2	9.1	0.4%
Higher Education	2,961.3	3,016.2	54.9	1.9%	2,994.5	(21.7)	-0.7%
Corrections	2,545.8	2,665.2	119.4	4.7%	2,802.7	137.5	5.2%
General Government	2,693.7	2,640.6	(53.1)	-2.0%	2,739.9	99.3	3.8%
	\$ 43,533.8	\$ 44,422.5	\$ 888.7	2.0%	\$ 46,082.6	\$ 1,660.1	3.7%

The largest increases in GRF fiscal year 2026 appropriations over fiscal year 2025 expenditures are for Medicaid spending and Elementary and Secondary Education funding. Medicaid spending accounts for the largest increase in fiscal year 2027 appropriations over fiscal year 2026 appropriations. The House Bill 96 Act reflects increases in funding for programs focused on family and children services, early childhood education services, and infant mortality resulting in increased appropriations in fiscal years 2026 and 2027. The Act also completes the phase-in of the school funding formula enacted by House Bill 110 of the 134th General Assembly resulting in increased appropriations to schools in fiscal years 2026 and 2027.

General Revenue Fund

For fiscal year 2026, total fiscal year-to-date GRF receipts and transfers-in collected through October 2025 are \$378.3 million or 2.3 percent above estimates and \$1.78 billion or 11.9 percent more than collections through October of the prior fiscal year. Total fiscal year-to-date GRF disbursements and transfers-out through October 2025 are \$267.9 million or 1.4 percent below estimates and \$1.73 billion or 9.9 percent more than the amount for the first four months of the prior fiscal year. The significant increase is due to Medicaid spending as highlighted above in the 2026-27 biennial budget analysis for the General Revenue Fund.

Budget Stabilization Fund

The Budget Stabilization Fund (BSF) is Ohio's rainy-day savings account, a reserve balance set aside in good economic times to protect the State's budget from cyclical changes in revenues and expenditures should the economy become weakened unexpectedly. By law, the target balance for the BSF can be up to 10 percent of the prior fiscal year's GRF revenues. The BSF reported a record-high balance of approximately \$3.94 billion at the end of fiscal year 2025.

Workers' Compensation Fund

As part of the Ohio Bureau of Workers' Compensation (BWC) commitment to keep costs down for Ohio businesses, base rates will decrease an average of six percent for private employers for the July 1, 2025, policy year and decrease one percent for public taxing district employers for the January 1, 2026, policy year. BWC continues to monitor trends that might affect its investment portfolio and maintain a stable financial position.

Contacting the Ohio Office of Budget and Management

This financial report is designed to provide the State's citizens, taxpayers, customers, investors and creditors with a general overview of the State's finances and to demonstrate the State's accountability for the money it receives. Questions regarding any of the information provided in this report or requests for additional financial information should be addressed to the Ohio Office of Budget and Management, Grants and Financial Reporting Section, 30 East Broad Street, 34th Floor, Columbus, Ohio 43215-3457 or through the OBM Website at <https://obm.ohio.gov/help-center>.



Berea Falls - Berea, Ohio

Financial Section

Basic Financial Statements

STATE OF OHIO
STATEMENT OF NET POSITION
JUNE 30, 2025
(dollars in thousands)

	PRIMARY GOVERNMENT			
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
ASSETS:				
Cash Equity with Treasurer.....	\$ 23,249,047	\$ 170,697	\$ 23,419,744	\$ 440,746
Cash and Cash Equivalents.....	211,062	925,564	1,136,626	1,820,156
Deposit with Federal Government.....	—	2,087,624	2,087,624	—
Investments.....	3,512,155	21,860,526	25,372,681	19,750,571
Collateral on Lent Securities.....	5,630,422	41,242	5,671,664	106,213
Taxes Receivable.....	2,184,159	—	2,184,159	—
Intergovernmental Receivable.....	1,865,300	6,364	1,871,664	55,739
Premiums and Assessments Receivable.....	—	501,100	501,100	—
Investment Trade Receivable.....	—	90,321	90,321	—
Loans Receivable, Net.....	1,765,039	—	1,765,039	271,143
Receivable from Primary Government.....	—	—	—	25,542
Other Receivables.....	1,682,400	537,574	2,219,974	2,620,622
Inventories.....	140,216	—	140,216	251,292
Other Assets.....	49	4,410	4,459	2,406,379
Restricted Assets:				
Cash Equity with Treasurer.....	—	2,123	2,123	—
Cash and Cash Equivalents.....	678	736	1,414	441,713
Investments.....	333,423	417,942	751,365	3,833,751
Collateral on Lent Securities.....	—	131,703	131,703	—
Other Receivables.....	1,030,069	19	1,030,088	—
Pension and OPEB Assets, Net.....	450,814	31,923	482,737	3,902
Capital Assets Being Depreciated, Net.....	3,332,122	41,352	3,373,474	16,860,869
Capital Assets Not Being Depreciated.....	28,131,248	18,435	28,149,683	4,240,623
TOTAL ASSETS.....	73,518,203	26,869,655	100,387,858	53,129,261
DEFERRED OUTFLOWS OF RESOURCES.....	4,479,485	77,077	4,556,562	1,588,059
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES.....	77,997,688	26,946,732	104,944,420	54,717,320
LIABILITIES:				
Accounts Payable.....	1,065,522	48,263	1,113,785	1,061,403
Accrued Liabilities.....	348,202	5,073	353,275	1,127,581
Medicaid Claims Payable.....	1,636,102	—	1,636,102	—
Obligations Under Securities Lending.....	5,630,422	172,945	5,803,367	106,213
Investment Trade Payable.....	—	297,386	297,386	—
Intergovernmental Payable.....	2,214,190	461	2,214,651	3,474
Internal Balances.....	509,723	(509,723)	—	—
Payable to Primary Government.....	—	—	—	21
Payable to Component Units.....	25,542	—	25,542	—
Unearned Revenue.....	2,139,910	409,709	2,549,619	689,671
Benefits Payable.....	—	5,700	5,700	—
Refund and Other Liabilities.....	1,757,478	40,785	1,798,263	172,824
Noncurrent Liabilities:				
Bonds and Notes Payable:				
Due in One Year.....	1,378,350	—	1,378,350	1,030,562
Due in More Than One Year.....	13,779,469	—	13,779,469	11,103,183
Certificates of Participation:				
Due in One Year.....	33,610	—	33,610	—
Due in More Than One Year.....	131,429	—	131,429	—
Other Noncurrent Liabilities:				
Due in One Year.....	321,621	1,892,836	2,214,457	847,914
Due in More Than One Year.....	6,501,918	12,536,331	19,038,249	10,336,031
TOTAL LIABILITIES.....	37,473,488	14,899,766	52,373,254	26,478,877
DEFERRED INFLOWS OF RESOURCES.....	1,850,980	15,818	1,866,798	4,708,877
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES.....	39,324,468	14,915,584	54,240,052	31,187,754

The notes to the financial statements are an integral part of this statement.

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
NET POSITION (DEFICITS):				
Net Investment in Capital Assets.....	28,458,336	56,354	28,514,690	11,046,968
Restricted for:				
Primary, Secondary and Other Education.....	992,633	—	992,633	—
Higher Education Support.....	1,004,058	—	1,004,058	—
Public Assistance and Medicaid.....	703,084	—	703,084	—
Health and Human Services.....	265,602	—	265,602	—
Justice and Public Protection.....	144,235	—	144,235	—
Environmental Protection and Natural Resources.....	506,581	—	506,581	—
Transportation.....	3,686,213	—	3,686,213	205,321
General Government.....	165,048	—	165,048	—
Community and Economic Development.....	2,236,520	—	2,236,520	91,535
Pension and OPEB.....	450,814	34,542	485,356	3,902
Workers Compensation.....	—	9,272,897	9,272,897	—
Unemployment Compensation.....	—	2,229,090	2,229,090	—
Tuition Trust Authority.....	—	88,685	88,685	—
Nonexpendable for				
Colleges and Universities.....	—	—	—	5,779,474
Expendable for				
Colleges and Universities.....	—	—	—	5,340,271
Unrestricted.....	60,096	349,580	409,676	1,062,095
TOTAL NET POSITION (DEFICITS).....	\$ 38,673,220	\$ 12,031,148	\$ 50,704,368	\$ 23,529,566

STATE OF OHIO
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(dollars in thousands)

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			
		CHARGES FOR SERVICES, FEES, FINES AND FORFEITURES	OPERATING GRANTS, CONTRIBUTIONS AND RESTRICTED INVESTMENT INCOME/(LOSS)	CAPITAL GRANTS, CONTRIBUTIONS AND RESTRICTED INVESTMENT INCOME/(LOSS)	NET (EXPENSE) REVENUE
PRIMARY GOVERNMENT:					
GOVERNMENTAL ACTIVITIES:					
Primary, Secondary					
and Other Education.....	\$ 17,296,917	\$ 40,503	\$ 2,990,636	\$ —	\$ (14,265,778)
Higher Education Support	3,195,791	2,809	38,961	—	(3,154,021)
Public Assistance and Medicaid	48,729,135	4,360,997	34,731,541	—	(9,636,597)
Health and Human Services	2,700,983	183,480	1,484,749	—	(1,032,754)
Justice and Public Protection	5,076,233	1,270,557	544,933	430	(3,260,313)
Environmental Protection					
and Natural Resources.....	1,050,895	294,817	295,550	—	(460,528)
Transportation	3,160,183	115,721	201,157	2,026,959	(816,346)
General Government	2,648,336	888,202	775,582	293	(984,259)
Community and Economic					
Development.....	5,429,126	564,250	1,100,838	11,829	(3,752,209)
Interest on Long-Term Debt					
(excludes interest charged as program expense).....	64,988	—	—	—	(64,988)
TOTAL GOVERNMENTAL ACTIVITIES.....	89,352,587	7,721,336	42,163,947	2,039,511	(37,427,793)
BUSINESS-TYPE ACTIVITIES:					
Workers' Compensation.....	1,725,690	1,162,303	1,734,895	—	1,171,508
Lottery Commission.....	4,368,855	5,776,632	39,046	—	1,446,823
Unemployment Compensation.....	1,163,164	1,133,416	62,717	—	32,969
Tuition Trust Authority.....	27,919	7,287	21,099	—	467
Office of Auditor of State.....	108,234	48,078	—	—	(60,156)
TOTAL BUSINESS-TYPE ACTIVITIES.....	7,393,862	8,127,716	1,857,757	—	2,591,611
TOTAL PRIMARY GOVERNMENT.....	\$ 96,746,449	\$ 15,849,052	\$ 44,021,704	\$ 2,039,511	\$ (34,836,182)
COMPONENT UNITS:					
Ohio Facilities Construction Commission.....	\$ 461,037	\$ 13,755	\$ 10,696	\$ —	\$ (436,586)
Ohio State University.....	10,888,867	8,697,828	1,133,978	30,986	(1,026,075)
Other Component Units.....	9,676,770	6,403,821	1,468,233	63,421	(1,741,295)
TOTAL COMPONENT UNITS.....	\$ 21,026,674	\$ 15,115,404	\$ 2,612,907	\$ 94,407	\$ (3,203,956)

The notes to the financial statements are an integral part of this statement.

	PRIMARY GOVERNMENT			
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
CHANGES IN NET POSITION:				
Net (Expense) Revenue.....	\$ (37,427,793)	\$ 2,591,611	\$ (34,836,182)	\$ (3,203,956)
General Revenues:				
Taxes:				
Income.....	10,764,189	—	10,764,189	—
Sales.....	14,333,629	—	14,333,629	—
Corporate and Public Utility	3,429,371	—	3,429,371	—
Cigarette.....	712,150	—	712,150	—
Other.....	1,599,768	—	1,599,768	—
Restricted for Transportation Purposes:				
Motor Vehicle Fuel Taxes.....	2,752,680	—	2,752,680	—
Total Taxes.....	33,591,787	—	33,591,787	—
Tobacco Settlement.....	304,076	—	304,076	—
Escheat Property.....	456,598	—	456,598	—
Unrestricted Investment Income.....	674,622	41	674,663	2,209,390
State Assistance	—	—	—	2,827,428
Other.....	14	—	14	1,060,726
Gain (Loss) on Extinguishment of Debt.....	1,901	—	1,901	—
Additions to Endowments				
and Permanent Fund Principal.....	—	—	—	160,583
Transfers-Internal Activities.....	1,416,218	(1,416,218)	—	—
TOTAL GENERAL REVENUES, GAINS (LOSSES), CONTRIBUTIONS, SPECIAL ITEMS AND TRANSFERS.....				
	36,445,216	(1,416,177)	35,029,039	6,258,127
CHANGE IN NET POSITION.....	(982,577)	1,175,434	192,857	3,054,171
NET POSITION (DEFICITS), JULY 1 (as restated).....	39,655,797	10,855,714	50,511,511	20,475,395
NET POSITION (DEFICITS), JUNE 30.....	\$ 38,673,220	\$ 12,031,148	\$ 50,704,368	\$ 23,529,566

STATE OF OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025
(dollars in thousands)

	MAJOR FUNDS		
	GENERAL	JOB, FAMILY AND OTHER HUMAN SERVICES	BUCKEYE TOBACCO SETTLEMENT FINANCING AUTHORITY REVENUE BONDS
ASSETS:			
Cash Equity with Treasurer.....	\$ 15,681,841	\$ 897,890	\$ —
Cash and Cash Equivalents.....	171,158	2,804	817
Investments.....	3,465,706	—	333,423
Collateral on Lent Securities.....	3,802,154	216,934	—
Taxes Receivable	1,965,226	—	—
Intergovernmental Receivable.....	857,632	253,641	—
Loans Receivable, Net	1,542,822	—	—
Other Receivables	628,009	1,041,704	1,030,069
Inventories	24,027	—	—
Other Assets	49	—	—
TOTAL ASSETS	28,138,624	2,412,973	1,364,309
DEFERRED OUTFLOWS OF RESOURCES.....	—	—	3,353,951
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES.....	\$ 28,138,624	\$ 2,412,973	\$ 4,718,260
LIABILITIES:			
Accounts Payable	\$ 383,170	\$ 134,823	\$ —
Accrued Liabilities.....	163,644	20,601	—
Medicaid Claims Payable.....	1,251,734	—	—
Obligations Under Securities Lending.....	3,802,154	216,934	—
Intergovernmental Payable.....	1,663,849	159,138	—
Interfund Payable.....	402,050	8,092	—
Payable to Component Units.....	21,197	2,760	—
Unearned Revenue.....	—	925,213	—
Refund and Other Liabilities.....	1,750,571	6,907	—
Liability for Escheat Property.....	511,105	—	—
TOTAL LIABILITIES.....	9,949,474	1,474,468	—
DEFERRED INFLOWS OF RESOURCES.....	1,035,208	130,338	1,030,070
FUND BALANCES (DEFICITS):			
Nonspendable.....	60,281	—	—
Restricted.....	1,619,331	343,924	3,688,051
Committed.....	912,899	464,243	—
Assigned.....	10,952,817	—	139
Unassigned.....	3,608,614	—	—
TOTAL FUND BALANCES (DEFICITS)	17,153,942	808,167	3,688,190
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 28,138,624	\$ 2,412,973	\$ 4,718,260

The notes to the financial statements are an integral part of this statement.

PANDEMIC RELIEF FUNDS	NONMAJOR GOVERNMENTAL FUNDS	TOTAL
\$ 1,124,994	\$ 5,544,322	\$ 23,249,047
—	36,961	211,740
—	46,449	3,845,578
271,804	1,339,530	5,630,422
—	218,933	2,184,159
—	754,027	1,865,300
—	222,217	1,765,039
—	12,687	2,712,469
11,315	104,874	140,216
—	—	49
1,408,113	8,280,000	41,604,019
—	—	3,353,951
\$ 1,408,113	\$ 8,280,000	\$ 44,957,970
\$ 56,907	\$ 490,622	\$ 1,065,522
26	59,873	244,144
—	384,368	1,636,102
271,804	1,339,530	5,630,422
29,124	362,079	2,214,190
136	99,445	509,723
—	1,585	25,542
1,040,285	174,412	2,139,910
—	—	1,757,478
—	—	511,105
1,398,282	2,911,914	15,734,138
—	44,476	2,240,092
5,099	104,874	170,254
39,985	4,097,497	9,788,788
—	1,121,316	2,498,458
—	—	10,952,956
(35,253)	(77)	3,573,284
9,831	5,323,610	26,983,740
\$ 1,408,113	\$ 8,280,000	\$ 44,957,970

STATE OF OHIO

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION JUNE 30, 2025 (dollars in thousands)

Total Fund Balances for Governmental Funds..... **\$ 26,983,740**

Total net position reported for governmental activities in the Statement of Net Position is different because:

Net Pension Assets Reported for Governmental Activities are not Financing Resources and therefore are not Reported in the Funds..... 450,814

Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds. Those assets consist of:

Land.....	2,805,373
Buildings and Improvements, net of \$3,060,823 accumulated depreciation.....	1,717,921
Land Improvements, net of \$471,881 accumulated depreciation.....	152,241
Machinery and Equipment, net of \$1,401,949 accumulated depreciation.....	831,438
Vehicles, net of \$438,209 accumulated depreciation.....	302,035
Infrastructure, net of \$98,901 accumulated depreciation.....	21,972,893
Construction-in-Progress.....	3,549,675
Lease Assets, net of \$89,760 accumulated amortization.....	83,470
SBITA Assets, net of \$54,027 amortization.....	<u>48,324</u>

Total Capital Assets..... **31,463,370**

The following Deferred Outflows of Resources are not related to the current period and therefore, are not reported in the funds.

Hedging Derivative Instruments	(45)
Loss on Debt Refundings.....	130,473
Net Pension and OPEB Liability/Asset.....	<u>995,105</u>

Total Deferred Outflows of Resources..... **1,125,533**

The following liabilities are not due and payable in the current period, and therefore, are not reported in the funds.

Accrued Liabilities:	
Interest Payable.....	(104,058)
Bonds and Notes Payable:	
General Obligation Bonds.....	(7,149,011)
Revenue Bonds and Notes.....	(6,143,652)
Special Obligation Bonds.....	(1,865,156)
Certificates of Participation.....	(165,039)
Other Noncurrent Liabilities:	
Compensated Absences.....	(599,115)
Net Pension Liability.....	(5,154,573)
Net OPEB Liability.....	(117,969)
Lease Liability.....	(84,732)
Subscription Liability.....	(49,952)
Financed Purchases Obligations.....	(81,338)
Derivative Instruments.....	45
Pollution Remediation.....	(1,555)
Infrastructure Liabilities.....	<u>(223,245)</u>

Total Liabilities..... **(21,739,350)**

The following Deferred Inflows of Resources are not related to the current period and therefore, are not reported in the funds.

Resources from the Sale of Future Revenues.....	(736,631)
Net Pension and OPEB Liability/Asset.....	(394,073)
Debt Refundings.....	<u>(97,446)</u>
Less Unavailable Resources Reported in the Funds:	
Taxes Receivable.....	72,107
Intergovernmental Receivable.....	396,001
Other Receivables.....	<u>1,149,155</u>
	<u>1,617,263</u>

Total Deferred Inflows of Resources..... **389,113**

Total Net Position of Governmental Activities..... **\$ 38,673,220**

The notes to the financial statements are an integral part of this statement.

STATE OF OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2025 (dollars in thousands)

	MAJOR FUNDS		
	GENERAL	JOB, FAMILY AND OTHER HUMAN SERVICES	BUCKEYE TOBACCO SETTLEMENT FINANCING AUTHORITY REVENUE BONDS
REVENUES:			
Income Taxes.....	\$ 10,755,068	\$ —	\$ —
Sales Taxes.....	14,333,627	—	—
Corporate and Public Utility Taxes.....	3,339,668	—	—
Motor Vehicle Fuel Taxes.....	1,509,172	—	—
Cigarette Taxes.....	712,138	—	—
Other Taxes.....	1,016,611	732	—
Licenses, Permits and Fees.....	1,417,716	3,380,689	—
Sales, Services and Charges.....	199,639	—	—
Federal Government.....	13,395,916	18,575,262	—
Tobacco Settlement.....	332	—	222,559
Escheat Property.....	456,597	—	—
Investment Income.....	1,526,400	71,680	16,598
Other.....	680,343	234,673	7
TOTAL REVENUES.....	49,343,227	22,263,036	239,164
EXPENDITURES:			
CURRENT OPERATING:			
Primary, Secondary and Other Education.....	12,327,993	—	82,623
Higher Education Support.....	3,061,020	—	—
Public Assistance and Medicaid.....	22,472,257	22,098,499	—
Health and Human Services.....	1,043,284	401,819	—
Justice and Public Protection.....	4,327,060	96,970	—
Environmental Protection and Natural Resources.....	193,313	—	—
Transportation.....	120,870	—	—
General Government.....	2,189,014	3,412	79
Community and Economic Development.....	3,712,659	—	—
CAPITAL OUTLAY.....	—	5	—
DEBT SERVICE.....	5	—	255,208
TOTAL EXPENDITURES.....	49,447,475	22,600,705	337,910
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(104,248)	(337,669)	(98,746)
OTHER FINANCING SOURCES (USES):			
Bonds, Notes, and COPs Issued.....	962,260	—	—
Refunding Bonds and COPs Issued.....	—	—	—
Payment to Refunded Bond and COPs Escrow Agents.....	—	—	—
Premiums/Discounts.....	60,225	—	—
Leases, Subscriptions and Financed Purchases.....	92,302	—	—
Transfers-in.....	369,811	37,803	—
Transfers-out.....	(2,004,676)	(10,582)	(18,842)
TOTAL OTHER FINANCING SOURCES (USES).....	(520,078)	27,221	(18,842)
NET CHANGE IN FUND BALANCES.....	(624,326)	(310,448)	(117,588)
FUND BALANCES (DEFICITS), July 1.....	17,779,412	1,118,615	3,805,778
Increase (Decrease) for Changes in Inventories.....	(1,144)	—	—
FUND BALANCES (DEFICITS), JUNE 30.....	\$ 17,153,942	\$ 808,167	\$ 3,688,190

The notes to the financial statements are an integral part of this statement.

PAID	NONMAJOR GOVERNMENTAL FUNDS	TOTAL
\$ —	\$ —	\$ 10,755,068
—	—	14,333,627
—	89,702	3,429,370
—	1,243,508	2,752,680
—	12	712,150
—	582,426	1,599,769
—	953,836	5,752,241
—	58,932	258,571
935,572	10,125,653	43,032,403
—	—	222,891
—	—	456,597
64,378	169,828	1,848,884
7,471	1,001,926	1,924,420
1,007,421	14,225,823	87,078,671
5,342	4,657,322	17,073,280
—	49,875	3,110,895
8,128	4,144,924	48,723,808
91,447	1,067,118	2,603,668
82,079	470,502	4,976,611
117,941	570,473	881,727
4,641	3,743,799	3,869,310
18,429	452,455	2,663,389
610,980	1,043,721	5,367,360
—	687,906	687,911
—	1,738,305	1,993,518
938,987	18,626,400	91,951,477
68,434	(4,400,577)	(4,872,806)
—	259,640	1,221,900
—	553,470	553,470
—	(611,738)	(611,738)
—	120,351	180,576
—	—	92,302
—	3,587,070	3,994,684
(73,442)	(470,924)	(2,578,466)
(73,442)	3,437,869	2,852,728
(5,008)	(962,708)	(2,020,078)
16,119	6,309,188	29,029,112
(1,280)	(22,870)	(25,294)
\$ 9,831	\$ 5,323,610	\$ 26,983,740

STATE OF OHIO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2025 (dollars in thousands)

Net Change in Fund Balances -- Total Governmental Funds.....	\$ (2,020,078)
Change in Inventories.....	(25,293)
	<u>(2,045,371)</u>

The change in net position reported for governmental activities in the Statement of Activities is different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization in the current period.

Capital Outlay Expenditures.....	1,250,081
Depreciation/Amortization Expense.....	<u>(413,601)</u>
Excess of Capital Outlay Over Depreciation/Amortization Expense.....	<u>836,480</u>

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. In the current period, proceeds were received from:

General Obligation Bonds.....	(1,025,000)
Revenue Bonds and Notes.....	(121,440)
Special Obligation Bonds.....	(75,460)
Refunding Bonds, including Bond Premium/Discount, Net.....	(614,822)
Certificates of Participation.....	—
Premiums and Discounts, Net:	
General Obligation Bonds.....	(98,125)
Revenue Bonds and Notes.....	(15,982)
Special Obligation Bonds.....	<u>(5,117)</u>
Total Debt Proceeds.....	<u>(1,955,946)</u>

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. In the current year, these amounts consist of:

Debt Principal Retirement and Defeasements:	
General Obligation Bonds.....	1,488,517
Revenue Bonds and Notes.....	156,125
Special Obligation Bonds.....	367,459
Certificates of Participation.....	<u>38,705</u>
Total Long-Term Debt Repayment.....	<u>2,050,806</u>

The notes to the financial statements are an integral part of this statement.

Some revenues and expenses reported in the Statement of Activities are not reported as revenue and expenditures in the governmental funds. Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses, liabilities, and deferred resources are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. This adjustment combines the changes in the following balances:

<i>Increase in Net Pension and OPEB Assets.....</i>	<i>211,991</i>	
<i>Increase in Financed Purchase Obligation.....</i>	<i>(58,855)</i>	
<i>Decrease in Accrued Interest and Other Accrued Liabilities.....</i>	<i>15,386</i>	
<i>Amortization of Bond Premiums/Accretion of Bond Discount, Net.....</i>	<i>135,133</i>	
<i>Decrease in Refunding Loss Included in Deferred Outflows of Resources.....</i>	<i>(13,994)</i>	
<i>Decrease in Pension/OPEB Related Balances Included in Deferred Outflows of Resources.....</i>	<i>(613,160)</i>	
<i>Decrease in Compensated Absences.....</i>	<i>16,356</i>	
<i>Decrease in Derivative Instrument Liabilities (Excluding Hedging Derivative Instruments)</i>	<i>(54)</i>	
<i>Decrease in Pollution Remediation.....</i>	<i>71</i>	
<i>Decrease in Infrastructure Liability.....</i>	<i>25,102</i>	
<i>Decrease in Net Pension Liability.....</i>	<i>317,550</i>	
<i>Decrease in OPEB Liability.....</i>	<i>100,277</i>	
<i>Decrease in Lease Liability.....</i>	<i>28,488</i>	
<i>Decrease in Subscription Liability.....</i>	<i>906</i>	
<i>Decrease in Deferred Inflow of Resources.....</i>	<i>(33,743)</i>	
<i>Total Additional Revenues and Expenditures.....</i>		<u><i>131,454</i></u>
<i>Change in Net Position of Governmental Activities.....</i>		<u><u><i>\$ (982,577)</i></u></u>

STATE OF OHIO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS -- ENTERPRISE
JUNE 30, 2025
(dollars in thousands)

	MAJOR PROPRIETARY FUNDS		
	WORKERS' COMPENSATION	LOTTERY COMMISSION	UNEMPLOYMENT COMPENSATION
ASSETS:			
CURRENT ASSETS:			
Cash Equity with Treasurer.....	\$ 14,965	\$ 128,312	\$ —
Cash and Cash Equivalents.....	635,956	270,393	15,798
Deposit with Federal Government.....	—	—	2,087,624
Collateral on Lent Securities.....	3,616	31,001	—
Restricted Assets:			
Cash Equity with Treasurer.....	—	2,123	—
Investments.....	—	32,218	—
Collateral on Lent Securities.....	—	131,703	—
Other Receivables.....	—	19	—
Intergovernmental Receivable.....	—	—	765
Premiums and Assessments Receivable.....	10,497	—	38,676
Investment Trade Receivable.....	90,321	—	—
Interfund Receivable.....	50,717	—	—
Other Receivables.....	354,545	84,719	96,982
Other Assets.....	—	4,410	—
TOTAL CURRENT ASSETS.....	1,160,617	684,898	2,239,845
NONCURRENT ASSETS:			
Restricted Assets:			
Cash and Cash Equivalents.....	736	—	—
Investments.....	—	260,889	—
Pension and OPEB, Net.....	19,853	3,694	—
Investments.....	21,838,394	—	—
Premiums and Assessments Receivable.....	451,927	—	—
Interfund Receivable.....	458,118	—	—
Capital Assets Being Depreciated, Net.....	31,059	5,700	—
Capital Assets Not Being Depreciated.....	9,466	—	—
TOTAL NONCURRENT ASSETS.....	22,809,553	270,283	—
TOTAL ASSETS.....	23,970,170	955,181	2,239,845
DEFERRED OUTFLOWS OF RESOURCES.....	50,663	8,416	—
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES.....	24,020,833	963,597	2,239,845
LIABILITIES:			
CURRENT LIABILITIES:			
Accounts Payable.....	17,960	29,661	—
Accrued Liabilities.....	—	—	—
Obligations Under Securities Lending.....	3,616	162,704	—
Investment Trade Payable.....	297,386	—	—
Intergovernmental Payable.....	—	—	461
Prize Awards Payable.....	—	33,744	—
Interfund Payable.....	—	134	—
Unearned Revenue.....	406,824	1,579	—
Benefits Payable.....	1,294,807	—	5,700
Refund and Other Liabilities.....	573,819	16,798	4,594
TOTAL CURRENT LIABILITIES.....	2,594,412	244,620	10,755
NONCURRENT LIABILITIES:			
Prize Awards Payable.....	—	277,729	—
Interfund Payable.....	—	744	—
Benefits Payable.....	10,421,421	—	—
Refund and Other Liabilities.....	1,659,585	44,710	—
TOTAL NONCURRENT LIABILITIES.....	12,081,006	323,183	—
TOTAL LIABILITIES.....	14,675,418	567,803	10,755
DEFERRED INFLOWS OF RESOURCES.....	12,140	1,127	—
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES.....	14,687,558	568,930	10,755
NET POSITION (DEFICITS):			
Net Investment in Capital Assets.....	40,525	4,891	—
Restricted for Pension, OPEB, and Other Benefits.....	19,853	3,694	—
Restricted for Workers Compensation.....	9,272,897	—	—
Restricted for Unemployment Compensation.....	—	—	2,229,090
Restricted for Tuition Trust Authority.....	—	—	—
Unrestricted.....	—	386,082	—
TOTAL NET POSITION (DEFICITS).....	\$ 9,333,275	\$ 394,667	\$ 2,229,090

The notes to the financial statements are an integral part of this statement.

NONMAJOR PROPRIETARY FUNDS		TOTAL	
\$	27,420	\$	170,697
	3,417		925,564
	—		2,087,624
	6,625		41,242
	—		2,123
	6,310		38,528
	—		131,703
	—		19
	5,599		6,364
	—		49,173
	—		90,321
	1,766		52,483
	1,328		537,574
	—		4,410
	<u>52,465</u>		<u>4,137,825</u>
	—		736
	118,525		379,414
	8,376		31,923
	22,132		21,860,526
	—		451,927
	—		458,118
	4,593		41,352
	8,969		18,435
	<u>162,595</u>		<u>23,242,431</u>
	<u>215,060</u>		<u>27,380,256</u>
	<u>17,998</u>		<u>77,077</u>
	<u>233,058</u>		<u>27,457,333</u>
	642		48,263
	5,073		5,073
	6,625		172,945
	—		297,386
	—		461
	—		33,744
	—		134
	1,306		409,709
	6,310		1,306,817
	3,549		598,760
	<u>23,505</u>		<u>2,873,292</u>
	—		277,729
	—		744
	30,090		10,451,511
	<u>102,796</u>		<u>1,807,091</u>
	<u>132,886</u>		<u>12,537,075</u>
	<u>156,391</u>		<u>15,410,367</u>
	<u>2,551</u>		<u>15,818</u>
	<u>158,942</u>		<u>15,426,185</u>
	10,938		56,354
	10,995		34,542
	—		9,272,897
	—		2,229,090
	88,685		88,685
	(36,502)		349,580
\$	<u>74,116</u>	\$	<u>12,031,148</u>

STATE OF OHIO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS -- ENTERPRISE FOR THE FISCAL YEAR ENDED JUNE 30, 2025 (dollars in thousands)

	MAJOR PROPRIETARY FUNDS		
	WORKERS' COMPENSATION	LOTTERY COMMISSION	UNEMPLOYMENT COMPENSATION
OPERATING REVENUES:			
Charges for Sales and Services.....	\$ —	\$ 5,776,632	\$ 14,078
Premium and Assessment Income.....	1,149,782	—	1,097,483
Federal Government.....	—	—	4,213
Investment Income.....	—	—	—
Other.....	12,521	—	17,685
TOTAL OPERATING REVENUES.....	1,162,303	5,776,632	1,133,459
OPERATING EXPENSES:			
Costs of Sales and Services.....	—	—	—
Administration.....	73,130	191,603	—
Bonuses and Commissions.....	—	1,219,960	—
Prizes.....	—	2,936,625	—
Benefits and Claims.....	1,549,506	—	1,036,976
Depreciation.....	19,107	2,986	—
Other.....	83,947	—	126,188
TOTAL OPERATING EXPENSES.....	1,725,690	4,351,174	1,163,164
OPERATING INCOME (LOSS).....	(563,387)	1,425,458	(29,705)
NONOPERATING REVENUES (EXPENSES):			
Investment Income.....	1,734,895	39,046	62,674
Interest Expense.....	—	(6,152)	—
Other.....	—	(11,529)	—
TOTAL NONOPERATING REVENUES (EXPENSES).....	1,734,895	21,365	62,674
INCOME (LOSS) BEFORE GAIN (LOSS) AND TRANSFERS.....	1,171,508	1,446,823	32,969
Transfers-in.....	—	—	—
Transfers-out.....	(10,079)	(1,450,472)	(11,223)
TOTAL GAIN (LOSS) AND TRANSFERS.....	(10,079)	(1,450,472)	(11,223)
NET INCOME (LOSS).....	1,161,429	(3,649)	21,746
NET POSITION (DEFICITS), JULY 1 (as restated).....	8,171,846	398,316	2,207,344
NET POSITION (DEFICITS), JUNE 30.....	\$ 9,333,275	\$ 394,667	\$ 2,229,090

The notes to the financial statements are an integral part of this statement.

NONMAJOR PROPRIETARY FUNDS		TOTAL	
\$	55,186	\$	5,845,896
	—		2,247,265
	—		4,213
	9,499		9,499
	11,779		41,985
	76,464		8,148,858
	99,518		99,518
	17,269		282,002
	—		1,219,960
	—		2,936,625
	17,529		2,604,011
	1,743		23,836
	—		210,135
	136,059		7,376,087
	(59,595)		772,771
	41		1,836,656
	(94)		(6,246)
	—		(11,529)
	(53)		1,818,881
	(59,648)		2,591,652
	55,556		55,556
	—		(1,471,774)
	55,556		(1,416,218)
	(4,092)		1,175,434
	78,208		10,855,714
\$	74,116	\$	12,031,148

STATE OF OHIO

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS -- ENTERPRISE FOR THE FISCAL YEAR ENDED JUNE 30, 2025 (dollars in thousands)

	MAJOR PROPRIETARY FUNDS		
	WORKERS' COMPENSATION	LOTTERY COMMISSION	UNEMPLOYMENT COMPENSATION
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received from Customers.....	\$ —	\$ 5,769,673	\$ —
Cash Received from Multi-State Lottery for Grand Prize Winner.....	—	137,710	—
Cash Received from Premiums and Assessments.....	1,435,998	—	1,126,658
Cash Received from Interfund Services Provided.....	53,373	—	—
Other Operating Cash Receipts.....	25,405	1,068	44,061
Cash Payments to Suppliers for Goods and Services.....	(83,377)	(130,770)	—
Cash Payments to Employees for Services.....	(237,618)	(47,678)	—
Cash Payments for Benefits and Claims.....	(1,452,590)	—	(943,602)
Cash Payments for Lottery Prizes.....	—	(3,098,225)	—
Cash Payments for Bonuses and Commissions.....	—	(1,219,960)	—
Cash Payments for Premium Reductions and Refunds.....	(200,004)	—	—
Cash Payments for Interfund Services Used.....	(44,281)	(15,977)	—
Other Operating Cash Payments.....	—	(11,615)	(214,577)
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES.....	(503,094)	1,384,226	12,540
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers-in	—	—	—
Transfers-out	(10,079)	(1,450,472)	(11,223)
NET CASH FLOWS PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES.....	(10,079)	(1,450,472)	(11,223)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Payments on Leases and Subscriptions.....	—	(991)	—
Interest Paid	—	(16)	—
Acquisition and Construction of Capital Assets	(2,338)	(2,921)	—
Proceeds from Sales of Capital Assets	79	—	—
NET CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES.....	(2,259)	(3,928)	—
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of Investments.....	(11,039,564)	(59,151)	—
Proceeds from the Sales and Maturities of Investments	11,105,572	56,532	—
Investment Income Received	576,808	38,988	62,674
Borrower Rebates and Agent Fees.....	(51,851)	(6,221)	—
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES.....	590,965	30,148	62,674
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS.....	75,533	(40,026)	63,991
CASH AND CASH EQUIVALENTS, JULY 1	576,124	440,854	2,039,431
CASH AND CASH EQUIVALENTS, JUNE 30	\$ 651,657	\$ 400,828	\$ 2,103,422

The notes to the financial statements are an integral part of this statement.

NONMAJOR PROPRIETARY FUNDS		TOTAL	
\$	36,962	\$	5,806,635
	—		137,710
	—		2,562,656
	10,876		64,249
	7,182		77,716
	(8,034)		(222,181)
	(99,005)		(384,301)
	—		(2,396,192)
	—		(3,098,225)
	—		(1,219,960)
	—		(200,004)
	(5,717)		(65,975)
	(19,696)		(245,888)
	(77,432)		816,240
	55,249		55,249
	—		(1,471,774)
	55,249		(1,416,525)
	(1,139)		(2,130)
	(94)		(110)
	(4,895)		(10,154)
	—		79
	(6,128)		(12,315)
	(22,206)		(11,120,921)
	39,242		11,201,346
	1,961		680,431
	—		(58,072)
	18,997		702,784
	(9,314)		90,184
	40,151		3,096,560
\$	30,837	\$	3,186,744

(continued)

STATE OF OHIO

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS -- ENTERPRISE

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

(dollars in thousands)

(continued)

	MAJOR PROPRIETARY FUNDS		
	WORKERS' COMPENSATION	LOTTERY COMMISSION	UNEMPLOYMENT COMPENSATION
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating Income (Loss).....	\$ (563,387)	\$ 1,425,458	\$ (29,705)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Investment Income.....	—	—	—
Depreciation/Amortization.....	19,107	2,986	—
Provision for Uncollectible Accounts.....	61,291	—	—
Decrease (Increase) in Assets:			
Intergovernmental Receivable.....	—	—	937
Premiums and Assessments Receivable.....	12,612	—	(1,880)
Interfund Receivables.....	(5,548)	—	—
Other Receivables	19,611	(5,918)	43,016
Other Assets	—	(682)	—
Pension/OPEB Assets.....	—	—	—
Increase (Decrease) in Liabilities:			
Accounts Payable	7,373	(12,240)	—
Accrued Liabilities.....	—	—	—
Intergovernmental Payable.....	—	—	24
Prize Awards Payable.....	—	(18,705)	—
Interfund Payable.....	—	(285)	—
Unearned Revenue	(6,364)	27	—
Benefits Payable.....	(87,400)	—	(215)
Refund and Other Liabilities.....	39,611	(6,415)	363
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES.....	\$ (503,094)	\$ 1,384,226	\$ 12,540
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:			
Change in Fair Value of Investments.....	\$ 1,199,861	\$ 12,671	\$ —
Acquiring an Asset through Lease/Subscription/Financed Purchase.....	—	9	—
Construction in Progress - Accounts Payable.....	—	—	—
Trade-In of Vehicles on New Vehicle Purchases.....	—	—	—

The notes to the financial statements are an integral part of this statement.

NONMAJOR PROPRIETARY FUNDS		TOTAL	
\$	(59,595)	\$	772,771
	(9,499)		(9,499)
	1,743		23,836
	—		61,291
	(143)		794
	—		10,732
	(308)		(5,856)
	(283)		56,426
	—		(682)
	14,294		14,294
	(79)		(4,946)
	1,021		1,021
	—		24
	—		(18,705)
	—		(285)
	83		(6,254)
	(11,600)		(99,215)
	(13,066)		20,493
\$	(77,432)	\$	816,240

\$	—	\$	1,212,532
	2,106		2,115
	(6)		(6)
	46		46

STATE OF OHIO

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

JUNE 30, 2025

(dollars in thousands)

	PENSION TRUST - STATE HIGHWAY PATROL RETIREMENT SYSTEM (as of 12/31/24)	PRIVATE- PURPOSE TRUST FUNDS	INVESTMENT TRUST - STAR OHIO
ASSETS:			
Cash Equity with Treasurer.....	\$ —	\$ —	\$ —
Cash and Cash Equivalents.....	53,686	451,699	722,681
Investments (at fair value):			
U.S. Government and Agency Obligations.....	53,686	—	806,379
Common and Preferred Stock.....	20,258	—	—
Corporate Bonds and Notes.....	37,496	—	131,917
Municipal Obligations.....	—	—	—
Foreign Stocks and Bonds.....	1,836	—	—
Commercial Paper.....	—	—	7,984,918
Repurchase Agreements.....	—	—	5,600,835
Mutual Funds.....	507,371	19,646,029	613,537
Real Estate.....	73,036	—	—
Negotiable Certificates of Deposit.....	—	—	3,580,611
Partnership and Hedge Funds.....	397,032	—	—
State Treasury Asset Reserve of Ohio (STAR Ohio).....	—	—	—
Collateral on Lent Securities.....	—	—	—
Employer Contributions Receivable.....	1,639	—	—
Employee Contributions Receivable.....	1,319	—	—
Other Receivables.....	2,813	195,413	47,364
Other Assets.....	—	—	177
Pension and OPEB Assets, Net.....	213	—	—
Capital Assets, Net.....	5	—	—
TOTAL ASSETS.....	1,150,390	20,293,141	19,488,419
DEFERRED OUTFLOWS OF RESOURCES.....	429	—	—
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES.....	1,150,819	20,293,141	19,488,419
LIABILITIES:			
Accounts Payable.....	214	—	—
Accrued Liabilities.....	14,823	3,942	492
Obligations Under Securities Lending.....	—	—	—
Intergovernmental Payable.....	—	—	—
Refund and Other Liabilities.....	1,012	189,240	2,949
TOTAL LIABILITIES.....	16,049	193,182	3,441
DEFERRED INFLOWS OF RESOURCES.....	91	—	—
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES.....	16,140	193,182	3,441
NET POSITION (DEFICITS):			
Restricted for:			
Employees' Pension Benefits.....	1,006,974	—	—
Employees' Postemployment Healthcare Benefits.....	127,705	—	—
Individuals, Organizations and Other Governments.....	—	20,099,959	—
Pool Participants.....	—	—	19,484,978
TOTAL NET POSITION (DEFICITS).....	\$ 1,134,679	\$ 20,099,959	\$ 19,484,978

The notes to the financial statements are an integral part of this statement.

CUSTODIAL FUNDS

\$ 379,948
104,274

21,028

—

18,498

32,704

—

—

—

158

—

—

—

21,198

91,797

—

—

—

—

—

669,605

—

669,605

—

—

91,797

376,009

77,840

545,646

—

545,646

—

—

123,959

—

\$ 123,959

STATE OF OHIO

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2025 (dollars in thousands)

	PENSION TRUST - STATE HIGHWAY PATROL RETIREMENT SYSTEM (as of 12/31/24)	PRIVATE- PURPOSE TRUST FUNDS	INVESTMENT TRUST - STAR OHIO
ADDITIONS:			
Contributions from:			
Employer.....	\$ 34,726	\$ —	\$ —
Employees.....	18,345	—	—
Plan Participants.....	—	4,732,124	—
Other.....	1,534	—	—
Total Contributions.....	54,605	4,732,124	—
Investment Income:			
Net Appreciation (Depreciation) in Fair Value of Investments.....	90,852	1,296,992	—
Interest, Dividends and Other.....	24,993	799,957	881,179
Total Investment Income.....	115,845	2,096,949	881,179
Less: Investment Expense.....	7,624	41,884	6,297
Net Investment Income.....	108,221	2,055,065	874,882
Capital Share and Individual Account Transactions:			
Shares Sold.....	—	—	38,641,783
Reinvested Distributions.....	—	—	1,052,584
Shares Redeemed.....	—	—	(38,692,031)
Net Capital Share and Individual Account Transactions.....	—	—	1,002,336
Tax Collections for Local Governments.....	—	—	—
Child Support Collections.....	—	—	—
Detainee / Resident Home Personal Accounts.....	—	—	—
Other Organizations' Accounts.....	—	—	—
Miscellaneous.....	—	—	—
TOTAL ADDITIONS.....	162,826	6,787,189	1,877,218
DEDUCTIONS:			
Pension Benefits Paid to Participants or Beneficiaries.....	86,555	—	—
Healthcare Benefits Paid to Participants or Beneficiaries.....	8,359	—	—
Refunds of Employee Contributions.....	502	—	—
Administrative Expense.....	1,857	—	—
Transfers to Other Retirement Systems.....	134	—	—
Distributions to Shareholders, Plans, Participants.....	—	4,724,491	874,882
Tax Distributions to Local Governments.....	—	—	—
Child Support Payments.....	—	—	—
Detainee / Resident Home Personal Accounts.....	—	—	—
Other Organizations' Accounts.....	—	—	—
Miscellaneous.....	—	—	—
TOTAL DEDUCTIONS.....	97,407	4,724,491	874,882
CHANGE IN NET POSITION RESTRICTED FOR:			
Employees' Pension Benefits.....	60,750	—	—
Employees' Postemployment Healthcare Benefits.....	4,669	—	—
Individuals, Organizations and Other Governments.....	—	2,062,698	—
Pool Participants.....	—	—	1,002,336
TOTAL CHANGE IN NET POSITION.....	65,419	2,062,698	1,002,336
NET POSITION (DEFICITS), JULY 1.....	1,069,260	18,037,261	18,482,642
NET POSITION (DEFICITS), JUNE 30.....	\$ 1,134,679	\$ 20,099,959	\$ 19,484,978

The notes to the financial statements are an integral part of this statement.

CUSTODIAL FUNDS

\$ —
1,936,495
—
—
1,936,495

—
9,253
9,253
—
9,253

78,946
—
(88,320)
(9,374)
4,930,475
1,664,165
102,065
168,067
355
8,801,501

—
—
—
—
1,936,495
4,930,475
1,664,165
98,431
165,602
1,747
8,796,915

—
—
4,586
—
4,586
119,373
\$ 123,959

STATE OF OHIO

COMBINING STATEMENT OF NET POSITION DISCRETELY PRESENTED COMPONENT UNITS JUNE 30, 2025 (dollars in thousands)

	MAJOR COMPONENT UNITS		
	OHIO FACILITIES CONSTRUCTION COMMISSION	OHIO STATE UNIVERSITY	NONMAJOR COMPONENT UNITS
ASSETS:			
CURRENT ASSETS:			
Cash Equity with Treasurer.....	\$ 439,614	\$ —	\$ 1,132
Cash and Cash Equivalents.....	—	779,122	1,041,034
Investments.....	10,794	2,657,786	4,128,504
Collateral on Lent Securities.....	106,213	—	—
Restricted Assets:			
Cash and Cash Equivalents.....	—	—	301,287
Investments.....	—	—	69,715
Intergovernmental Receivable.....	—	8,004	47,735
Loans Receivable, Net.....	—	6,456	25,040
Receivable from Primary Government.....	—	8,189	17,353
Other Receivables.....	—	1,319,465	700,457
Inventories.....	—	118,842	132,450
Other Assets.....	—	100,879	129,262
TOTAL CURRENT ASSETS.....	556,621	4,998,743	6,593,969
NONCURRENT ASSETS:			
Restricted Assets:			
Cash and Cash Equivalents.....	—	—	140,426
Investments.....	—	—	3,764,036
Pension and OPEB Assets, Net.....	—	—	3,902
Investments.....	—	8,884,502	4,068,985
Loans Receivable, Net.....	—	23,741	215,906
Other Receivables.....	—	240,477	360,223
Other Assets.....	—	717,623	1,458,615
Capital Assets Being Depreciated, Net.....	—	6,525,056	10,335,813
Capital Assets Not Being Depreciated.....	—	2,919,562	1,321,061
TOTAL NONCURRENT ASSETS.....	—	19,310,961	21,668,967
TOTAL ASSETS.....	556,621	24,309,704	28,262,936
DEFERRED OUTFLOWS OF RESOURCES.....			
	—	779,837	808,222
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES.....	556,621	25,089,541	29,071,158
LIABILITIES:			
CURRENT LIABILITIES:			
Accounts Payable.....	155	641,949	419,299
Accrued Liabilities.....	609	393,655	733,317
Obligations Under Securities Lending.....	106,213	—	—
Intergovernmental Payable.....	386,522	—	1,928
Unearned Revenue.....	—	387,857	336,303
Refund and Other Liabilities.....	11,011	198,360	391,902
Payable to Primary Government.....	—	—	21
Bonds and Notes Payable.....	—	684,256	346,306
TOTAL CURRENT LIABILITIES.....	504,510	2,306,077	2,229,076
NONCURRENT LIABILITIES:			
Intergovernmental Payable.....	491,385	—	2,915
Unearned Revenue.....	—	—	23,475
Refund and Other Liabilities.....	1,568	5,658,959	4,157,729
Bonds and Notes Payable.....	—	3,497,753	7,605,430
TOTAL NONCURRENT LIABILITIES.....	492,953	9,156,712	11,789,549
TOTAL LIABILITIES.....	997,463	11,462,789	14,018,625
DEFERRED INFLOWS OF RESOURCES.....			
	2,731,122	1,117,185	860,570
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES.....	3,728,585	12,579,974	14,879,195
NET POSITION (DEFICITS):			
Net Investment in Capital Assets.....	—	4,638,417	6,408,551
Restricted for:			
Transportation.....	—	—	205,321
Community and Economic Development.....	36,247	—	55,288
Pension and OPEB Assets, Net.....	—	—	3,902
Nonexpendable:			
Scholarships and Fellowships.....	—	—	684,384
Research.....	—	—	112,281
Endowments and Quasi-Endowments.....	—	2,178,273	2,175,722
Loans, Grants and Other College and University Purposes.....	—	—	628,814
Expendable:			
Scholarships and Fellowships.....	—	—	606,409
Research.....	—	—	224,697
Instructional Department Uses.....	—	—	282,817
Student and Public Services.....	—	—	266,764
Academic Support.....	—	—	298,413
Debt Service.....	—	—	50,323
Capital Purposes.....	—	—	174,549
Endowments and Quasi-Endowments.....	—	1,203,949	700,423
Current Operations.....	—	796,049	63,773
Loans, Grants and Other College and University Purposes.....	—	—	672,105
Unrestricted.....	(3,208,211)	3,692,879	577,427
TOTAL NET POSITION (DEFICITS).....	\$ (3,171,964)	\$ 12,509,567	\$ 14,191,963

The notes to the financial statements are an integral part of this statement.

<u>TOTAL</u>	
\$	440,746
	1,820,156
	6,797,084
	106,213
	301,287
	69,715
	55,739
	31,496
	25,542
	2,019,922
	251,292
	230,141
	<u>12,149,333</u>
	140,426
	3,764,036
	3,902
	12,953,487
	239,647
	600,700
	2,176,238
	16,860,869
	<u>4,240,623</u>
	<u>40,979,928</u>
	<u>53,129,261</u>
	<u>1,588,059</u>
	<u>54,717,320</u>
	1,061,403
	1,127,581
	106,213
	388,450
	724,160
	601,273
	21
	<u>1,030,562</u>
	<u>5,039,663</u>
	494,300
	23,475
	9,818,256
	<u>11,103,183</u>
	<u>21,439,214</u>
	<u>26,478,877</u>
	<u>4,708,877</u>
	<u>31,187,754</u>
	11,046,968
	205,321
	91,535
	3,902
	684,384
	112,281
	4,353,995
	628,814
	606,409
	224,697
	282,817
	266,764
	298,413
	50,323
	174,549
	1,904,372
	859,822
	672,105
	<u>1,062,095</u>
\$	<u>23,529,566</u>

STATE OF OHIO
COMBINING STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(dollars in thousands)

	MAJOR COMPONENT UNITS		
	OHIO FACILITIES CONSTRUCTION COMMISSION	OHIO STATE UNIVERSITY	NONMAJOR COMPONENT UNITS
EXPENSES:			
Primary, Secondary and Other Education.....	\$ 409,334	\$ —	\$ —
Transportation.....	—	—	152,795
Community and Economic Development.....	51,703	—	1,655,876
Education and General:			
Instruction and Departmental Research.....	—	1,356,591	2,051,038
Separately Budgeted Research.....	—	719,303	496,187
Public Service.....	—	206,804	353,807
Academic Support.....	—	366,965	609,645
Student Services.....	—	136,943	409,269
Institutional Support.....	—	316,455	787,617
Operation and Maintenance of Plant.....	—	150,611	430,479
Scholarships and Fellowships.....	—	119,875	196,281
Auxiliary Enterprises.....	—	502,067	795,018
Hospitals.....	—	6,158,354	585,312
Interest on Long-Term Debt.....	—	189,338	318,200
Depreciation.....	—	665,561	810,198
Other.....	—	—	25,048
TOTAL EXPENSES.....	461,037	10,888,867	9,676,770
PROGRAM REVENUES:			
Charges for Services, Fees, Fines and Forfeitures.....	13,755	8,697,828	6,403,821
Operating Grants, Contributions and Restricted Investment Income.....	10,696	1,133,978	1,468,233
Capital Grants, Contributions and Restricted Investment Income.....	—	30,986	63,421
TOTAL PROGRAM REVENUES.....	24,451	9,862,792	7,935,475
NET PROGRAM (EXPENSE) REVENUE	(436,586)	(1,026,075)	(1,741,295)
GENERAL REVENUES:			
Unrestricted Investment Income.....	—	1,219,510	989,880
State Assistance.....	497,154	629,484	1,700,790
Other.....	—	447,095	613,631
TOTAL GENERAL REVENUES.....	497,154	2,296,089	3,304,301
ADDITIONS (DEDUCTIONS) TO ENDOWMENTS AND PERMANENT FUND PRINCIPAL.....	—	96,347	64,236
CHANGE IN NET POSITION.....	60,568	1,366,361	1,627,242
NET POSITION (DEFICITS), JULY 1 (as restated).....	(3,232,532)	11,143,206	12,564,721
NET POSITION (DEFICITS), JUNE 30.....	\$ (3,171,964)	\$ 12,509,567	\$ 14,191,963

The notes to the financial statements are an integral part of this statement.

TOTAL	
\$	409,334
	152,795
	1,707,579
	3,407,629
	1,215,490
	560,611
	976,610
	546,212
	1,104,072
	581,090
	316,156
	1,297,085
	6,743,666
	507,538
	1,475,759
	25,048
	21,026,674
	15,115,404
	2,612,907
	94,407
	17,822,718
	(3,203,956)
	2,209,390
	2,827,428
	1,060,726
	6,097,544
	160,583
	3,054,171
	20,475,395
\$	23,529,566



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the State of Ohio, as of June 30, 2025, and for the year then ended, conform with generally accepted accounting principles (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles, which are included in the GASB's *Codification of Governmental Accounting and Financial Reporting Standards*. The State's significant accounting policies are as follows.

A. Financial Reporting Entity

The State of Ohio's primary government includes all funds, elected officials, departments and agencies, bureaus, boards, commissions, and authorities that make up the State's legal entity. Component units, legally separate organizations for which the State's elected officials are financially accountable, also comprise, in part, the State's reporting entity. Additionally, other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete should be included in a government's financial reporting entity.

GASB 14, *The Financial Reporting Entity*, as amended by GASB 39, *Determining Whether Certain Organizations are Component Units*, GASB 61, *The Financial Reporting Entity: Omnibus*, and GASB 80, *Blending Requirements for Certain Component Units*, defines financial accountability. The criteria for determining financial accountability include the following circumstances:

- appointment of a voting majority of an organization's governing authority and the ability of the primary government to either impose its will on that organization or the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, or
- an organization is fiscally dependent on the primary government and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

1. Blended Component Units

The Buckeye Tobacco Settlement Financing Authority (BTSFA) is a legally separate organization for which the State has financial accountability through voting majority and the State has the potential to receive a financial benefit. The BTSFA provides services entirely, or almost entirely, to the State or otherwise exclusively, or almost exclusively, for the benefit of the State. Therefore, the State reports this organization's balances and transactions as though they were part of the primary government using the blending method.

2. Fiduciary Component Units

The State Highway Patrol Retirement System is a legally separate organization that provides services entirely, or almost entirely, to the State or otherwise exclusively, or almost exclusively, for the benefit of the State. Therefore, the State reports this organization's balances and transactions separately in the fiduciary fund financial statements.

3. Discretely Presented Component Units

The component units' columns in the basic financial statements include the financial data of another 28 organizations. The separate discrete column labeled, "Component Units," emphasizes these organizations' separateness from the State's primary government. Officials of the primary government appoint a voting majority of each organization's governing board.

The primary government can impose its will on the following organizations by modifying or approving their respective budgets, through policy modification authority, or by modifying or approving rate or fee changes.

Ohio Facilities Construction Commission
Ohio Air Quality Development Authority
Ohio Capital Fund
JobsOhio

The Ohio Turnpike and Infrastructure Commission has the potential to provide a financial benefit to the primary government.



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The following organizations impose or potentially impose financial burdens on the primary government:

Ohio State University
University of Cincinnati
Ohio University
Miami University
University of Akron
Bowling Green State University
Kent State University
University of Toledo
Cleveland State University
Youngstown State University
Wright State University
Shawnee State University
Northeast Ohio Medical University
Central State University
Terra State Community College
Columbus State Community College
Clark State Community College
Edison State Community College
Southern State Community College
Washington State Community College
Cincinnati State Community College
Northwest State Community College
Owens State Community College

The Ohio Facilities Construction Commission, a governmental component unit, does not issue separately audited financial reports. Central State University's financial information was not included as the most recent audited report available was for fiscal year 2022. Information on how to obtain financial statements for the State's component units that do issue their own separately audited financial reports is available from the Ohio Office of Budget and Management.

4. Joint Ventures and Related Organizations

As discussed in more detail in NOTE 19, the State participates in several joint ventures and has related organizations. The State does not include the financial activities of these organizations in its financial statements, in conformity with GASB 14, as amended by GASB 39, GASB 61 and GASB 80.

B. Basis of Presentation

Government-wide Statements — The Statement of Net Position and the Statement of Activities display information about the primary government (the State) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities.

Fiduciary funds of the primary government and component units that are fiduciary in nature are reported only in the statements of fiduciary net position and changes in fiduciary net position.

For the government-wide financial statements, eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the State. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole, or in part, by fees charged to external parties for goods or services.

The Statement of Net Position reports all financial and capital resources using the economic resources measurement focus and the accrual basis of accounting. The State presents the statement in a format that displays *assets and deferred outflows of resources less liabilities and deferred inflows of resources equal net position*. The *net position* section is displayed in three components:



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- The *Net Investment in Capital Assets* component consists of 1) capital assets, net of accumulated depreciation, and deferred outflows of resources that are attributable to the acquisition, construction, or improvements of those assets or related debt less 2) outstanding balances of any bonds or other borrowings and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt. The portion of debt and deferred inflows of resources attributable to significant unspent related debt proceeds at year-end is not included in the calculation of this net position component.
- The *Restricted Net Position* component represents the net position with constraints placed on its use that are either 1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or 2) imposed by law through constitutional provisions or enabling legislation. For component units with permanent endowments, restricted net position is displayed in two additional components — nonexpendable and expendable. Nonexpendable net position is for those endowments that are required to be retained in perpetuity.
- The *Unrestricted Net Position* component consists of the net position that does not meet the definition of the preceding two components.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the State's governmental activities and for the different business-type activities of the State. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular program or function. Centralized expenses have been included in direct expenses. Indirect expenses have not been allocated to the programs or functions reported in the Statement of Activities.

Program revenues include licenses, permits and other fees, fines, forfeitures, charges paid by the recipients of goods or services offered by the programs, and grants, contributions, and investment earnings that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all tax, tobacco settlement, escheat property revenues, unrestricted investment income, and state assistance, are presented as general revenues.

Fund Financial Statements — The fund financial statements provide information about the State's funds, including the fiduciary funds and blended component units. Separate statements for each fund category — governmental, proprietary, and fiduciary — are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and proprietary funds are aggregated and reported as nonmajor funds.

Governmental fund types include the General, special revenue, debt service, and capital projects funds. The proprietary funds consist of enterprise funds. Fiduciary fund types include pension trust, private-purpose trust, investment trust, and custodial funds.

Operating revenues for the State's proprietary funds mainly consist of charges for sales and services and premium and assessment income since these revenues result from exchange transactions associated with the principal activity of the respective enterprise fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Revenue from the federal government for the underfunded regular and extended unemployment benefits is also reported as operating revenues for the Unemployment Compensation Fund since this source provides significant funding for the payment of unemployment benefits — the fund's principal activity. Investment income for the Tuition Trust Authority Fund is also reported as operating revenue since this source provides significant funding for the payment of tuition benefits. Nonoperating revenues for the proprietary funds result from nonexchange transactions or ancillary activities; nonoperating revenues are primarily comprised of investment income and federal operating grants.

Proprietary fund operating expenses principally consist of expenses for the cost of sales and services, administration, bonuses and commissions, prizes, benefits and claims, and depreciation. Nonoperating expenses principally consist of interest expense on debt and the amortization of discount on lottery prize liabilities, which is reported under "Other" nonoperating expenses.



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The State reports the following major governmental funds:

General — The General Fund, the State's primary operating fund, accounts for resources of the general government, except those required to be accounted for in another fund.

Job, Family and Other Human Services Special Revenue Fund — This fund accounts for public assistance programs primarily administered by the Ohio Department of Job and Family Services, which provides financial assistance, services, and job training to those individuals and families who do not have sufficient resources to meet their basic needs. The primary sources of revenue for this fund are licenses, permits and fees and the federal government.

Buckeye Tobacco Settlement Financing Authority Revenue Bonds Debt Service Fund — This fund accounts for the payment of principal and interest on the revenue bonds issued to fund long-lived capital projects at State-supported institutions of higher education and to pay the State's share of the cost of rebuilding elementary and secondary school facilities across the State.

Pandemic Relief Funds — This fund accounts for federal pandemic funds to provide relief to the State for necessary expenditures incurred due to the novel coronavirus (COVID-19) pandemic.

The State reports the following major proprietary funds:

Workers' Compensation Enterprise Fund — This fund accounts for the operations of the Ohio Bureau of Workers' Compensation and the Industrial Commission of Ohio, which provide workers' compensation insurance services.

Lottery Commission Enterprise Fund — This fund accounts for the State's lottery operations.

Unemployment Compensation Enterprise Fund — This fund, which is administered by the Ohio Department of Job and Family Services, accounts for unemployment compensation benefit claims.

The State reports the following fiduciary fund types:

Pension Trust Fund — The State Highway Patrol Retirement System Pension Trust Fund accounts for resources that are required to be held in trust for members and beneficiaries of the defined benefit plan. The financial statements for the State Highway Patrol Retirement System Pension Trust Fund are presented for the year ended December 31st.

Private-Purpose Trust Fund — The Private-Purpose Trust Fund accounts for trust arrangements under which principal and income benefit participants in the Variable College Savings Plan, which is administered by the Tuition Trust Authority and the STABLE Program, which is administered by the Treasurer of State's Office.

Investment Trust Fund — The STAR Ohio Investment Trust Fund accounts for the state-sponsored external investment pool, which the Treasurer of State administers for local government participants.

Custodial Funds — The Local Government Tax Fund, Child Support Fund, and Other Fund account for fiduciary resources held on behalf of local governments, custodial parents/guardians, individuals and other organizations, respectively.

The State reports the following major discretely presented component unit funds:

The *Ohio Facilities Construction Commission Fund* primarily accounts for grants that provide assistance to local entities for the construction of school buildings. The fund also provides construction services for arts and sports facilities.



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The *Ohio State University Fund* is a business-type activity that uses proprietary fund reporting. It reports the university's operations, including the University's health system, supercomputer center, agricultural research and development center, and other legally separate entities subject to the control of the university's board.

C. Measurement Focus and Basis of Accounting

Government-wide, Enterprise Fund, and Fiduciary Fund Financial Statements — The State reports the government-wide financial statements and the proprietary fund and fiduciary fund financial statements using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

The State recognizes revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions when the exchange takes place. When resources are received in advance of the exchange, the State reports the unearned revenue as a liability.

Nonexchange transactions, in which the State gives (or receives) value without directly receiving (or giving) equal value in exchange, include derived taxes, grants, and entitlements. The revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange transactions are recognized in accordance with the requirements of GASB 33, *Accounting and Financial Reporting for Nonexchange Transactions* and GASB 65, *Items Previously Reported as Assets and Liabilities*.

Under the accrual basis, the State recognizes assets from derived tax revenues (e.g., personal income, sales, and motor vehicle fuel taxes) in the fiscal year when the exchange transaction on which the tax is imposed occurs or when the resources are received, whichever occurs first. The State recognizes derived tax revenues, net of estimated refunds and estimated uncollectible amounts, in the same period that the assets are recognized, provided that the underlying exchange transaction has occurred.

Revenue from grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied. Resources transmitted in advance of the State meeting eligibility requirements are reported as unearned revenue.

Investment income includes the net increase (decrease) in the fair value of investments.

Governmental Fund Financial Statements — The State reports governmental funds using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The State considers revenues reported in the governmental funds to be available when the revenues are collectible within 60 days after year-end or soon enough thereafter to be used to pay liabilities of the current period.

Significant revenue sources susceptible to accrual under the modified accrual basis of accounting include:

- Personal income taxes
- Sales and use taxes
- Motor vehicle fuel taxes
- Charges for goods and services
- Federal government grants
- Tobacco settlement
- Investment income

The State recognizes assets from derived tax revenues (e.g., personal income, sales, and motor vehicle fuel taxes) in the fiscal year when the exchange transaction on which the tax is imposed occurs or when the resources are received, whichever occurs first. The State recognizes derived tax revenues, net of estimated refunds and estimated uncollectible amounts, in the same period that the assets are recognized, provided that the underlying exchange transaction has occurred, and the revenues are collected during the availability period.



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

For revenue arising from exchange transactions (e.g., charges for goods and services), the State recognizes deferred inflows of resources when resources earned from the exchange are not received during the availability period and reports unearned revenue when resources are received in advance of exchange.

The governmental funds recognize federal government revenue in the period when all applicable eligibility requirements have been met and resources are available. Resources transmitted in advance of the State meeting eligibility requirements are reported as unearned revenue. The State recognizes deferred inflows of resources for reimbursement-type grant programs if the reimbursement is not received during the availability period.

Licenses, permits, fees, and certain other miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash. The "Other" revenue account is comprised of refunds, reimbursements, recoveries, and other miscellaneous income.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, lease and financed purchase obligations, compensated absences, and claims and judgments. The governmental funds recognize expenditures for these liabilities to the extent they have matured or will be liquidated with expendable, available financial resources.

Capital asset acquisitions are reported as expenditures in the governmental funds. Proceeds from long-term debt issuances, including refunding bond proceeds, premiums, acquisitions under financed purchase arrangements, and lease additions, are reported as other financing sources while discounts and payments to refunded bond escrow agents are reported as other financing uses.

D. Budgetary Process

As the Ohio Revised Code requires, the Governor submits biennial operating and capital budgets to the General Assembly.

The General Assembly approves operating appropriations in annual amounts and capital appropriations in two-year amounts.

The General Assembly enacts the budget through passage of specific departmental line-item appropriations, the legal level of budgetary control. Line-item appropriations are established within funds by program or major object of expenditure. The Governor may veto any item in an appropriation bill. Such vetoes are subject to legislative override.

The State's Controlling Board can transfer or increase a line-item appropriation within the limitations set under Sections 127.14 and 131.35, Ohio Revised Code.

All governmental funds are budgeted except the following activities within the debt service and capital projects fund types:

- Improvements General Obligations
- Highway Improvements General Obligations
- Development General Obligations
- Highway General Obligations
- Public Improvements General Obligations
- Vietnam Conflict Compensation General Obligations
- Infrastructure Bank Revenue Bonds
- Buckeye Tobacco Settlement Financing Authority Revenue Bonds
- Lease Rental Special Obligations
- Certificates of Participation as follows:
 - MARCS Certificates of Participation
 - OAKS Certificates of Participation
 - STARS Certificates of Participation
 - TMS Certificates of Participation
 - EDCS Certificates of Participation



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

BCIRS Certificates of Participation
VSA Certificates of Participation
UIS Certificates of Participation
DCS Certificates of Participation
EDCS Project
BCIRS Project
UIS Project
DCS Project

For budgeted funds, the State's Ohio Administrative Knowledge System (OAKS) controls expenditures by appropriation line-item, so at no time can expenditures exceed appropriations and financial-related legal compliance is assured. The State uses the modified cash basis of accounting for budgetary purposes.

The *Detailed Appropriation Summary by Fund Report* is available for public inspection at the Ohio Office of Budget and Management and on its web site at <https://obm.ohio.gov/reports-and-resources/11-dasf>. This Summary provides a more comprehensive accounting of activity on the budgetary basis at the legal level of budgetary control.

In the *Schedule of Revenues, Expenditures and Changes in Fund Balances — Budget and Actual (Non-GAAP Budgetary Basis) — General Fund and Major Special Revenue Funds*, the State reports estimated revenues and other financing sources and uses for the General Fund only; the State does not estimate revenue and other financing sources and uses for the major special revenue funds or its budgeted nonmajor governmental funds.

Additionally, in the non-GAAP budgetary basis schedules, "actual" budgetary expenditures include cash disbursements and outstanding encumbrances, as of June 30.

The State Highway Patrol Retirement System Pension Trust Fund, the Variable College Savings Plan and STABLE Program Private-Purpose Trust Funds, and the STAR Ohio Investment Trust Fund are not legally required to adopt budgets. The State is not legally required to report budgetary data and comparisons for the budgeted proprietary funds. Also, the State does not present budgetary data for its discretely presented component units.

Because the State budgets on a modified cash basis of accounting, which differs from GAAP, the budgetary required supplementary information notes present a reconciliation of the differences between the GAAP basis and non-GAAP budgetary basis of reporting.

E. Cash Equity with Treasurer and Cash and Cash Equivalents

Cash equity with Treasurer consists of pooled demand deposits and investments carried at fair value. The State's cash pool under the Treasurer of State's administration has the general characteristics of a demand deposit account whereby additional cash can be deposited at any time and can also be effectively withdrawn at any time, within certain budgetary limitations, without prior notice or penalty.

Cash and cash equivalents include amounts on deposit with financial institutions and cash on hand. The cash and cash equivalents account also includes investments with original maturities of three months or less from the date of acquisition for the Workers' Compensation Enterprise Fund.

The Unemployment Compensation Enterprise Fund Trust Account has the general characteristics of a demand deposit account whereby additional cash can be deposited at any time and can also be effectively withdrawn at any time, without prior notice or penalty. The balance in the account at fiscal year-end is reported by the State as "Deposit with Federal Government" and is considered a cash equivalent for cash flow purposes.

Cash equity with Treasurer and cash and cash equivalents, including the portions reported under "Restricted Assets" and the Deposit with Federal Government are considered to be cash equivalents, as defined in GASB Statement No. 9, for purposes of the Statement of Cash Flows.



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Additional disclosures on the State's deposits can be found in NOTE 4.

F. Investments

Investments include long-term investments that may be restricted by law or other legal instruments. With the exception of certain money market investments, which have remaining maturities at the time of purchase of one year or less and are carried at amortized cost, and holdings in the State Treasury Asset Reserve of Ohio (STAR Ohio) investment pool, the State primarily reports investments at fair value. STAR Ohio reports investments at amortized cost, which approximates fair value.

The colleges and universities report investments received as gifts at their fair value on the donation date.

The primary government does not manage or provide investment services for investments reported in the Fiduciary Custodial Funds that are owned by other entities that are not part of the State of Ohio's reporting entity.

Additional disclosures on the State's investments can be found in NOTE 4.

G. Taxes Receivable

Taxes receivable represent amounts due to the State at June 30, which will be collected sometime in the future. In the government-wide financial statements, revenue has been recognized for the receivable. In the fund financial statements, only the portion of the receivable collected during the 60-day availability period has been recognized as revenue while the remainder is recorded as deferred inflows of resources. Additional disclosures on taxes receivable can be found in NOTE 5.

H. Intergovernmental Receivable

The intergovernmental receivable balance is primarily comprised of amounts due from the federal government for reimbursement-type grant programs. Advances of resources to recipient local governments before eligibility requirements have been met under government-mandated and voluntary nonexchange programs and amounts due for exchanges of State goods and services with other governments are also reported as intergovernmental receivables. Additional details on the intergovernmental receivable balance can be found in NOTE 5.

I. Inventories

Inventories are valued at cost. Principal inventory cost methods applied include first-in/first-out, average cost, moving-average, and retail.

In the governmental fund financial statements, the State recognizes the costs of material inventories as expenditures when purchased. Inventories do not reflect current appropriable resources in the governmental fund financial statements. Therefore, the State reports an equivalent portion of fund balance as nonspendable.

J. Restricted Assets

The primary government reports assets restricted primarily for the payment of revenue bonds, workers compensation, unemployment compensation, and tuition benefits.

Generally, the component unit funds hold assets in trust under bond covenants or other financing arrangements that legally restrict the use of these assets.

K. Capital Assets

Primary Government

The State reports capital assets purchased with governmental fund resources in the government-wide financial statements at historical cost, or at estimated historical cost when no historical records exist. Donated capital assets are reported at acquisition value as of the donation date. The State does not report capital assets purchased with governmental fund resources in the fund financial statements. Governmental capital assets are reported net of accumulated depreciation, except for land, construction-in-progress, transportation infrastructure assets, and individual works of art and historical treasures, including historical land improvements and buildings. Transportation infrastructure assets are reported using the "modified approach," as discussed below, and therefore are not depreciable. Individual works of art and historical treasures, including historical land improvements and buildings, are considered to be inexhaustible, and therefore, are not depreciable.



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The State reports capital assets purchased with enterprise fund resources and fiduciary fund resources in the government-wide and the fund financial statements at historical cost, or at estimated historical cost when no historical records exist. Donated capital assets are reported at acquisition value as of the donation date. Capital assets, except for land and construction-in-progress, are reported net of accumulated depreciation.

The State has elected to capitalize its transportation infrastructure assets, defined as bridges, general highways, and priority highways, using the modified approach. Under this approach, the infrastructure assets are not depreciated because the State has committed itself to maintaining the assets at a condition level that the Ohio Department of Transportation (ODOT) has determined to be adequate to meet the needs of the citizenry. Costs of maintaining the bridge and highway infrastructure are not capitalized. New construction that represents additional lane-miles of highway or additional square-footage of bridge deck area and improvements that add to the capacity or efficiency of an asset are capitalized.

ODOT maintains an inventory of its transportation infrastructure capital assets and conducts annual condition assessments to establish that the condition level that the State has committed itself to maintaining is, in fact, being achieved. ODOT also estimates the amount that must be spent annually to maintain the assets at the desired condition level.

For its other types of capital assets, the State does not capitalize the costs of normal maintenance and repairs that do not add to an asset's value or materially extend its useful life. Costs of major improvements are capitalized. Interest costs associated with the acquisition of capital assets purchased using governmental fund resources are not capitalized, while those associated with acquisitions purchased using enterprise and fiduciary fund resources are capitalized.

The State does not capitalize collections of works of art or historical treasures that can be found at the Governor's residence, Malabar Farm (i.e., Louis Bromfield estate), which the Ohio Department of Natural Resources operates, the Ohio Arts Council, the State Library of Ohio, and the Capitol Square Review and Advisory Board for the following reasons:

- The collection is held for public exhibition, education, or research in furtherance of public service rather than for financial gain.
- The collection is protected, kept unencumbered, cared for, and preserved.
- The collection is subject to an organizational policy that requires the proceeds from sales of collection items to be used to acquire other items for collections.

The State has established the following capitalization thresholds:

Buildings.....	\$	100,000
Building Improvements.....		100,000
Land, including easements.....	All, regardless of cost	
Land Improvements.....		15,000
Machinery and Equipment (if not listed below).....		15,000
Furniture and Fixtures.....		15,000
Computers, electronics, printing presses.....		15,000
Construction related machinery.....		15,000
Works of art and historical treasures.....		15,000
Computer software.....		100,000
Trademarks.....		100,000
Vehicles.....		15,000
Infrastructure:		
Highway Network.....		500,000
Bridge Network.....		500,000
Park and Natural Resources Network.....	All, regardless of cost	



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

For depreciable assets, the State applies the straight-line method over the following estimated useful lives:

Buildings.....	20-45 Years
Land Improvements	10-30 Years
Machinery and Equipment (if not listed below)	3-15 Years
Computer Software.....	3-10 Years
Vehicles	7-15 Years
Park and Natural Resources	
Infrastructure Network.....	10-50 Years

GASB 87, *Leases*, requires the reporting of certain lease assets as capital assets due to the standard interpretation that leases are the right to use another entity's underlying asset. The State leases office space, machinery and equipment, and land from entities outside of the State's primary government. The State reports lease assets where payments are made with governmental fund resources in the government-wide financial statements for governmental activities and where payments are made with enterprise funds, in the government-wide financial statements for business-type activities and the proprietary fund financial statements. Lease assets are reported at the present value of payments to be made over the probable total lease term, plus any additional payments made at the inception of the lease. Lease assets are reported as net of accumulated amortization. The State has established a threshold of \$75 thousand for reporting lease assets. Amortization expense is applied to the assets in proportion to lease payments to be made over the lease term.

GASB 96, *Subscription-Based Information Technology Arrangements*, requires the reporting of certain subscription-based information technology arrangements (SBITA) as capital assets. A SBITA is a licensing contract, agreement, or arrangement for IT software, database, or cloud storage for a period of time in exchange for payments or other resources. Like lease assets, the amount reported will be based on the present value of payments to be made over the probable subscription period and are reported net of accumulated amortization. The state has established a threshold of \$75 thousand for reporting SBITA assets. Amortization expense will be applied to the assets in proportion to subscription payments to be made over the subscription period.

Discretely Presented Component Unit Funds

The discretely presented component unit funds value capital assets at cost and donated capital assets at acquisition value on the donation date. They apply the straight-line method to depreciable capital assets. Lease and SBITA assets are reported as capital assets. The funds report lease and SBITA assets based on the present value of payments expected to be made over the lease term.

NOTE 8 contains additional disclosures about the primary government's and major discretely presented component unit's capital assets.

L. Medicaid Claims Payable

The Medicaid claims liability, which has an average maturity of one year or less, includes an estimate for incurred, but not reported claims.

M. Noncurrent Liabilities

Government-wide Financial Statements — Liabilities whose average maturities are greater than one year are reported in two components — the amount due in one year and the amount due in more than one year. Additional disclosures as to the specific liabilities included in noncurrent liabilities can be found in NOTES 10 through 15.

Fund Financial Statements — Governmental funds recognize noncurrent liabilities to the extent they have matured or will be liquidated with expendable, available financial resources.

The proprietary funds and discretely presented component unit funds report noncurrent liabilities expected to be financed from their operations.



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Compensated Absences

Employees of the State's primary government earn vacation leave, sick leave, and personal leave at various rates within limits specified under collective bargaining agreements or under law. Generally, employees accrue vacation leave at a rate of 3.1 hours every two weeks for the first four years of employment, up to a maximum rate of 9.2 hours every two weeks after 24 years of employment. Employees may accrue a maximum of three years vacation leave credit. At termination or retirement, the State pays employees, at their full rate, 100 percent of unused vacation leave, personal leave, and, in certain cases, compensatory time and 50 to 55 percent of unused sick leave.

Such leave is liquidated in cash, under certain restrictions, either annually in December, or at the time of termination from employment.

For the governmental funds, the State reports the matured compensated absences liability as a fund liability (included in the "Accrued Liabilities" account as a component of wages payable) to the extent it will be liquidated with expendable, available financial resources. For the primary government's proprietary funds and its discretely presented component unit funds, the State reports the compensated absences liability as a fund liability included in the "Refund and Other Liabilities" account.

The State's primary government accrues vacation, compensatory time, personal, and sick leaves as liabilities when an employee's right to receive compensation is attributable to services already rendered and it is probable that the employee will be compensated through paid time off or some other means, such as at termination or retirement.

Sick leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an employee has not met a minimum service time requirement, is accrued to the extent that it is considered to be probable that the conditions for compensation will be met in the future.

Included in the compensated absences liability is an amount accrued for salary-related payments directly and incrementally associated with the payment of compensated absences upon termination. Such payments include the primary government's share of Medicare taxes.

For the colleges and universities, vacation and sick leave policies vary by institution.

O. Pensions and Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension and net OPEB liabilities/(assets), Deferred Outflows of Resources, Deferred Inflows of Resources, and pension and OPEB expense, information about the fiduciary net position and additions to/deductions from each fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, pension benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Health care benefits are also recognized when due and payable, net of certain health care receipts, in accordance with benefit terms. The pension systems report investments at fair value. Additional disclosures on the pension systems can be found in NOTE 9.

P. Fund Balance Classification; Budget Stabilization Fund; Net Position/Fund Balance Spending Order

Fund balance reported in the governmental fund financial statements is classified as follows:

Nonspendable

The *nonspendable* fund balance classification includes amounts that cannot be spent because they are either 1) not in spendable form, such as prepaids and inventories or 2) legally or contractually required to be maintained intact, such as the corpus of a permanent fund.



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted

Fund balance amounts should be *restricted* when constraints placed on the use of resources are either 1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or 2) imposed by law through constitutional provisions or enabling legislation.

Unrestricted

Committed

Amounts constrained for specific purposes by formal action (i.e., legislation) of the government's highest level of decision-making authority (i.e., General Assembly) should be reported as *committed* fund balance. Committed amounts cannot be used for other purposes unless the General Assembly passes legislation to remove the constraints.

Assigned

Amounts that are constrained by the government's *intent* to be used for specific purposes, but are neither restricted nor committed, should be reported as *assigned* fund balance, except for stabilization arrangements. The intent should be conveyed by the governing body itself or through delegation to a body or official authorized on behalf of the government to assign amounts to be used for specific purposes. The Controlling Board created under Chapter 127, Ohio Revised Code, is an example of a body delegated by the government to make assignments. The Director of the Office of Budget and Management is an example of an authorized official granted assignment authority through legislative language, including enacted budget bills. While both the committed and assigned fund balance classifications include amounts constrained for specific use by actions taken by the government itself, the authority for making an assignment is not required to be the government's highest level of decision-making authority. Amounts should not be reported as assigned if the assignment would result in a deficit in unassigned fund balance.

Unassigned

Unassigned fund balance is the residual classification for the General Fund. This classification represents spendable fund balance that has not been otherwise restricted, committed or assigned to specific purposes within the General Fund. In funds other than the General Fund, the unassigned classification should only be used to report a deficit balance due to overspending amounts that are restricted or committed.

Fund balance in the State's Budget Stabilization Fund, as discussed in Sections 131.43 and 131.44, Ohio Revised Code, does not meet the criteria to be classified as restricted or committed and is, therefore, reported as unassigned in the General Fund.

For reporting purposes, restricted amounts are generally considered to have been spent first, followed by unrestricted amounts. Within the unrestricted fund balance amounts, the spending order is generally committed, followed by assigned, and then unassigned when expenditures are incurred for purposes for which amounts in any unrestricted fund balance classification could be used.

Q. Risk Management

The State's primary government is self-insured for claims under its traditional healthcare plan and for vehicle liability while it has placed employee and public official fidelity bonding with a private insurer. The State self-funds tort liability although several agencies also choose to participate in private insurance programs. All State-owned buildings are covered under a catastrophic property policy that covers both real and personal property losses. All other liability risk to State property is self-funded on a pay-as-you-go basis.

While not the predominant participants, the State's primary government and its discretely presented component units participate in a public entity risk pool, which is accounted for in the Workers' Compensation Enterprise Fund, for the financing of their respective workers' compensation liabilities. These liabilities are reported in the governmental and proprietary funds under the "Interfund Payable" account. (See NOTE 7).



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Interfund Balances and Activities

Interfund transactions and balances have been eliminated from the government-wide financial statements to the extent that they occur within either the governmental or business-type activities. Balances between governmental and business-type activities are presented as internal balances and are eliminated in the total column. Revenues and expenses associated with reciprocal transactions within governmental or within business-type activities have not been eliminated.

In the fund financial statements, interfund activity within and among the three fund categories (governmental, proprietary, and fiduciary) is classified and reported as follows:

Reciprocal interfund activity is the internal counterpart to exchange and exchange-like transactions. This activity includes:

Interfund Loans — Amounts provided with a requirement for repayment, which are reported as interfund receivables in lender funds and interfund payables in borrower funds. When interfund loan repayments are not expected within a reasonable time, the interfund balances are reduced and the amount that is not expected to be repaid is reported as a transfer from the fund that made the loan to the fund that received the loan.

Interfund Services Provided and Used — Sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are reported as revenues in seller funds and as expenditures or expenses in purchaser funds. Unpaid amounts are reported as interfund receivables and payables in the fund balance sheets or fund statements of net position.

Nonreciprocal interfund activity is the internal counterpart to nonexchange transactions. This activity includes:

Interfund Transfers — Flows of assets without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.

Interfund Reimbursements — Repayments from funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are not displayed in the financial statements.

Details on interfund balances and transfers are disclosed in NOTE 7.

S. Intra-Entity Balances and Activities

Balances due between the primary government and its discretely presented component units are reported as receivables from component units or primary government and payables to component units or primary government. For the discretely presented component units, the nature and amount of significant transactions with the primary government are disclosed in NOTE 7.

Resource flows between the primary government and its discretely presented component units are reported like external transactions (i.e., revenues and expenses).

T. Derivative Instruments

The State's derivative instruments include investment derivative instruments and interest rate swaps. Interest rate swaps that are ineffective hedging derivative instruments are reported within the investment derivative instruments classification.

The State reports its derivative instruments at fair value in the Statement of Net Position. Changes in fair value for investment derivative instruments are recorded as investment income in the Statement of Activities. Changes in fair value for effective hedging derivative instruments are reported as deferred outflows/inflows of resources in the Statement of Net Position and disclosed in NOTE 18.

Additional disclosures on the State's investment derivative instruments and its hedging derivative instruments can be found in NOTE 4 and NOTE 10, respectively.



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

U. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

NOTE 2 RESTATEMENTS, CHANGES IN ACCOUNTING PRINCIPLES, EXTINGUISHMENTS OF DEBT AND SPECIAL ITEMS

A. Restatements

Restatements of fund balance/net position, as of June 30, 2024, for governmental activities, business-type activities, and discretely presented component units are presented in the following table (dollars in thousands):

Government-Wide Financial Statements:

	Governmental Activities	Business-Type Activities (Within Auditor of State Proprietary Fund)	Discretely Presented Component Units
Net Position, as of June 30, 2024, As Previously Reported	\$ 39,662,439	\$ 10,858,002	\$ 20,485,646
<i>Implementation of a New Accounting Standard:</i>			
GASB Statement No. 101.....	-	(2,288)	(10,768)
<i>Correction of an Error:</i>			
Ohio Air Quality Development Authority.....	-	-	1,662
Cleveland State University.....	-	-	(1,145)
State Highway Patrol Retirement System made an adjustment to beginning net position for retirement plan affecting net pension liability previously reported.....	(6,642)	-	-
Total Changes in Net Position.....	(6,642)	(2,288)	(10,251)
Net Position, July 1, 2024, As Restated	\$ 39,655,797	\$ 10,855,714	\$ 20,475,395

B. Implementation of Governmental Accounting Standards Board (GASB) Pronouncements

GASB 101, *Compensated Absences* updates the recognition and measurement guidance for compensated absences, providing a unified model and amending certain previously required disclosures. There was no material impact to the governmental activities to require restatement but restatements to business-type activities and discretely presented component units were made.

GASB 102, *Certain Risk Disclosures*, provides guidance on certain risk disclosures by defining both concentrations and constraints and their disclosure requirements. There was no material impact to the primary government.

C. New GASB Pronouncements for Fiscal Year 2026 Implementation Consideration

GASB 103, *Financial Reporting Model Improvements*, provides improvements to key components of the financial reporting model to enhance effectiveness in information that is essential for decision making or assessing a government's accountability.

GASB 104, *Disclosure of Certain Capital Assets*, provides users of government financial statements with information about certain types of capital assets, lease assets, intangible right-to-use assets, and subscription-based information technology arrangements to be disclosed in the note disclosures separately by major class. This also requires additional disclosures for assets held for sale.

D. Extinguishments of Debt – Major Funds

As of June 30, 2025, the State had no material extinguishments of debt to report.



NOTE 3 TAX ABATEMENTS

As of June 30, 2025, the State awarded tax abatements for the following programs – Job Creation Credit, Job Retention Credit, Historic Preservation Tax Credit, Motion Picture Tax Credit, New Markets Tax Credit, Rural Business Growth Tax Credit, Transformational Mixed-Use Development Tax Credit, and Opportunity Zone Tax Credit. The programs are described below:

Job Creation Credit

As established in Ohio Revised Code 122.17, a taxpayer proposing a project to create new jobs in the state may be granted a refundable tax credit through an agreement with the Ohio Tax Credit Authority. This tax credit applies to non-retail projects or the non-retail portion of a project only. The credit equals an agreed upon percentage of the taxpayer's "excess payroll", which is the taxpayer's "Ohio employee payroll" less "baseline payroll." "Ohio employee payroll" is compensation paid by an employer that is subject to Ohio income tax withholding requirements. "Baseline payroll" is "Ohio employee payroll," for the 12 months immediately preceding the agreement. The Ohio Tax Credit Authority must determine that the project will increase payroll; is economically sound, will provide increasing opportunities for employment, and will strengthen the economy; and the tax credit was a major factor in the decision to go forward with the project. The taxpayer is required to maintain operations at the project location for at least the greater of seven years or the term of the credit plus three years. The types of taxes to be abated are insurance, financial institutions, foreign insurance, petroleum activity, income, and commercial activity.

The tax abatements are subject to recapture if the taxpayer fails to maintain operations at the project location, or has failed to meet its commitments, which information should be included in annual reports the taxpayer is required to file.

Job Retention Credit

The job retention credit, established in Ohio Revised Code 122.171, allows an eligible business to be granted a nonrefundable tax credit through an agreement with the Ohio Tax Credit Authority. The credit is equal to a designated percentage of the taxpayer's Ohio employee payroll. The taxpayer is required to maintain operations at the project location for at least the greater of seven years or the term of the credit plus three years. The taxpayer must also retain at least 500 full-time equivalent employees at the project site and within this state for the entire term of the credit, maintain an annual Ohio employee payroll of at least \$35 million dollars for the entire term of the credit, or remain located in a foreign trade zone for the entire term of the credit. The types of taxes to be abated are insurance, financial institutions, foreign insurance, petroleum activity, income, and commercial activity.

The tax abatements are subject to recapture if the taxpayer fails to maintain operations at the project location, or has failed to meet its commitments, which information should be included in annual reports the taxpayer is required to file.

Historic Preservation Tax Credit

Ohio Revised Code section 149.311 establishes the historic preservation tax credit. The program provides a tax credit to leverage the private redevelopment of historically designated buildings. The State uses a cost-benefit analysis to determine whether rehabilitation of the historic building will result in a net revenue gain in state taxes once the building is placed into use. The analysis must be completed prior to eligibility approval. The credit shall equal 25 to 35 percent of the taxpayer's qualified rehabilitation expenditures, based on the population of the county, township, or municipality in which the project is located. The credit claimed for an individual project shall not exceed \$10 million for any calendar or tax year. The director shall not approve more than a total of one hundred twenty million dollars of rehabilitation tax credits for each of fiscal years 2023 and 2024, and sixty million dollars of rehabilitation tax credits for each fiscal year thereafter. Tax credits received by the applicant shall be deemed to be an unpaid tax assessment subject to collection if all required criteria are not met. The tax credit can be applied to the financial institution tax, foreign and domestic insurance taxes and individual income tax.



NOTE 3 TAX ABATEMENTS (Continued)

Motion Picture Tax Credit

The motion picture tax credit is established by Ohio Revised Code 122.85. A refundable tax credit may be claimed for Ohio production expenditures by eligible motion picture or Broadway theatrical productions. The credit equals 30 percent of eligible expenditures. The credit is based on the lesser of initially budgeted production expenditures or actual production expenditures. No credits will be issued until a minimum of \$300 thousand in eligible expenditures have been made. The total amount of issued credits may not exceed \$50 million per fiscal year. The abated tax types are insurance, financial institutions, foreign insurance, and income tax.

No tax credits may be taken until the production is complete and a report has been filed showing the expenses that were incurred, which provides the basis for determining the amount of the tax credit. The Department of Taxation has the authority, under Ohio Revised Code 122.85(C)(3), to examine the claimed expenses for validity.

New Markets Tax Credit

Ohio Revised Code sections 5725.33, 5726.54, and 5729.16 establish the new markets tax credit. Taxpayers with an equity investment in a qualified community development entity may claim a nonrefundable tax credit equal to a designated percentage of the adjusted purchase price of qualified low-income community investments. The credit percentage is zero percent in the first two years of the investment, seven percent in the third year of the investment, and eight percent in the following four years. The taxes abated are insurance, financial institutions, and foreign insurance.

Rural Business Growth Tax Credit

Ohio Revised Code sections 122.151, 122.152, 5725.98, 5729.98 establish the rural business growth fund. An individual that has put forth a significant investment in operating companies located in rural areas may apply for certification as a rural business growth fund. The applicant must show that the investment will provide economic benefit to the state over a ten-year period. Approved applicants will receive a non-refundable credit on insurance premium taxes.

Transformational Mixed-Use Development Tax Credit

Ohio Revised Code sections 122.09, 5725.35, and 5729.18 establish the transformational mixed-use development tax credit. Taxpayers that own land in which new construction or construction improvement projects of vacant structures are planned or insurance companies contributing to these types of projects may apply for the tax credit. The receipt of the tax credit is contingent upon the completion of the mixed-use project as specified in the plans. The total credit for any one project shall not exceed ten percent of the actual development costs of the project or the sum of all credits initially approved by the tax credit authority. Total credits preliminary approved may not exceed \$100 million in each of fiscal years 2022 through 2025. The total credits for projects located within ten miles of a major city cannot exceed \$80 million and \$40 million of which may not be for the same project.

Opportunity Zone Tax Credit

Ohio Revised Code section 122.84 establishes a nonrefundable tax credit for investors which hold investments in a qualified opportunity fund, where 100 percent of the fund's investment is in property in an Ohio opportunity zone. Taxpayers with qualified investments may be eligible for 10 percent credit on the investment in the fund, not to exceed two million dollars for any fiscal biennium. The total amount of credits issued may not exceed \$75 million for the two fiscal years of 2022 and 2023 in total, \$50 million in fiscal year 2024, and \$25 million for each fiscal year after that.



NOTE 3 TAX ABATEMENTS (Continued)

The foregone revenue through tax abatements for fiscal year 2025 is presented in the following table (dollars in thousands):

Abatement Program	Amount of Taxes Abated
Job Creation Credit	\$ 923,820
Job Retention Credit.....	23,092
Historic Preservation Credit	45,198
Motion Picture Tax Credit	9,931
New Markets Tax Credit	7,974
Rural Business Growth Funds.....	16,688
Transformational Mixed-Use Development Tax Credit	19,014
Opportunity Zone Tax Credit.....	34,582
Total of Tax Abatements	<u>\$ 1,080,299</u>

NOTE 4 DEPOSITS AND INVESTMENTS

A. Legal Requirements

The deposit and investment policies of the Treasurer of State and the State Board of Deposit are governed by the Uniform Depository Act, Chapter 135, Ohio Revised Code, which requires state moneys to be maintained in one of the following classifications:

Active Deposits – Moneys required to be kept in cash or near cash status to meet current demands. Such moneys must be maintained either as cash in the State’s treasury or in any of the following: a commercial account that is payable or about to be withdrawn, in whole or in part, on demand, a negotiable order of withdrawal account, a money market deposit account or a designated warrant clearance account.

Interim Deposits – Those moneys not required for immediate use. Interim deposits may be deposited with a public depository approved by the State Board of Deposit or invested in the following instruments:

- Certificates of deposit in the eligible institutions applying for interim moneys as provided in Section 135.08 of the Ohio Revised Code, including these linked deposit programs: agricultural linked deposits, as authorized under Section 135.64, Ohio Revised Code, small business linked deposits as authorized under Section 135.65, Ohio Revised Code, adoption linked deposits as authorized under Section 135.63, Ohio Revised Code, home improvement linked deposits as authorized under Section 135.66, and home ownership savings linked deposits, as authorized under Section 135.70, Ohio Revised Code;
- US Treasury bills, notes, bonds or other obligations or securities issued by or guaranteed as to principal and interest by the United States;
- Bonds, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality;
- Bonds and other direct obligations of the State of Ohio issued by the Treasurer of State and of the Ohio Public Facilities Commission, Ohio Housing Finance Agency, Ohio Water Development Authority, Ohio Turnpike and Infrastructure Commission, Ohio Higher Educational Facility Commission, and higher education institutions;
- Commercial paper issued by any corporation that is incorporated under the laws of the United States or a state;
- Written repurchase and reverse repurchase agreements with any eligible Ohio financial institution that is a member of the Federal Reserve System or Federal Home Loan Bank, or any registered U.S. government securities dealer;
- No-load money market mutual funds;
- Securities lending agreements with any eligible financial institution that is a member of the Federal Reserve System or Federal Home Loan Bank, or any recognized U.S. government securities dealer;



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

- Banker's acceptances of any domestic bank or federally chartered domestic branch office of a foreign bank;
- Negotiable certificates of deposit denominated in U.S. dollars, issued by a nationally or state-chartered bank, a savings association, a state or federal credit union, or a federally licensed branch of a foreign bank as authorized under Section 135.143(A)(9), Ohio Revised Code;
- The Treasurer of State's investment pool, as authorized under Section 135.45, Ohio Revised Code;
- Debt interests, other than commercial paper as described above, of corporations incorporated under the laws of the United States or a state, or foreign nations diplomatically recognized by the United States, or any instrument based on, derived from, or related to such interests that are denominated and payable in U.S. funds;
- Bonds, notes, and other obligations of any state or political subdivision thereof;
- Obligations of a board of education, as authorized under Section 133.10, Ohio Revised Code;
- Obligations of a political subdivision issued under Chapter 133, Ohio Revised Code, and
- Obligations of a nonprofit corporation or association doing business in Ohio and identified in an agreement described in Division K of Section 135.143, Ohio Revised Code.

The reporting entity's deposits must be held in insured depositories approved by the State Board of Deposit or appropriate governing authority and generally must be fully collateralized. However, financial institutions that are part of the Ohio Pooled Collateral System may apply to the Treasurer of State to be approved for a reduced collateral floor, at a level as low as 50 percent. The Treasurer of State then conducts an analysis to determine if the financial institution is eligible for a reduced collateral floor. The financial institution will then notify the Treasurer of State of each account holder's contractual collateral floor.

Deposit and investment policies of certain individual funds and component units are established by Ohio Revised Code provisions other than the Uniform Depository Act and by bond trust agreements. In accordance with applicable statutory authority, the State Highway Patrol Retirement System Pension Trust Fund, the Tuition Trust Authority Enterprise Fund, the Workers' Compensation Enterprise Fund, and the higher education institutions may also invest in common and preferred stocks, domestic and foreign corporate and government bonds and notes, mortgage loans, limited partnerships, venture capital, real estate, and other investments.

B. State-Sponsored Investment Pools

The Treasurer of State is the investment advisor and administrator of the State Treasury Asset Reserve of Ohio (STAR Ohio), a statewide external investment pool authorized under Section 135.45, Ohio Revised Code. STAR Ohio issues a stand-alone financial report, copies of which may be obtained by making a written request to: Director of Investments, Treasurer of State, 30 East Broad Street, 9th Floor, Columbus, Ohio 43215, by calling 1-800-648-7827, or by accessing the Treasurer of State's website at www.tos.ohio.gov.

The Treasurer of State also administers and manages the State Treasury Asset Reserve of Ohio Separately Managed Accounts (STAR SMA). An Ohio government entity that has excess reserves can choose to participate in STAR SMA. "Excess reserves" is defined as the amount of the entity's public monies that exceed the three-year average of the annual operating expenses as reported in its prior fiscal year's financial report. STAR SMA can invest for a longer portfolio duration, with less diversification, generating higher returns. No State money is invested in STAR SMA.



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

C. Deposit and Investment Risks

Although exposure to risks is minimized by complying with the legal requirements explained above and internal policies adopted by the Treasurer of State and the investment departments at the various state agencies, the State's deposits and investments are exposed to risks that may lead to losses of value.

The following risk disclosures report investments by type. The "U.S. Agency Obligations" category includes securities issued by federal government agencies and instrumentalities, including government sponsored enterprises.

1. Custodial Credit Risk

Custodial credit risk for deposits exists when a government is unable to recover deposits or recover collateral securities that are in the possession of an outside party in the event of a failure of a depository financial institution.

Deposits of the primary government and its component units are exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor-government's name.

In Ohio, legal requirements for depositor-governments are met when uninsured deposits are collateralized in one of two methods. The Treasurer's office administers the Ohio Pooled Collateral System (OPCS) that allows eligible financial institutions to pool collateral to secure Ohio's public deposits. The total fair value of pledged securities is 102 percent of all uninsured public deposits or at a percentage determined by the Treasurer's rules. Another option is for the financial institutions outside of OPCS to pledge 105 percent of the uninsured public deposits. In both methods, a qualified trustee must hold the eligible securities in an account indicating the public depositor's security interest in the eligible securities. The State's reporting entity has not established specific policies for managing custodial credit risk exposure for deposits.

The table below reports the carrying amount of deposits, as of June 30, 2025, held by the primary government, including fiduciary activities, and its major discretely presented component unit and the extent of exposure to custodial credit risk.

Primary Government (including Fiduciary Activities) and Major Discretely Presented Component Unit					
Deposits—Custodial Credit Risk					
As of June 30, 2025					
(dollars in thousands)					
			Uninsured Portion of Reported Bank Balance		
	Carrying Amount	Bank Balance	Uncollateralized	Collateralized with Securities Held by the Pledging Institution's Trust Department or Agent but not in the Depositor-Government's Name	Collateralized with Securities Held by the Pledging Institution
Primary Government	\$ 4,970,973	\$4,994,598	\$ 187,131	\$ 59,708	\$ -
Major Discretely Presented Component Unit:					
Ohio State University	394,518	415,639	-	-	411,084

Custodial credit risk for investments exists when a government is unable to recover the value of investments or collateral securities that are in the possession of an outside party in the event of a failure of a counterparty to a transaction.



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department but not in the government's name.

The State's reporting entity has not established specific policies for managing custodial credit risk exposure for investments.

The following table reports the fair value, as of June 30, 2025, of investments by type for the primary government, including fiduciary activities, and the extent of exposure to custodial credit risk:

Primary Government (including Fiduciary Activities) Investments - Fair Value and Custodial Credit Risk As of June 30, 2025 <i>(dollars in thousands)</i>		
	Fair Value	Uninsured, Unregistered, and Held by the Counterparty's Trust Department or Agent but not in the State's Name
<i>Investments Subject to Custodial Credit Risk Exposure:</i>		
U.S. Government Obligations.....	\$ 214,536	\$ -
U.S. Government Obligations - strips.....	809,821	539,483
U.S. Agency Obligations.....	4,229,121	-
U.S. Agency Obligations-strips.....	13,619	-
Common and Preferred Stock.....	4,392,811	-
Corporate Bonds and Notes.....	6,222,736	-
Municipal Obligations.....	218,023	-
Negotiable Certificates of Deposit.....	7,015,088	-
Commercial Paper.....	15,433,535	-
Repurchase Agreements.....	7,452,499	-
Mortgage and Asset-Backed Securities.....	666,567	-
International Investments:		
Foreign Stocks.....	1,836	-
Foreign Bonds.....	1,036,522	-
Securities Lending Collateral:		
Corporate Bonds and Notes.....	242,262	-
Commercial Paper.....	157,540	-
Repurchase Agreements.....	5,599,881	-
		<u>\$ 539,483</u>
<i>Investments Not Subject to Custodial Credit Risk Exposure:</i>		
<i>Investments Held by Broker-Dealers under Securities Loans with Cash Collateral:</i>		
U.S. Government Obligations.....	9,798,385	
U.S. Government Obligations-strips.....	123,634	
U.S. Agency Obligations.....	830,218	
Corporate Bonds and Notes.....	124,386	
International Investments:		
Commingled Equity Funds.....	2,509,942	
Equity Mutual Funds.....	20,195,252	
Bond Mutual Funds.....	3,722,907	
Real Estate.....	3,194,570	
Partnerships and Hedge Funds.....	397,032	
Deposit with Federal Government.....	2,087,624	
Component Units' Equity in State Treasurer's Cash and Investment Pool.....	(546,959)	
Component Units' Equity in the State Treasury Asset Reserve of Ohio.....	(1,046,906)	
Total Investments — Primary Government.....	<u>\$ 95,096,482</u>	



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

The following table reports investments with custodial credit risk exposure for the major discretely presented component unit. The Ohio Facilities Construction Commission Component Unit has monies reported in “Cash Equity with Treasurer”. Risks associated with the Ohio Facilities Construction Commission’s cash equity are included in the disclosures for the Primary Government. The Ohio State University’s policy is to hold investments in custodial accounts with the securities registered solely in the name of the university.

Major Discretely Presented Component Unit
Investments - Fair Value and Custodial Credit Risk
As of June 30, 2025
(dollars in thousands)

	Fair Value	Uninsured, Unregistered, and Held by the Counterparty
<i>Ohio State University:</i>		
U.S. Government Obligations.....	\$ 759,492	\$ 759,492
U.S. Agency Obligations.....	278,919	278,919
Common and Preferred Stock.....	1,132,259	1,132,259
Corporate Bonds and Notes.....	1,317,891	1,317,891
Municipal Obligations.....	8,296	8,296
Negotiable Certificates of Deposit.....	154,510	154,510
Commercial Paper.....	92,135	92,135
Repurchase Agreements.....	-	-
International Investments:		
Foreign Bonds.....	25,366	25,366
Total Ohio State University.....		<u>\$ 3,768,868</u>

2. Credit Risk

The risk that an investment’s issuer or counterparty will not satisfy its obligation is called credit risk. The exposure to this risk has been minimized through the laws and policies adopted by the State.

For investments that are included in the treasury’s cash and investment pool and reported as “Cash Equity with Treasurer” and other investment securities managed by the Treasurer of State’s Office, Chapter 135, Ohio Revised Code, requires such investments to carry certain credit ratings at the time of purchase as follows:

- Commercial paper must carry a rating in the two highest categories by two nationally recognized statistical rating organizations (NRSROs);
- Debt interests (other than commercial paper) must be rated in the three highest categories by two NRSROs. This requirement is met when either the debt interest or the issuer of the debt interest carries this rating;
- No-load money market mutual funds must carry a rating in the highest category by one NRSRO or consist exclusively of obligations issued by the U.S. treasury or any federal agency;
- Bonds, notes, and other obligations of any state or political subdivision thereof must be rated in the three highest categories by one NRSRO, provided the Treasurer of State is not the sole purchaser;
- Repurchase agreements and reverse repurchase agreements, in the case when issued by a counterparty that is not an Ohio financial institution that is member of the Federal Reserve System or Federal Home Loan Bank or is not a registered U.S. government securities dealer, must have a short-term debt rating in the three highest categories by one or more of the NRSROs. If the counterparty is not explicitly rated in such a category, the counterparty must possess a guarantee from an NRSRO-rated parent company;
- Negotiable certificates of deposit must be rated in the two highest categories by two NRSROs; and



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

- Municipal obligations issued by the state of Ohio, by any political subdivision thereof, or by or on behalf of any nonprofit corporation or association doing business in the state of Ohio and subject to a stand-by note purchase agreement with the Treasurer of State must be rated in the four highest categories by at least one NRSRO.

Investment policies of the Treasurer of State's Office further define required credit ratings as follows:

- Banker acceptances must carry a minimum of "A+" for long-term debt ("AAA" for foreign issuers) by a majority of the NRSROs rating the issuer. For short-term debt, the rating must be at least "A-1" or equivalent by at least two NRSROs; and
- Foreign debt, or the implicit rating of the issuer of the debt, must be rated in one of the three highest categories by at least two NRSROs.

Investment policies regarding credit risk that are in addition to Ohio Revised Code requirements and are specific to the following significant entities reported in the State's reporting entity are as follows:

Workers' Compensation Enterprise Fund

The Fund requires investment-grade ratings by at least two of the following nationally recognized bond rating services: Moody's, Fitch or Standard & Poor's, for fixed income securities. If only one of the rating services rates a security, the rating must be investment grade.

Variable College Savings Plan Private-Purpose Trust Fund

The fixed income portfolio should consist primarily of domestic investment grade bonds and may be partially invested in below investment grade bonds. Any portion of the portfolio in below-investment grade securities should be mostly invested in "BB" and "B" rated securities.

STAR Ohio Investment Trust Fund

Investment policies governing the STAR Ohio external investment pool generally require that all securities must be rated the equivalent of "A-1+" or "A-1" by Standard & Poor's rating agency. Exceptions to the general policy are: mutual funds must be rated "AAA" or "AAAm" by Standard and Poor's, while commercial paper, corporate bonds and notes, and Banker's acceptances must have a second equivalent rating from another NRSRO, and municipal obligations must be rated in the three highest categories by Standard & Poor's.

The Ohio Facilities Construction Commission Component Unit has monies reported in "Cash Equity with Treasurer". Risks associated with the Ohio Facilities Construction Commission's cash equity are included in the disclosures for the Primary Government.



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

All investments, as categorized by credit ratings in the tables below and on the following page, meet the requirements of the State's laws and policies, when applicable.

Primary Government (including Fiduciary Activities)						
Investment Credit Ratings						
As of June 30, 2025						
(dollars in thousands)						
Investment Type	Credit Rating					
	AAA/Aaa	AA/Aa	A/A-1	BBB/Baa	BB/Ba	B
U.S. Agency Obligations.....	\$ 5,320	\$ 4,913,183	\$ 1,718	\$ 4,596	\$ 863	\$ -
U.S. Agency Obligations-strips.....	-	13,619	-	-	-	-
Corporate Bonds and Notes.....	219,945	796,593	3,244,827	1,862,648	159,712	48,996
Municipal Obligations.....	84,357	103,738	26,866	1,600	-	-
Negotiable Certificates of Deposit.....	-	725,000	6,284,999	-	-	-
Commercial Paper.....	-	1,260,519	4,369,531	-	-	-
Repurchase Agreements.....	8,743	-	-	-	-	-
Mortgage and Asset-Backed Securities.....	313,978	66,333	89,804	76,848	74,797	3,357
Bond Mutual Funds.....	1,857,568	1,137,850	693,392	11,322	11,940	-
International Investments:						
Foreign Bonds.....	-	32,196	222,268	712,834	58,356	10,201
Securities Lending Collateral:						
Negotiable Certificates of Deposit.....	-	50,247	192,015	-	-	-
Commercial Paper.....	-	101,147	56,393	-	-	-
Repurchase Agreements.....	-	1,065,000	977,500	3,557,381	-	-
Bond Mutual Funds.....	10,000	-	-	-	-	-
Total Primary Government.....	\$ 2,499,911	\$ 10,265,425	\$ 16,159,313	\$ 6,227,229	\$ 305,668	\$ 62,554

Investment Type	Credit Rating					Total
	CCC/Caa	CC/Ca	C	D	Unrated	
U.S. Agency Obligations.....	\$ -	\$ -	\$ -	\$ -	\$ 133,659	\$ 5,059,339
U.S. Agency Obligations-strips.....	-	-	-	-	-	13,619
Corporate Bonds and Notes.....	13,482	578	341	-	-	6,347,122
Municipal Obligations.....	-	-	-	-	1,462	218,023
Negotiable Certificates of Deposit.....	-	-	-	-	5,089	7,015,088
Commercial Paper.....	-	-	-	-	9,803,485	15,433,535
Repurchase Agreements.....	-	-	-	-	7,443,756	7,452,499
Mortgage and Asset-Backed Securities.....	17,361	3,921	-	1,807	18,361	666,567
Bond Mutual Funds.....	-	-	-	-	835	3,712,907
International Investments:						
Foreign Bonds.....	667	-	-	-	-	1,036,522
Securities Lending Collateral:						
Negotiable Certificates of Deposit.....	-	-	-	-	-	242,262
Commercial Paper.....	-	-	-	-	-	157,540
Repurchase Agreements.....	-	-	-	-	-	5,599,881
Bond Mutual Funds.....	-	-	-	-	-	10,000
Total Primary Government.....	\$ 31,510	\$ 4,499	\$ 341	\$ 1,807	\$ 17,406,647	\$ 52,964,904



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

Major Discretely Presented Component Unit						
Investment Credit Ratings						
As of June 30, 2025						
(dollars in thousands)						
Ohio State University:	Credit Rating					
Investment Type	AAA/Aaa	AA/Aa	A/A-1	BBB/Baa	BB/Ba	B
U.S. Agency Obligations	\$ 3,375	\$249,422	\$ 23,221	\$ 940	\$ -	\$ -
Corporate Bonds and Notes	117,689	81,140	423,968	361,453	38,828	319
Municipal Obligations	-	4,529	3,767	-	-	-
Negotiable Certificates of Deposit	-	-	-	-	-	-
Commercial Paper	-	-	5,781	695	-	-
Bond Mutual Funds	26,906	119,314	30,111	54,066	32,127	21,346
International Investments:						
Foreign Bonds	4,855	3,110	8,211	-	-	-
Total Ohio State University	<u>\$152,825</u>	<u>\$457,515</u>	<u>\$495,059</u>	<u>\$417,154</u>	<u>\$ 70,955</u>	<u>\$ 21,665</u>

Ohio State University (continued):	Credit Rating				
Investment Type	CCC/Caa	CC/Ca	D	Unrated	Total
U.S. Agency Obligations	\$ -	\$ -	\$ -	\$ 1,961	\$ 278,919
Corporate Bonds and Notes	-	-	-	294,494	1,317,891
Municipal Obligations	-	-	-	-	8,296
Negotiable Certificates of Deposit	-	-	-	154,510	154,510
Commercial Paper	-	-	-	85,659	92,135
Bond Mutual Funds	4,785	6,146	515	297,822	593,138
International Investments:					
Foreign Bonds	-	-	-	9,190	25,366
Total Ohio State University	<u>\$ 4,785</u>	<u>\$ 6,146</u>	<u>\$ 515</u>	<u>\$843,636</u>	<u>\$ 2,470,255</u>

At June 30, 2025, the Ohio Facilities Construction Commission had \$10.8 million invested in Bond Mutual Funds with a credit rating of AAA.

Descriptions of the investment credit ratings shown in the tables are as follows:

Rating	General Description of Credit Rating
AAA/Aaa	Extremely strong
AA/Aa	Very strong
A/A-1	Strong
BBB/Baa	Adequate
BB/Ba	Less vulnerable
B	More vulnerable
CCC/Caa	Currently vulnerable to nonpayment
CC/Ca	Currently highly vulnerable to nonpayment
C	Currently highly vulnerable to nonpayment due to certain conditions (e.g., filing of bankruptcy petition or similar action by issuer)
D	Currently highly vulnerable to nonpayment for failure to pay by due date



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

3. Concentration of Credit Risk

The potential for loss of value increases when investments are not diversified. The State has imposed limits on the types of authorized investments to prevent this type of loss.

For investments that are included in the treasury's cash and investment pool, and reported as "Cash Equity with Treasurer" and other investment securities managed by the Treasurer of State's Office, Chapter 135, Ohio Revised Code, requires the following:

- Investments in commercial paper may not exceed 40 percent of the State's total average portfolio;
- Banker's acceptances cannot exceed ten percent of the State's total average portfolio;
- Neither negotiable certificates of deposit nor debt interests (other than commercial paper) shall exceed 25 percent of the State's total average portfolio and when combined with commercial paper, the amount of a single issuer may not exceed five percent of the total average portfolio; and
- Debt interests in foreign nations may not exceed two percent of the State's portfolio.

Investment policies of the Treasurer of State further restrict concentrations of investments. Maximum concentrations as a percentage of the State's total average portfolio are as follows:

- Money market mutual funds may comprise 100 percent;
- Fixed rate U.S. Treasury and U.S. agency obligations may comprise 100 percent;
- Callable U.S. agency obligations may not exceed 55 percent;
- Variable rate U.S. agency obligations may not exceed ten percent;
- Repurchase agreements may not exceed 50 percent;
- STAR Ohio may not exceed 25 percent; and
- Bank deposits, certificates of deposit and municipal obligations are each limited to 20 percent.

The investment policies of the Treasurer of State's Office also specify that:

- Commercial paper and negotiable certificates of deposit, when combined with investments in other corporate obligations of a single issuer, are further limited to no more than five percent of the book value of the portfolio;
- Banker's acceptances are further limited to no more than five percent of the book value of the portfolio in any single issuer;
- Mutual funds are limited in that the Treasurer's holdings in a single mutual fund cannot be more than ten percent of the total assets of that mutual fund, nor can a single fund be more than ten percent of the book value of the portfolio;
- Repurchase agreements are limited in that any one counterparty may not exceed ten percent of the book value of the portfolio;
- Municipal obligations are limited to no more than two and one-half percent of the book value of the portfolio in any single issuer; and
- Obligations for each state institution of higher education are limited to \$50 million.



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

Investment policies regarding concentration of investments that are in addition to Ohio Revised Code requirements and are specific to the following significant entities reported in the State's reporting entity are as follows:

Lottery Commission Enterprise Fund

No more than two percent of the total average portfolio may be invested in the securities of any single issuer with the following exceptions: U.S. government obligations, 100 percent maximum; repurchase agreements, limited at the lesser of five percent or \$250 million; and mutual funds, 10 percent maximum.

State Highway Patrol Retirement System Pension Trust Fund

Policy prohibits the investment of more than ten percent of its fixed income portfolio in securities of any one issuer except for U.S. government securities, or the investment of more than five percent of the Fund's total investments in any one issue except for U.S. government securities.

STAR Ohio Investment Trust Fund

Investments in a single issuer are limited to no more than five percent of the net assets except as follows:

- U.S. Treasury obligations, limited at 100 percent;
- U.S. agency obligations, limited to 100 percent with no single U.S. agency exceeding 33 percent unless maturing in 30 days or less and rated "AA-" or higher;
- Repurchase agreements with terms to maturity of five days or less, limited at 100 percent; investments with any one counterparty limited at a maximum of five percent for "A-2" rated counterparties, a maximum of 25 percent for "A-1" rated counterparties, and at a maximum of 50 percent for "A-1+" rated counterparties, with further limitations based on the maturity of the investment;
- Reverse repurchase agreements, limited to 25 percent;
- Mutual funds, limited at 100 percent; with no more than 10 percent of the total average portfolio invested in any single mutual fund and limited to STAR Ohio representing no more than 10 percent of the total assets under management of any single mutual fund;
- Negotiable certificates of obligation and corporate obligations, limited to 25 percent each; when combined with investments in commercial paper, no more than five percent invested with any single issuer;
- Municipal bonds, limited at 10 percent and limited to no more than 2.5 percent with any single issuer;
- Commercial paper, limited to 40 percent, and when added to investments in other corporate obligations, no more than five percent invested with any single issuer;
- Illiquid investments, limited at 10 percent; and
- Banker's acceptances, limited at 10 percent, with no more than 5 percent invested with any single issuer.

As of June 30, 2025, all investments meet the requirements of the State's law and policies, when applicable. However, investments in certain issuers are at least five percent of investment balances, as follows (dollars in thousands):

Issuer	Amount	Percentage of Investment Balance
<i>Custodial Funds:</i>		
Federal Home Loan Bank	\$ 30,355	7%
<i>Ohio Facilities Construction Commission Component Unit Fund:</i>		
Federal Home Loan Bank	29,024	6%



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

4. Interest Rate Risk

Certain of the State's investments are exposed to interest rate risk. This risk exists when changes to interest rates will negatively impact the fair value of an investment. The State has adopted laws and policies to mitigate this risk.

For investments that are included in the treasury's cash and investment pool and reported as "Cash Equity with Treasurer" and other investment securities managed by the Treasurer of State's Office, Chapter 135, Ohio Revised Code, requires that bankers acceptances must mature in 270 days or less.

Investment policies governing the treasury's cash and investment pool, which is reported as "Cash Equity with Treasurer" and is managed by the Treasurer of State's Office, limit maturities of short-term investments to no more than 13 months with a weighted average maturity not to exceed 90 days. Assets categorized as intermediate funds have a maturity limit of no more than two years with an average weighted maturity not to exceed 365 days. For core fund investments, maturities are limited to five years or less, except for those that are matched to a specific obligation or debt of the State. A duration target of three years or less has been established for core fund investments. Policy also limits maturities for specific investment types as follows:

- Corporate notes and foreign debt - five years;
- Commercial paper and negotiable certificates of deposit - 397 days;
- U.S. agency obligations with a floating rate – three years;
- Repurchase agreements - 90 days; and
- Reverse repurchase agreements - five days.

Investment policies regarding investment maturities that are in addition to Ohio Revised Code requirements and are specific to the following significant entities reported in the State's reporting entity are as follows:

Workers' Compensation Enterprise Fund

Policy requires each fixed-income portfolio to be invested with duration characteristics that are within a range consistent with Bloomberg Barclay's Fixed Income Index ranges.

Lottery Commission Enterprise Fund

Investments are required to have maturities of 30 years or less. In no case may the maturity of an investment exceed the expected date of disbursement of those funds.

Variable College Savings Plan Private-Purpose Trust Fund

Policy requires the fixed-income portfolio to be invested with duration characteristics that are within a range consistent with Barclay's Aggregate Index ranges.

STAR Ohio Investment Trust Fund

Investment policies limit maturities of investments to a final stated maturity of 397 days or less, with a 762-day limit for floating rate U.S. Treasury and U.S. agency obligations. The following investment types have a maturity limit of less than 397 days:

- Certificates of deposit - cannot exceed one year;
- Banker's acceptances - limited to 270 days;
- Repurchase agreements - limited to maturities of 30 business days.
- Reverse repurchase agreements - no longer than five days.

As of June 30, 2025, investments reported as "Cash Equity with Treasurer" have terms that make their fair values moderately sensitive to interest rate changes. The U.S. agency obligations investment type includes \$2.58 billion with call dates from fiscal years 2026 through 2028, and maturity dates from fiscal years 2026 through 2030. The Corporate Bonds and Notes investment type has \$1.66 billion with call dates and maturity dates from fiscal years 2026 through 2030. Both the Certificates of Deposit and Commercial Paper investment types, with \$225 million and \$725 million, respectively, have call dates and maturity dates in fiscal year 2026.



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

Additionally, several investments reported as “Investments” have terms that make their fair values moderately sensitive to interest rate changes. U.S. agency obligations of \$4.9 million have call dates from fiscal years 2026 through 2027, and maturity dates from fiscal years 2026 through 2030. Corporate bonds in the amount of \$2.89 billion have call dates and maturity dates in fiscal years 2026 through 2036. The Municipal obligations investment type includes \$2 million with call dates from fiscal years 2026 through 2035, and maturity dates from fiscal years 2026 through 2040.

Small Business Administration Loans of \$105 million within U.S. agency obligations are reported as “Cash Equity with Treasurer.” These investments have a maximum life of 10 years and are impacted by pre-payment risks so would be highly subject to interest rate changes.

The tables that follow list the investment maturities of the investments for the primary government, including fiduciary activities, and its major discretely presented component units. All investments at June 30, 2025, meet the requirements of the State’s laws and policies, when applicable. The Ohio Facilities Construction Commission Component Unit Fund has monies reported in “Cash Equity with Treasurer”. Risks associated with the Ohio Facilities Construction Commission’s cash equity are included in the disclosures for the Primary Government.

Primary Government (including Fiduciary Activities)					
Investments Subject to Interest Rate Risk					
As of June 30, 2025					
<i>(dollars in thousands)</i>					
Investment Type	Investment Maturities (in years)				Total
	< 1	1 - 5	6 - 10	> 10	
U.S. Government Obligations.....	\$ 3,478,364	\$ 4,521,800	\$ 1,198,091	\$ 814,666	\$ 10,012,921
U.S. Government Obligations-strips.....	390,517	281,616	79,772	181,550	933,455
U.S. Agency Obligations.....	1,859,500	2,294,769	184,258	720,812	5,059,339
U.S. Agency Obligations-strips.....	2,554	11,065	-	-	13,619
Corporate Bonds and Notes.....	1,180,598	1,897,865	426,187	2,842,472	6,347,122
Municipal Obligations.....	19,365	63,417	16,406	118,835	218,023
Negotiable Certificates of Deposit.....	7,012,829	2,259	-	-	7,015,088
Commercial Paper.....	15,433,535	-	-	-	15,433,535
Repurchase Agreements.....	7,452,499	-	-	-	7,452,499
Mortgage and Asset-Backed Securities.....	721	58,079	119,144	488,623	666,567
Bond Mutual Funds.....	1,805,040	66,475	1,160,967	680,425	3,712,907
International Investments:					
Foreign Bonds.....	90,045	291,950	168,788	485,739	1,036,522
Securities Lending Collateral:					
Negotiable Certificates of Deposit.....	242,262	-	-	-	242,262
Commercial Paper.....	157,540	-	-	-	157,540
Repurchase Agreements.....	5,599,881	-	-	-	5,599,881
Bond Mutual Funds.....	10,000	-	-	-	10,000
Total Primary Government.....	<u>\$ 44,735,250</u>	<u>\$ 9,489,295</u>	<u>\$ 3,353,613</u>	<u>\$ 6,333,122</u>	<u>\$ 63,911,280</u>



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

Major Discretely Presented Component Unit Investments Subject to Interest Rate Risk As of June 30, 2025 (dollars in thousands)					
Ohio State University: Investment Type	Investment Maturities (in years)				Total
	< 1	1 - 5	6 - 10	> 10	
U.S. Government Obligations.....	\$ 43,793	\$ 562,644	\$ 95,627	\$ 57,428	\$ 759,492
U.S. Agency Obligations.....	2,290	38,572	60,180	177,877	278,919
Corporate Bonds and Notes.....	148,131	851,122	182,092	136,546	1,317,891
Municipal Obligations.....	1,325	3,016	875	3,080	8,296
Negotiable Certificates of Deposit.....	154,510	-	-	-	154,510
Commercial Paper.....	92,135	-	-	-	92,135
Bond Mutual Funds.....	32,374	232,760	89,796	238,208	593,138
International Investments:					
Foreign Bonds.....	15,737	1,394	6,303	1,932	25,366
Total Ohio State University.....	<u>\$490,295</u>	<u>\$ 1,689,508</u>	<u>\$434,873</u>	<u>\$615,071</u>	<u>\$ 3,229,747</u>

At June 30, 2025, the Ohio Facilities Construction Commission had \$10.8 million invested in Bond Mutual Funds with a maturity of less than one year.

5. Foreign Currency Risk

Investments in stocks and bonds denominated in foreign currencies are affected by foreign currency risk which arises from changes in currency exchange rates.

As of June 30, 2025, investments denominated in the currency of foreign nations, as detailed in the following tables for the primary government, including fiduciary activities, and the Ohio State University, a major discretely presented component unit, meet the requirements of the State's laws and policies, when applicable.

Primary Government (including Fiduciary Activities) International Investments—Foreign Currency Risk As of June 30, 2025 (dollars in thousands)		
Currency	Commingled International Equity	Total
Australian Dollar.....	\$ 147,897	\$ 147,897
Bermudian Dollar.....	702	702
British Pound.....	311,849	311,849
Canadian Dollar.....	279,532	279,532
Chinese Renminbi.....	509	509
Danish Krone.....	50,205	50,205
Euro.....	796,536	796,536
Hong Kong Dollar.....	42,417	42,417
Israeli Shekel.....	21,528	21,528
Japanese Yen.....	476,375	476,375
Jersey Pound.....	530	530
Macau Pataca.....	579	579
New Zealand Dollar.....	6,092	6,092
Norwegian Krone.....	13,906	13,906
Singapore Dollar.....	37,576	37,576
Swedish Krona.....	65,929	65,929
Swiss Franc.....	217,596	217,596
Investments Held in Foreign Currency.....	<u>\$ 2,469,758</u>	<u>2,469,758</u>
Foreign Investments Held in U.S. Dollars.....		<u>1,078,542</u>
Total Foreign Investments - Primary Government, including Fiduciary Activities.....		<u>\$ 3,548,300</u>



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

Major Discretely Presented Component Unit
International Investments—Foreign Currency Risk
As of June 30, 2025
(dollars in thousands)

<i>Ohio State University:</i>		Commingled International	
Currency	Bonds	Equity	Total
Australian Dollar.....	\$ 11,486	\$ 1,345	\$ 12,831
Brazilian Real.....	5,567	-	5,567
British Pound.....	2,855	282,236	285,091
Canadian Dollar.....	243	-	243
Euro.....	5,215	322,130	327,345
Swiss Franc.....	-	34,140	34,140
Total Foreign Currency Investments - Ohio State University.....	<u>\$ 25,366</u>	<u>\$ 639,851</u>	<u>\$ 665,217</u>

The State's laws and investment policies include provisions to limit the exposure to this type of risk. According to Chapter 135, Ohio Revised Code, investments managed by the Treasurer of State's Office, and reported as "Cash Equity with Treasurer", are limited to the debt of nations diplomatically recognized by the United States and that are backed by the full faith and credit of that foreign nation, and provided that all denomination of principal and interest be in U.S. dollars.

D. Securities Lending Transactions

The Treasurer of State participates in the securities lending programs for securities included in the "Cash Equity with Treasurer" and "Investments" accounts. Each lending program is administered by a custodial agent bank, whereby certain securities are transferred to an independent broker-dealer (borrower) in exchange for collateral.

At the time of the loan, the Treasurer of State requires its custodial agents to ensure that the State's lent securities are collateralized at no less than 102 percent of fair value, with the exception of U.S. Treasury Bills, which are purchased at a discount and are collateralized at par. At no point in time can the value of the collateral be less than 100 percent of the underlying securities.

Consequently, as of June 30, 2025, the State had no credit exposure since the amount the State owed to the borrowers at least equaled or exceeded the amount borrowers owed to the State.

The State invests cash collateral in short-term obligations, which have a weighted average maturity of 10 days while the weighted average maturity of securities loans is nine days.

According to the lending contracts the Treasurer of State executes for the State's cash and investment pool and for the Ohio Lottery Commission Enterprise Fund, the securities lending agent is to indemnify the Treasurer of State for any losses resulting from the insolvency default of the lending counterparty.

During fiscal year 2025, the State had not experienced any losses due to credit or market risk on securities lending activities.

In fiscal year 2025, the Treasurer of State lent U.S. government and agency obligations and corporate notes in exchange for cash collateral.

E. Investment Derivative Instruments

As of June 30, 2025, the State does not report investment derivative instruments in its financial statements. For governmental activities, the pay-fixed swaps included in the table below matured during fiscal year 2025. The decrease in fair value for fiscal year 2025 of \$54 thousand is reported as investment income losses in the Statement of Activities.



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

Investment Derivative Instruments

As of June 30, 2025

(dollars in thousands)

	Notional	Fair Value at 6/30/2025		Increase (Decrease) in Fair value	
		Amount	Reported As	Amount	Reported As
Governmental Activities:					
Investment Derivative Instruments:			Other Noncurrent		Investment Income
Pay Fixed Interest Rate Sw aps.....	\$ -	\$ -	Liability	\$ (54)	Loss

F. Fair Value Disclosures

The State categorizes fair value measurements of its investments within the fair value hierarchy shown in the following tables:

Primary Government (including Fiduciary Activities)

Investments - Fair Value Disclosures

As of June 30, 2025

(dollars in thousands)

	Fair Value	Amount of Fair Value Measured Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<i>Investments Measured by Fair Value Level</i>				
U.S. Government Obligations.....	\$ 10,012,989	\$ 3,420,155	\$ 6,592,834	\$ -
U.S. Government Obligations-strips.....	933,455	666,912	266,543	-
U.S. Agency Obligations.....	5,059,339	2,744	5,056,595	-
U.S. Agency Obligations-strips.....	13,619	-	13,619	-
Common and Preferred Stock.....	4,392,811	4,392,491	320	-
Corporate Bonds and Notes.....	6,346,983	-	6,346,983	-
Municipal Obligations.....	218,023	-	218,023	-
Negotiable Certificates of Deposit.....	6,110,812	-	6,110,812	-
Commercial Paper.....	11,147,178	-	11,147,178	-
Repurchase Agreements.....	7,452,499	22,499	7,430,000	-
Mortgage and Asset-Backed Securities.....	666,567	-	548,106	118,461
Equity Mutual Funds.....	19,514,808	19,513,992	816	-
Bond Mutual Funds.....	1,876,128	1,796,049	80,079	-
International Investments:				
Foreign Stocks.....	1,836	1,836	-	-
Foreign Bonds.....	1,036,522	-	774,022	262,500
Commingled Equity Funds.....	23,778	23,778	-	-
Securities Lending Collateral:				
Negotiable Certificates of Deposit.....	242,262	-	242,262	-
Bond Mutual Funds.....	10,000	10,000	-	-
	<u>\$ 75,059,609</u>	<u>\$ 29,850,456</u>	<u>\$ 44,828,192</u>	<u>\$ 380,961</u>



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

Primary Government (including Fiduciary Activities)

Investments - Fair Value Disclosures

As of June 30, 2025

(dollars in thousands)

	Net Asset Value
<i>Investments Measured at Net Asset Value:</i>	
Equity Mutual Funds.....	\$ 679,818
Bond Mutual Funds.....	1,828,139
Real Estate.....	3,194,570
Partnerships and Hedge Funds.....	397,032
International Investments:	
Commingled Equity Funds.....	2,486,164
	<u>\$ 8,585,723</u>

For investments held by the Treasurer of State, \$12.4 million classified in Level 1 were valued using inputs based on published share price. Level 2 classifications in the amount of \$14.3 billion were valued using either matrix pricing, or, in the case of variable rate notes, were valued by discounting the current and future coupons using a yield calculation or scale based on the characteristics of the security. For matrix pricing, inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications were used. Interactive Data pricing used by the Treasurer's office also monitors market indicators, and industry and economic events. The Ohio Lottery Commission's structured investments are included in the Treasurer of State's Level 2 investments noted above. Investments in the amount of \$262.5 million, classified in Level 3, were bonds for which there is no secondary market, and were, therefore, valued at the original principal.

For investments held by the STAR Ohio investment pool, \$813.9 million in open-end investment companies, including money market funds, were classified in Level 1 and were valued using the daily redemption value as reported by the underlying fund, while the \$24.02 billion in short-term investments classified in Level 2 was valued using market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids and offers. Market indicators and industry and economic events were also monitored to see if further market data was needed.

Investments held by the Department of Commerce in the amount of \$539.5 million for escheat property classified in Level 1, were valued using quoted prices for identical securities in an active market. Investments held by other state agencies in the amount of \$17.3 million classified in Level 1, were valued using quoted prices in a large and active market.

For investments held by independently audited organizations of the primary government, more information regarding investment valuations can be found in the organizations' stand-alone financial reports. The stand-alone financial reports for the independently audited organizations included in the table above may be found as follows:

- STAR Ohio investment pool at the Treasurer of State's Office, at <https://www.tos.ohio.gov/>;
- Department of Development-Loan Servicing Office, at <https://development.ohio.gov/>;
- BTSFA, <https://obm.ohio.gov/bonds-and-investors/issuers/02-issuers>;
- Bureau of Workers' Compensation/Industrial Commission of Ohio, at <https://www.bwc.ohio.gov/>;
- Tuition Trust Authority, at <https://www.collegeadvantage.com/>;
- STABLE Account Plan, at <https://www.stableaccount.com/>;
- State Highway Patrol Retirement System, at <https://www.ohprs.org/ohprs/>;



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

The fair value investment hierarchy for the Ohio State University, a major discretely presented component unit, is reported in the table below:

Major Discretely Presented Component Unit				
Investments - Fair Value Disclosures				
As of June 30, 2025				
(dollars in thousands)				
		Amount of Fair Value Measured Using:		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<i>Ohio State University:</i>				
<i>Investments Measured by Fair Value Level:</i>				
U.S. Government Obligations.....	\$ 759,492	\$ 1,604	\$ 757,888	\$ -
U.S. Agency Obligations.....	278,919	-	278,919	-
Common and Preferred Stock.....	1,132,259	1,132,259	-	-
Corporate Bonds and Notes.....	1,317,891	-	1,317,891	-
Municipal Obligations.....	8,296	-	8,296	-
Negotiable Certificates of Deposit.....	154,510	153,585	925	-
Commercial Paper.....	92,135	-	92,135	-
Equity Mutual Funds.....	122,092	122,092	-	-
Bond Mutual Funds.....	416,072	416,072	-	-
Real Estate.....	154,723	127,168	-	27,555
Partnerships and Hedge Funds.....	131,689	-	-	131,689
Life Insurance.....	2,909	-	-	2,909
<i>International Investments:</i>				
Foreign Bonds.....	25,366	-	25,366	-
Commingled Equity Funds.....	55,166	1,345	-	53,821
	<u>\$ 4,651,519</u>	<u>\$ 1,954,125</u>	<u>\$ 2,481,420</u>	<u>\$ 215,974</u>
<i>Ohio State University:</i>				
	<u>Net Asset Value</u>			
<i>Investments Measured at Net Asset Value:</i>				
Equity Mutual Funds.....	\$ 2,312,318			
Bond Mutual Funds.....	177,066			
Real Estate.....	16			
Partnerships and Hedge Funds.....	3,822,379			
<i>International Investments:</i>				
Commingled Equity Funds.....	584,685			
	<u>\$ 6,896,464</u>			

More information on Ohio State University's fair value investment valuations can be found in its audited stand-alone financial report at <https://www.osu.edu/>.

The Ohio Facilities Construction Commission's investments in the amount of \$10.8 million were classified in Level 1 based on their valuation using the market approach.



NOTE 5 RECEIVABLES

A. Taxes Receivable – Primary Government

Current taxes receivable is expected to be collected in the next fiscal year while noncurrent taxes receivable is not expected to be collected until more than one year from the balance sheet date. As of June 30, 2025, approximately \$72.1 million of the net taxes receivable balance is also reported as Deferred Inflows of Resources on the governmental funds' balance sheet, all of which is reported in the General Fund.

Refund liabilities for income taxes, totaling approximately \$1.55 billion are reported as "Refund and Other Liabilities" for governmental activities on the Statement of Net Position and in the General Fund on the governmental funds' Balance Sheet.

The following table summarizes taxes receivable for the primary government (dollars in thousands):

	Governmental Activities		
	General	Nonmajor Governmental Funds	Total Primary Government
Current-Due Within One Year:			
Income Taxes	\$ 445,297	\$ -	\$ 445,297
Sales Taxes	642,837	-	642,837
Motor Vehicle Fuel Taxes	190,772	193,299	384,071
Commercial Activity Taxes	578,178	19,866	598,044
Public Utility Taxes	84,172	-	84,172
Casino Taxes	-	5,768	5,768
	<u>1,941,256</u>	<u>218,933</u>	<u>2,160,189</u>
Noncurrent-Due in More Than One Year:			
Income Taxes	23,970	-	23,970
Taxes Receivable, Net	<u>\$1,965,226</u>	<u>\$ 218,933</u>	<u>\$2,184,159</u>

B. Intergovernmental Receivable – Primary Government

The intergovernmental receivable balance reported for the primary government, all of which is expected to be collected within the next fiscal year, consists of the following, as of June 30, 2025 (dollars in thousands):

	From Nonexchange Programs		From Sales of Goods and Services		Total Primary Government
	Federal Government	Local Government	Other State Governments	Local Government	
Governmental Activities:					
Major Governmental Funds:					
General	\$ 857,632	\$ -	\$ -	\$ -	\$ 857,632
Job, Family and Other Human Services	231,561	22,080	-	-	253,641
Nonmajor Governmental Funds	687,205	55,342	-	11,480	754,027
Total Governmental Activities	<u>1,776,398</u>	<u>77,422</u>	<u>-</u>	<u>11,480</u>	<u>1,865,300</u>
Business-Type Activities:					
Major Proprietary Funds:					
Unemployment Compensation	-	-	765	-	765
Nonmajor Proprietary Funds	-	-	-	5,599	5,599
Total Business-Type Activities	<u>-</u>	<u>-</u>	<u>765</u>	<u>5,599</u>	<u>6,364</u>
Intergovernmental Receivable	<u>\$1,776,398</u>	<u>\$ 77,422</u>	<u>\$ 765</u>	<u>\$ 17,079</u>	<u>\$ 1,871,664</u>



NOTE 5 RECEIVABLES (Continued)

C. Loans Receivable

Loans receivable for the primary government, as of June 30, 2025, are detailed in the following table (dollars in thousands):

Primary Government - Loans Receivable			
Loan Program	Governmental Activities		
	General	Nonmajor Governmental Funds	Total Primary Government
Economic Development-Loan Servicing Office.....	\$ 371,628	\$ -	\$ 371,628
Local Infrastructure Improvements	679,995	-	679,995
Housing Finance	491,199	-	491,199
Highway, Transit, & Aviation Infrastructure Bank.....	-	116,933	116,933
Third Frontier Program Loans	-	105,284	105,284
Loans Receivable, Net	<u>\$ 1,542,822</u>	<u>\$ 222,217</u>	<u>\$ 1,765,039</u>
Current-Due Within One Year	\$ 114,947	\$ 35,071	\$ 150,018
Noncurrent-Due in More Than One Year	1,427,875	187,146	1,615,021
Loans Receivable, Net	<u>\$ 1,542,822</u>	<u>\$ 222,217</u>	<u>\$ 1,765,039</u>

The "Loans Receivable" balance reported in the major discretely presented component units, as of June 30, 2025, is comprised of student loans and other miscellaneous loans.



NOTE 5 RECEIVABLES (Continued)

D. Other Receivables

The other receivables balances reported for the primary government, as of June 30, 2025, consists of the following (dollars in thousands):

Primary Government - Other Receivables					
Governmental Activities					
Major Governmental Funds					
Types of Receivables	General	Job, Family & Other Human Services	Buckeye Tobacco Settlement Financing Authority Revenue Bonds	Nonmajor Governmental Funds	Total
Manufacturers' Rebates	\$ 456,778	\$ 833,734	\$ -	\$ 4,249	\$ 1,294,761
Tobacco Settlement	-	-	1,030,069	-	1,030,069
Health Facility Bed Assessments	-	120,220	-	-	120,220
Managed Care Franchise Fees.....	-	69,619	-	-	69,619
Interest	125,281	-	-	-	125,281
Accounts	9,235	18,131	-	8,438	35,804
Miscellaneous	36,715	-	-	-	36,715
Other Receivables, Net.....	\$ 628,009	\$ 1,041,704	\$ 1,030,069	\$ 12,687	\$ 2,712,469
Current-Due Within One Year	\$ 628,009	\$ 1,041,704	\$ -	\$ 12,687	\$ 1,682,400
Noncurrent-Due in More Than One Year.....	-	-	1,030,069	-	1,030,069
Other Receivables, Net.....	\$ 628,009	\$ 1,041,704	\$ 1,030,069	\$ 12,687	\$ 2,712,469
Business-Type Activities					
Major Proprietary Funds					
Types of Receivables	Workers' Compensation	Lottery Commission	Unemployment Compensation	Nonmajor Proprietary Funds	Total
Accounts.....	\$ 248,389	\$ -	\$ 181,461	\$ -	\$ 429,850
Interest and Dividends (including restricted portion) ..	106,156	19	-	1,328	107,503
Lottery Sales Agents.....	-	85,523	-	-	85,523
Other Receivables, Gross.....	354,545	85,542	181,461	1,328	622,876
Estimated Uncollectible.....	-	(804)	(84,479)	-	(85,283)
Other Receivables, Net-Due Within One Year.....	\$ 354,545	\$ 84,738	\$ 96,982	\$ 1,328	\$ 537,593
Total Primary Government.....					\$ 3,250,062

The "Other Receivables" balance reported in the fiduciary funds as of June 30, 2025, is comprised of interest due of \$58.6 million, investment trade receivables of \$186.9 million, and miscellaneous receivables of \$23 thousand.

In the major discretely presented component units, the "Other Receivables" balance reported, as of June 30, 2025, is primarily comprised of accounts receivable, interest receivable, pledges receivable, notes receivable, patient receivable, grants receivable, and other miscellaneous receivables.



NOTE 6 PAYABLES

A. Accrued Liabilities

Details on accrued liabilities for the primary government and fiduciary activities, as of June 30, 2025, follow (dollars in thousands):

Primary Government and Fiduciary Activities - Accrued Liabilities					
		Wages and Employee Benefits	Accrued Interest	Total Accrued Liabilities	
Governmental Activities:					
Major Governmental Funds:					
General.....		\$ 163,644	\$ -	\$ 163,644	
Job, Family and Other Human Services.....		20,601	-	20,601	
Pandemic Relief Fund.....		26	-	26	
Nonmajor Governmental Funds.....		59,873	-	59,873	
		244,144	-	244,144	
Reconciliation of fund level statements to government-					
wide statements due to basis differences.....		-	104,058	104,058	
Total Governmental Activities.....		244,144	104,058	348,202	
Business-Type Activities:					
Nonmajor Proprietary Funds.....		5,073	-	5,073	
Total Primary Government.....		\$ 249,217	\$ 104,058	\$ 353,275	
		Wages and Employee Benefits	Health Benefit Claims	Management and Administrative Expenses	Total Accrued Liabilities
Fiduciary Activities:					
State Highway Patrol Retirement System					
Pension Trust (12/31/2024).....	\$ 11,030	\$ 3,793	\$ -	\$	14,823
Private-Purpose Trust:					
Variable College Savings Plan.....	-	-	3,490		3,490
STABLE Program.....	-	-	452		452
STAR Ohio Investment Trust.....	-	-	492		492
Total Fiduciary Activities.....	\$ 11,030	\$ 3,793	\$ 4,434	\$	19,257

The "Accrued Liabilities" balance reported in the major discretely presented component units, as of June 30, 2025, is comprised largely of payables similar to those of the primary government, such as wages and employee benefits, self-insurance, and accrued interest.



NOTE 6 PAYABLES (Continued)

B. Intergovernmental Payable

The intergovernmental payable balances for the primary government and fiduciary activities, as of June 30, 2025, are comprised of the following (dollars in thousands):

Primary Government and Fiduciary Activities - Intergovernmental Payable				
	Local Government			
	Shared Revenue and Local		Federal	Total
	Permissive Taxes	Subsidies and Other	Government	
Governmental Activities:				
Major Governmental Funds:				
General	\$ 1,487,472	\$ 85,547	\$ 90,830	\$ 1,663,849
Job, Family and Other Human Services	-	159,138	-	159,138
Pandemic Relief Fund.....	-	-	29,124	29,124
Nonmajor Governmental Funds	113,461	248,618	-	362,079
Total Governmental Activities	<u>\$ 1,600,933</u>	<u>\$ 493,303</u>	<u>\$ 119,954</u>	<u>\$ 2,214,190</u>
Business-Type Activities:				
Major Proprietary Funds:				
Unemployment Compensation	\$ -	\$ 81	\$ 380	\$ 461
Total Business-Type Activities	<u>\$ -</u>	<u>\$ 81</u>	<u>\$ 380</u>	<u>\$ 461</u>
Total Primary Government.....				<u>\$ 2,214,651</u>
Fiduciary Activities:				
Custodial Funds.....	\$ 376,009	\$ -	\$ -	\$ 376,009
Total Fiduciary Activities	<u>\$ 376,009</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 376,009</u>

As of June 30, 2025, the Ohio Facilities Construction Commission, a major discretely presented component unit, reported an intergovernmental payable balance totaling approximately \$877.9 million for long-term funding contracts the Commission has with local school districts. In the government-wide Statement of Net Position, the intergovernmental payable balance for the Commission is included with "Other Noncurrent Liabilities." The contracts commit the State to cover the costs of construction of facilities of the school districts once the districts have met certain eligibility requirements.



NOTE 6 PAYABLES (Continued)

C. Refund and Other Liabilities

Refund and other liabilities for the primary government and fiduciary activities, as of June 30, 2025, consist of the balances, as follows (dollars in thousands):

Primary Government and Fiduciary Activities - Refund and Other Liabilities						
			Personal Income Tax Estimated Refund Claims	Payroll Withholding and Health Care Benefits	Other	Total
Governmental Activities:						
Major Governmental Funds:						
General			\$ 1,552,049	\$ 190,171	\$ 8,351	\$ 1,750,571
Job, Family and Other Human Services			-	-	6,907	6,907
Total Governmental Activities			<u>\$ 1,552,049</u>	<u>\$ 190,171</u>	<u>\$ 15,258</u>	<u>\$ 1,757,478</u>
	Reserve for Compensation Adjustment	Net Pension / OPEB Liability	Refund and Security Deposits	Compensated Absences	Other	Total
Business-Type Activities:						
Major Proprietary Funds:						
Workers' Compensation	\$ 1,696,700	\$ 205,451	\$ -	\$ 30,932	\$ 300,321	\$ 2,233,404
Lottery Commission	-	38,948	13,524	6,016	3,020	61,508
Unemployment Compensation	-	-	4,594	-	-	4,594
Nonmajor Proprietary Funds	-	86,755	-	17,080	2,510	106,345
	<u>1,696,700</u>	<u>331,154</u>	<u>18,118</u>	<u>54,028</u>	<u>305,851</u>	<u>2,405,851</u>
Reconciliation of balances included in the "Other Noncurrent Liabilities" balance in the government-wide financial statements	(1,696,700)	(331,154)	-	(54,028)	(283,184)	(2,365,066)
Total Business-Type Activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,118</u>	<u>\$ -</u>	<u>\$ 22,667</u>	<u>\$ 40,785</u>
Total Primary Government						<u>\$ 1,798,263</u>
				Child Support Collections	Other	Total
Fiduciary Activities:						
State Highway Patrol Retirement System Pension Trust (12/31/2024)				\$ -	\$ 1,012	\$ 1,012
Private Purpose Trust Funds:						
Variable College Savings Plan				-	187,243	187,243
STABLE Program				-	1,997	1,997
STAR Ohio Investment Trust				-	2,949	2,949
Custodial Funds				64,327	13,513	77,840
Total Fiduciary Activities				<u>\$ 64,327</u>	<u>\$ 206,714</u>	<u>\$ 271,041</u>

In the major discretely presented component units, the "Refunds and Other Liabilities" balance reported, as of June 30, 2025, is comprised largely of payables similar to the primary government, such as refund and security deposits, compensated absences, leases, and other miscellaneous payables.



NOTE 7 INTERFUND BALANCES AND TRANSFERS AND SIGNIFICANT TRANSACTIONS WITH COMPONENT UNITS

A. Interfund Balances

Interfund balances, as of June 30, 2025, consist of the following (dollars in thousands):

Due from	Due To		Total
	Workers' Compensation	Nonmajor Proprietary Funds	
General	\$ 400,284	\$ 1,766	\$ 402,050
Job, Family and Other Human Services	8,092	-	8,092
Pandemic Relief Fund	136	-	136
Nonmajor Governmental Funds	99,445	-	99,445
Lottery Commission	878	-	878
Total.....	<u>\$ 508,835</u>	<u>\$ 1,766</u>	<u>\$ 510,601</u>

Interfund balances result from the time lag between dates that 1) interfund goods and services are provided or reimbursable expenditures/expenses occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

The State's primary government is permitted to pay its workers' compensation liability on a terminal-funding (pay-as-you-go) basis. As a result, the Workers' Compensation Enterprise Fund recognized \$508.8 million as an interfund receivable for the unbilled premium due for the primary government's share of the Bureau's actuarially determined liability for compensation. In the Statement of Net Position, the State includes the liability in the internal balance reported for governmental activities.

B. Interfund Transfers

Interfund transfers, for the fiscal year ended of June 30, 2025, consist of the following (dollars in thousands):

Transferred from	Transferred to				Total
	General	Job, Family & Other Human Services	Nonmajor Governmental Funds	Proprietary Funds	
General	\$ -	\$ 21,928	\$ 1,927,192	\$ 55,556	\$ 2,004,676
Job, Family and Other Human Services ..	-	-	10,582	-	10,582
Buckeye Tobacco Settlement					
Financing Authority Revenue Bonds....	18,842	-	-	-	18,842
Pandemic Relief Fund.....	73,442	-	-	-	73,442
Nonmajor Governmental Funds	253,444	15,875	201,605	-	470,924
Workers' Compensation	10,079	-	-	-	10,079
Lottery Commission	2,781	-	1,447,691	-	1,450,472
Unemployment Compensation	11,223	-	-	-	11,223
Total.....	<u>\$ 369,811</u>	<u>\$ 37,803</u>	<u>\$ 3,587,070</u>	<u>\$ 55,556</u>	<u>\$ 4,050,240</u>

Transfers are used to 1) move revenues from the fund that statute or budget requires to collect them, to the fund that statute or budget requires to expend them, 2) move receipts restricted to debt service from the funds collecting the receipts, to the debt service fund as the debt service payments become due, and 3) utilize unrestricted revenues collected in one fund to finance various programs accounted for in other funds in accordance with budget authorizations.



**NOTE 7 INTERFUND BALANCES AND TRANSFERS AND SIGNIFICANT
TRANSACTIONS WITH COMPONENT UNITS (Continued)**

C. Discretely Presented Component Units

For fiscal year 2025, the discretely presented component units reported \$2.83 billion in state assistance revenue from the primary government in the Statement of Activities.

Included in "Primary, Secondary, and Other Education" expenses reported for the governmental activities, is the funding that the primary government provided to the Ohio Facilities Construction Commission for capital construction at local school districts. The primary government also transferred bond proceeds to the Ohio Facilities Construction Commission to pay the State's share of the cost of rebuilding elementary and secondary school facilities across the State.

Additionally, the primary government provided financial support to the colleges and universities in the form of state appropriations for instructional and non-instructional purposes and capital appropriations for construction. This assistance is included in "Higher Education Support" expenses reported for governmental activities.

Details of balances and activity reported in the government-wide financial statements between the primary government and its discretely presented component units are summarized below:

Primary Government (dollars in thousands)						
Program Expenses for State Assistance to Component Units						
	Payable to the Component Units	Primary, Secondary, and Other Education Function	Higher Education Support Function	Transportation Function	Community and Economic Development Function	Total State Assistance to the Component Units
Major Governmental Funds:						
General	\$ 21,197	\$ 417,154	\$ 2,325,852	\$ 3,093	\$ 81,329	\$ 2,827,428
Job, Family and Other Human Services ...	2,760	-	-	-	-	-
Nonmajor Governmental Funds	1,585	-	-	-	-	-
Total Primary Government.....	<u>\$ 25,542</u>	<u>\$ 417,154</u>	<u>\$ 2,325,852</u>	<u>\$ 3,093</u>	<u>\$ 81,329</u>	<u>\$ 2,827,428</u>

Discretely Presented Component Units (dollars in thousands)			
	Receivable from the Primary Government	Payable to the Primary Government	Total State Assistance from the Primary Government
Major Discretely Presented Component Units:			
Ohio Facilities Construction Commission.....	\$ -	\$ -	\$ 497,154
Ohio State University	8,189	-	629,484
Nonmajor Discretely Presented Component Units	17,353	21	1,700,790
Total Discretely Presented Component Units	<u>\$ 25,542</u>	<u>\$ 21</u>	<u>\$ 2,827,428</u>



NOTE 8 CAPITAL ASSETS

A. Primary Government

Capital asset activity, including lease and subscription-based information technology (IT) assets, for the year ended June 30, 2025, reported for the primary government was as follows (dollars in thousands):

	Primary Government - Governmental Activities			
	Balance July 1, 2024	Increases	Decreases	Balance June 30, 2025
Capital Assets Not Being Depreciated/Amortized:				
Land	\$ 2,756,007	\$ 49,678	\$ (312)	\$ 2,805,373
Buildings	65,311	-	-	65,311
Land Improvements	1,439	-	-	1,439
Construction-in-Progress	2,945,710	860,410	(256,445)	3,549,675
Infrastructure:				
Highway Network:				
General Subsystem	9,164,482	-	-	9,164,482
Priority Subsystem	9,634,678	-	-	9,634,678
Bridge Network	2,935,952	-	(25,662)	2,910,290
Total Capital Assets Not Being Depreciated/Amortized....	27,503,579	910,088	(282,419)	28,131,248
Other Capital Assets:				
Buildings	4,509,071	222,223	(17,861)	4,713,433
Land Improvements	604,382	19,696	(1,395)	622,683
Machinery and Equipment	2,308,907	236,615	(312,135)	2,233,387
Vehicles	606,177	173,889	(39,822)	740,244
Infrastructure:				
Parks, Recreation and Natural Resources Network....	362,329	15	-	362,344
Leases:				
Buildings	183,622	-	(19,209)	164,413
Land	3,397	-	(125)	3,272
Machinery and Equipment	5,805	-	(260)	5,545
Subscription IT.....	83,673	28,595	(9,917)	102,351
Total Other Capital Assets at Historical Cost.....	8,667,363	681,033	(400,724)	8,947,672
Less Accumulated Depreciation/Amortization for:				
Buildings	2,949,318	123,503	(11,998)	3,060,823
Land Improvements	452,985	19,445	(549)	471,881
Machinery and Equipment	1,519,198	149,223	(266,472)	1,401,949
Vehicles	416,581	58,732	(37,104)	438,209
Infrastructure:				
Parks, Recreation and Natural Resources Network....	91,176	7,725	-	98,901
Leases:				
Buildings	77,913	24,411	(15,845)	86,479
Land	888	257	(125)	1,020
Machinery and Equipment	1,998	519	(256)	2,261
Subscription IT.....	33,995	29,786	(9,754)	54,027
Total Accumulated Depreciation/Amortization	5,544,052	413,601	(342,103)	5,615,550
Other Capital Assets, Net	3,123,311	267,432	(58,621)	3,332,122
Governmental Activities - Capital Assets, Net.....	\$ 30,626,890	\$ 1,177,520	\$ (341,040)	\$ 31,463,370



NOTE 8 CAPITAL ASSETS (Continued)

	Primary Government - <i>Business-Type Activities</i>			
	Balance July 1, 2024	Increases	Decreases	Balance June 30, 2025
Capital Assets Not Being Depreciated/Amortized:				
Land	\$ 9,466	\$ -	\$ -	\$ 9,466
Construction-In Progress	5,816	3,153	-	8,969
Total Capital Assets Not Being Depreciated/Amortized	15,282	3,153	-	18,435
Other Capital Assets:				
Buildings	209,439	-	-	209,439
Machinery and Equipment	160,804	46,049	(4,921)	201,932
Vehicles	3,533	940	(997)	3,476
Leases:				
Buildings	30,582	532	(1,510)	29,604
Machinery and Equipment	89	9	(2)	96
Subscription IT	9,349	3,616	(1,544)	11,421
Total Other Capital Assets at Historical Cost	413,796	51,146	(8,974)	455,968
Less Accumulated Depreciation/Amortization for:				
Buildings	204,595	779	(969)	204,405
Machinery and Equipment	124,552	57,515	(4,774)	177,293
Vehicles	2,756	194	(997)	1,953
Leases:				
Buildings	18,205	4,625	(1,509)	21,321
Machinery and Equipment	42	31	(2)	71
Subscription IT	7,489	3,501	(1,417)	9,573
Total Accumulated Depreciation/Amortization	357,639	66,645	(9,668)	414,616
Other Capital Assets, Net	56,157	(15,499)	694	41,352
Business-Type Activities - Capital Assets, Net	\$ 71,439	\$ (12,346)	\$ 694	\$ 59,787



NOTE 8 CAPITAL ASSETS (Continued)

For fiscal year 2025, the State charged depreciation expense relating to capital assets and amortization expense relating to lease and subscription IT assets to the following functions (dollars in thousands):

	<i>Depreciation/ Amortization Expense</i>
Governmental Activities:	
Primary, Secondary and Other Education.....	\$ 3,620
Higher Education Support.....	485
Public Assistance and Medicaid.....	57,894
Health and Human Services.....	13,251
Justice and Public Protection.....	73,073
Environmental Protection and Natural Resources.....	30,496
Transportation.....	165,527
General Government.....	101,263
Community and Economic Development.....	6,508
Total Depreciation/Amortization Expense for Governmental Activities.....	452,117
Gains (Losses) on Capital Asset Disposals Included in Depreciation.....	(38,516)
Fiscal Year 2025 Increases to Accumulated Depreciation/Amortization.....	<u>\$ 413,601</u>
Business-Type Activities:	
Workers' Compensation.....	\$ 19,107
Lottery Commission.....	2,986
Tuition Trust Authority.....	10
Office of Auditor of State.....	1,733
Total Depreciation/Amortization Expense for Business-Type Activities.....	23,836
Gains (Losses) on Capital Asset Disposals Included in Depreciation.....	42,809
Fiscal year 2025 Increase to Accumulated Depreciation/Amortization.....	<u>\$ 66,645</u>

As of June 30, 2025, the State considered the following governmental capital asset balances as being impaired and removed from service (dollars in thousands):

Governmental Activities:	<i>Net Book Value</i>
Permanently Impaired Assets Removed from Service:	
Buildings.....	\$ 4,198
Land Improvements	225
Total.....	<u>\$ 4,423</u>

B. Major Discretely Presented Component Units

Capital asset activity, including lease and subscription IT assets, for the year ended June 30, 2025, reported for major discretely presented component unit funds with significant capital asset balances was as follows (dollars in thousands):



NOTE 8 CAPITAL ASSETS (Continued)

	Major Discretely Presented Component Units			
	Balance July 1, 2024	Increases	Decreases	Balance June 30, 2025
Ohio State University:				
Capital Assets Not Being Depreciated/Amortized:				
Land	\$ 192,313	\$ 3,535	\$ -	\$ 195,848
Construction-In Progress.....	2,186,529	891,721	(373,001)	2,705,249
Patents and Trademarks	18,465	-	-	18,465
Total Capital Assets Not Being Depreciated/Amortized.....	2,397,307	895,256	(373,001)	2,919,562
Other Capital Assets:				
Buildings	9,267,247	262,072	(2,632)	9,526,687
Land Improvements	1,196,804	46,473	(403)	1,242,874
Machinery, Equipment and Vehicles	2,223,430	153,139	(121,169)	2,255,400
Library Books and Publications	211,100	3,496	(373)	214,223
Leases:				
Buildings	432,992	24,068	(5,655)	451,405
Machinery and Equipment	66,019	3,801	-	69,820
Subscription IT.....	314,129	81,706	(29,023)	366,812
Total Other Capital Assets at Historical Cost.....	13,711,721	574,755	(159,255)	14,127,221
Less Accumulated Depreciation/Amortization for:				
Buildings	4,352,255	324,201	(2,551)	4,673,905
Land Improvements	597,029	56,121	(340)	652,810
Machinery, Equipment and Vehicles	1,631,005	168,792	(119,291)	1,680,506
Library Books and Publications	189,707	4,518	(373)	193,852
Leases:				
Buildings	86,107	32,780	(13,288)	105,599
Machinery and Equipment.....	40,475	6,320	-	46,795
Subscription IT.....	191,388	72,829	(29,023)	235,194
Total Accumulated Depreciation/Amortization	7,087,966	665,561	(164,866)	7,588,661
Other Capital Assets, Net	6,623,755	(90,806)	5,611	6,538,560
Total Capital Assets, Net	\$ 9,021,062	\$ 804,450	\$ (367,390)	\$ 9,458,122
Less: Lease Assets netted against deferred inflows for lease-leaseback.....	12,646			13,504
Ohio State University - Capital Assets, Net.....	\$ 9,008,416			\$ 9,444,618

For fiscal year 2025, Ohio State University reported approximately \$665.6 million in depreciation/amortization expense.

NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS

All part-time and full-time employees and elected officials of the State, including its component units (unless otherwise excluded in Ohio Revised Code), are eligible to be covered by one of the following retirement plans:

- Ohio Public Employees Retirement System
- State Teachers Retirement System of Ohio
- State Highway Patrol Retirement System
- Alternative Retirement Plan

GASB 68 and 75 require employers participating in cost-sharing multiple-employer retirement plans to recognize a proportionate share of net pension assets and/or liabilities, net OPEB assets and/or liabilities, expenses, and deferrals. For the year ended June 30, 2025, the State recognized total pension expense for all retirement plans of \$688.4 million, net pension liabilities of \$5.49 billion, deferred outflows of \$1.02 billion, and deferred inflows of \$142.4 million. The State also recognized total OPEB expense of \$(280.6) million, net OPEB liabilities of \$118 million, net OPEB assets of \$482.7 million, deferred outflows of \$69.5 million, and deferred inflows of \$277.5 million.



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

A. Ohio Public Employees Retirement System (OPERS)

Pension Benefits

OPERS is a cost-sharing, multiple-employer public employee retirement system that administers two separate pension plans – the Traditional Pension Plan (Traditional Plan) which is a defined benefit plan and the Member-Directed Plan which is a defined contribution plan. The Traditional Plan includes members of the legacy Combined Plan, a hybrid defined benefit/defined contribution plan referred to as the Combined Plan division of the Traditional Plan. Prior to January 1, 2024, the Combined Plan was a separate pension plan. Existing members in the Combined Plan will retain all current plan design features and experience no changes. During 2023, the General Assembly passed the state budget bill (HB 33) which allows OPERS to consolidate the Combined Plan with the Traditional Pension Plan. Reference to the Traditional Pension Plan is inclusive of the Combined Plan division, unless otherwise noted.

OPERS issues a stand-alone financial report, which may be obtained by visiting <https://www.opers.org> or by making a written request to Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or calling (800) 222-7377.

As established under Chapter 145, Ohio Revised Code, OPERS provides retirement and disability benefits, annual cost-of-living adjustments, and survivor and death benefits to plan members and beneficiaries enrolled in the defined benefit plan.

New employees hired on or after January 1, 2003, are eligible to select one of the OPERS retirement plans, as listed above, in which they wish to participate. Members not eligible to select a plan include law enforcement patrol officers, who must participate in the State Highway Patrol Retirement System defined benefit plan (see NOTE 9C), college and university employees who choose to participate in one of the university's alternative retirement plans (see NOTE 9D), and re-employed OPERS retirees.

Senate Bill 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. Members eligible to retire under the law in effect prior to Senate Bill 343 or who will be eligible to retire no later than five years after January 7, 2013, comprise Transition Group A. Members with 20 years of service credit prior to January 7, 2013, or who will be eligible to retire no later than 10 years after January 7, 2013, are included in Transition Group B. Those members who are not in Group A or B or were hired after January 7, 2013, are in Transition Group C.

The age and service requirements for State and Law Enforcement employees in all transition groups are shown in the table below:

Unreduced Benefit	Group A		Group B		Group C	
	Age	Service	Age	Service	Age	Service
State	Any	30	52	31	55	32
	N/A	N/A	Any	32	N/A	N/A
	65	5	66	5	67	5
Law Enforcement	48	25	50	25	52	25
	62	15	64	15	64	15

Reduced Benefit	Group A		Group B		Group C	
	Age	Service	Age	Service	Age	Service
State	55	25	55	25	57	25
	60	5	60	5	62	5
Law Enforcement	52	15	52	15	56	15
	N/A	N/A	48	25	48	25



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

The retirement allowance for the Traditional Plan (defined benefit), excluding the Combined Plan division, is calculated based on age, years of credited service, and the final average salary. The annual allowance for regular employees for members in Transition Groups A and B is determined by multiplying the final average salary (three highest years of earnings over a member's career) by 2.2 percent for each year of Ohio contributing service up to 30 years and by 2.5 percent for all other years in excess of 30 years of credited service. The annual allowance for regular employees for members in Transition Group C is determined by multiplying the final average salary (five highest years of earnings over a member's career) by 2.2 percent for each year of Ohio contributing service up to 35 years and by 2.5 percent for all other years in excess of 35 years of credited service. The annual allowance for law enforcement employees is determined by multiplying the final average salary by 2.5 percent for the first 25 years of Ohio contributing service, and by 2.1 percent for each year of service over 25 years. Retirement benefits increase three percent annually of the original base amount regardless of changes in the Consumer Price Index for those who retired prior to January 7, 2013. For those retiring after January 7, 2013, beginning in calendar year 2019, the increase will be based on the average increase in the Consumer Price Index, capped at three percent.

The retirement allowance for the Combined Plan division is calculated based on age and service formula benefit (defined benefit), and defined contribution element. The defined benefit element is calculated on the basis of age, final average salary, and years of service. Eligibility regarding age and years of service in the Combine Plan division is the same as the Traditional Pension Plan. The benefit formula for the defined benefit component of the state and local members in Transition Groups A and B is determined by multiplying the final average salary by one percent for each year of Ohio contributing service up to 30 years and by 1.25 percent for all other years in excess of 30 years of credited service. The benefit formula for Transition Group C is determined by multiplying the final average salary by one percent for each year of Ohio contributing service up to 35 years and by 1.25 percent for all other years in excess of 35 years of credited service. Members retiring before age and years of service requirements receive a percentage reduction in benefit.

Regular employees who participate in the Member-Directed Plan (defined contribution) may retire after they reach the age of 55. The benefit allowance for the defined contribution plan is based entirely on the total member and vested employer contributions to the plan, plus or minus any investment gains or losses. Employer contributions vest at a rate of 20 percent per year over a five-year vesting period. Retirees may choose from various payment options including the annuitization of their benefit account, a Partial Lump Sum Option Plan (PLOP) subject to limitations, rollovers of the vested account balance to another eligible retirement plan or made payable to the member (net of taxes withheld), or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Employer and employee required contributions to OPERS are established by the Retirement Board and are within the limits authorized by the Ohio Revised Code. The contribution rates are based on percentages of covered employees' gross salaries, which are calculated annually by the retirement system's actuaries. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for regular employees and 18.1 percent of covered payroll for law enforcement employees. For 2025, no portion of the employer contribution rate was allocated to health care for the Traditional Pension Plan (excluding the Combined Plan division). The employer contribution for the Combined Plan division and Member-Directed Plan health care programs in 2025 was 2 percent and 4 percent, respectively.

Contribution rates for fiscal year 2025, which are the same for all plans, were as follows:

	Contribution Rates	
	Employee Share	Employer Share
<u>Regular Employees:</u>		
July 1, 2024 through June 30, 2025.....	10.00%	14.00%
<u>Law Enforcement Employees:</u>		
July 1, 2024 through June 30, 2025.....	13.00%	18.10%



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

In the Combined Plan, the employer's share finances the defined benefit portion of the plan, while the employee's share finances the defined contribution portion of the plan. In the Member Directed defined contribution plan, both the employee and employer share of the costs are used to finance the plan. The defined contribution portion on the Combined Plan and Member Directed Plan allows the participants to direct the investment of their accounts by selecting from professionally managed investment options.

At June 30, 2025, the State reports a liability of \$4.99 billion for its proportionate share of the net pension liability for the Traditional Plan. Ohio State University discretely presented component unit reports liabilities of \$2.72 billion for its proportionate share of the net pension liability for the Traditional Plan. The net pension liability/asset was measured as of December 31, 2024. The Plan's total pension liability used to calculate the Plan's net pension liability/asset was determined by an actuarial valuation as of December 31, 2024. The State's proportion of the net pension liability/asset is determined by a measure of the State's proportionate relationship of employer contributions made to OPERS to the total contributions made to OPERS by all employers and non-employer contributing entities to the Plan. At December 31, 2024, the State's proportion was 20.35 percent for the Traditional Plan based on employer contributions of \$512.1 million, as compared to the December 31, 2023, proportion of 20.29 percent. The proportion for the Traditional Plan for the Ohio State University discretely presented component unit was 11.1 percent based on employer contributions totaling \$312.7 million, compared to 11 percent for the previous fiscal year. For purposes of measuring the net pension liability/asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the system and additions to and deductions from the fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, deductions are recorded when the liability is incurred, and revenues are recognized when earned. Refunds are payable two months after termination of the member's employment. All investments are reported at fair value.

For the year ended June 30, 2025, the State recognized pension expense of \$656.1 million for the Traditional Plan. The Ohio State University discretely presented component unit, recognized \$426.5 million in pension expense for the OPERS and STRS plans combined.

At June 30, 2025, the State reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources (dollars in thousands):

Traditional Plan	Pension	
	Primary Government	Ohio State University
Deferred Outflow of Resources:		
Differences Between Expected and Actual Experience	\$ 95,519	\$ 57,097
Changes of Assumptions	42	1,043
Net Difference Between Projected and Actual Earnings		
on Pension Plan Investments	593,616	299,661
Change in Employers' Proportionate Share	47,693	2
Contributions Subsequent to the Measurement Date	227,253	151,005
Total	<u>\$ 964,123</u>	<u>\$ 508,808</u>
Deferred Inflow of Resources:		
Change in Employers' Proportionate Share	\$ (119,407)	\$ (2,979)
Differences Between Expected and Actual Experience	(124)	(2,977)
Total	<u>\$ (119,531)</u>	<u>\$ (5,956)</u>



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

Deferred Outflows of Resources of \$227.3 million related to pensions resulting from State contributions subsequent to the measurement date for the Traditional Plan will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. The Ohio State University, a discretely presented component unit, will recognize \$151 million resulting from contributions subsequent to the measurement period as a reduction of its net pension liability in the following year.

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in pension expense as follows (dollars in thousands):

Traditional Plan	Pension	
	Primary Government	Ohio State University
Year Ended June 30:		
2026.....	\$ 325,637	\$ 178,871
2027.....	574,609	335,053
2028.....	(216,971)	(123,814)
2029.....	(69,816)	(39,913)
2030.....	1,738	517
Thereafter.....	2,142	1,133

OPEB Benefits

In addition to the pension plan, OPERS maintains a cost-sharing, multiple-employer postemployment health care plan for the Traditional Plan, including the Combined Plan division. Members of the Member-Directed Plan do not qualify for ancillary benefits, including postemployment health care coverage, but qualify for a Retiree Medical Account.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible recipients, with one exception. Ohio law currently requires OPERS to provide a Medicare Part A equivalent coverage or Medicare Part A reimbursement for a defined and limited group of eligible retirees and their eligible dependents. Authority to establish and amend OPEB benefits is provided in Chapter 145 of the Ohio Revised Code as well.

Retirees enrolled in Medicare A and B, non-Medicare retirees, and eligible Traditional Pension Plan retirees, can participate in the OPERS Connector (a vendor selected by OPERS) to assist with evaluation, selection, and purchase of a health care plan on the open market. Eligible retirees may receive a monthly allowance in a health reimbursement arrangement (HRA) account that can be used to reimburse eligible health care expenses. The non-Medicare retiree monthly base allowance will be \$1,200 and \$350 per month for Medicare retirees throughout 2024. The base allowance for Medicare retirees increased to \$400 per month in January 2025. The retiree will receive a percentage (ranging between 51 to 90 percent) of the base allowance determined by their age and qualified years of service at retirement for both non-Medicare and Medicare retirees. When OPERS health care enrolled members become Medicare-eligible, they must enroll in Medicare Part A and Medicare Part B.

Retirement Date	Group A			Group B			Group C		
	Age	Total Service Credit	Total Qualified Health Care Service Credit	Age	Total Service Credit	Total Qualified Health Care Service Credit	Age	Total Service Credit	Total Qualified Health Care Service Credit
December 1, 2014 or Prior	Any	10	N/A	Any	10	N/A	Any	10	N/A
January 1, 2015 through December 31, 2021	60	20	N/A	52	31	N/A	55	32	N/A
				60	20	N/A			
	Any	30	N/A	Any	32	N/A	60	20	N/A
January 1, 2022 or after	59 or younger	N/A	30	Any	N/A	32	55	N/A	32
				52	N/A	31			
	60 to 64	30	20	60 to 64	31	20	60 to 64	32	20
	65 or older	N/A	20	65 or older	N/A	20	65 or older	N/A	20



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

The types of service credit that qualify for health care eligibility are contributing service, eligible service in another Ohio retirement system, military time that interrupts public service, unreported public service or OPERS redeposit (restored) service. Retirees who do not meet the requirement for coverage as a non-Medicare participant can become eligible for coverage at age 65 if they have at least 20 years of qualifying service.

The Member Directed Plan has a portion of the employer contribution credited to an individual retiree medical account and participants can use vested retiree medical account funds upon retirement for reimbursement of qualified medical expenses. Currently, an employee's interest in the medical account for qualifying health care expenses vests based on length of service, with 100 percent vesting attained after five years of credited service for employees hired prior to July 1, 2015. Members who elect the Member-Directed Plan after July 1, 2015, will vest at 15 years of service at a rate of 10 percent each year starting with the sixth year of participation.

Retirees may choose to become re-employed in an OPERS covered job, but it may affect continuing receipt of age and service retirement benefits. Contributions must begin from the first day of re-employment. Members re-employed within the first two months after their effective retirement benefit date will forfeit their retirement benefit during this two-month period. OPERS health coverage is not available during the two-month forfeiture period. During re-employment, the retiree participates in the Money Purchase Plan. Upon termination of re-employment, retirees under age 65 may receive a refund of their Money Purchase account consisting of their member contributions made during the period of re-employment, plus interest. Retirees age 65 and older may receive an annuity benefit or lump sum payment based on the amount of their member contributions during the period of re-employment, plus interest, and an amount from the employer's contributions established by the Board.

The Ohio Revised Code provides statutory authority which allows public employers to fund post-retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS may be set aside for the funding of post-retirement health care benefits. Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of postemployment health care benefits. The OPEB contribution rates for regular and law enforcement employees for 2024 and 2025 was zero percent for the Traditional Plan and two percent for the Combined Plan division. The employer contribution to the Member Directed Plan participants' health care accounts for 2025 was four percent. Employers make no further contributions to a member's health care account after retirement, nor do employers have any further obligation to provide postemployment health care benefits.

At June 30, 2025, the State reports an asset of \$476.1 million for its proportionate share of the net OPEB asset compared to \$182.9 million at June 30, 2024. Ohio State University discretely presented component unit reports assets of \$262.6 million for its proportionate share of the net OPEB asset, as compared to \$101.1 million as of June 30, 2024. The net OPEB asset was measured as of December 31, 2024. The Plan's total OPEB liability used to calculate the Plan's net OPEB asset was determined by an actuarial valuation as of December 31, 2023, rolled forward to the measurement date of December 31, 2024, by incorporating the expected value of health care cost accruals, the actual health care payments, and interest accruals during the year. The State's proportion of the net OPEB asset is determined by a measure of the State's proportionate relationship of employer contributions made to OPERS to the total contributions made to OPERS by all employers. At December 31, 2024, the State's proportion was 20.31 percent based on total employer contributions to OPERS of \$533.9 million, as compared to the December 31, 2023, proportion of 20.27 percent. The proportion for the Ohio State University discretely presented component unit was 11.2 percent, remaining the same as last year, based on employer contributions totaling \$312.7 million. For purposes of measuring the net OPEB asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the system and additions to and deductions from the fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, additions are recorded when the asset is incurred, and revenues are recognized when earned.



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

For the year ended June 30, 2025, the State recognized OPEB expense of \$(149) million. Ohio State University discretely presented component unit, recognized \$426.5 million in OPEB expense for the OPERS and STRS plans combined. At June 30, 2025, the State reported Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB from the following sources (dollars in thousands):

	OPEB	
	Primary Government	Ohio State University
Deferred Outflow of Resources:		
Net Difference Between Projected and Actual Earnings		
on OPEB Plan Investments	\$ 10,431	\$ 1,600
Change in Employers' Proportionate Share	4,043	108
Total	<u>\$ 14,474</u>	<u>\$ 1,708</u>
Deferred Inflow of Resources:		
Differences Between Expected and Actual Experience	\$ (23,178)	\$ (12,782)
Changes of Assumptions	(68,716)	(37,888)
Change in Employers' Proportionate Share	(819)	-
Total	<u>\$ (92,713)</u>	<u>\$ (50,670)</u>

There were no material state contributions related to OPEB subsequent to the measurement date and therefore, there will be no increase of the net OPEB asset resulting from state contributions subsequent to the measurement date recognized in the year ended June 30, 2026.

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB will be recognized in OPEB expense as follows (dollars in thousands):

	OPEB	
	Primary Government	Ohio State University
Year Ending June 30:		
2026.....	\$ (43,888)	\$ (28,309)
2027.....	40,951	22,142
2028.....	(55,930)	(31,644)
2029.....	(19,372)	(11,151)

Actuarial Assumptions for Pension and OPEB Liabilities

The total pension and OPEB liabilities were determined using the following actuarial assumptions listed in the individual tables below, applied to all periods included in the measurement:

	Pension
	Traditional Plan
Wage Inflation	2.75%
Salary Increases (including wage inflation)	2.75-10.75%
Investment Rate of Return	6.90%
COLA or Ad Hoc COLA	For retirees prior to January 7, 2013, it is 3.00% simple. For retirees after that date, the COLA is 2.90% simple through 2025, and then becomes 2.05% simple.
Actuarial Cost Method	Individual Entry Age



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

	OPEB
Wage Inflation	2.75%
Salary Increases (including wage inflation)	2.75%-10.75%
Single Discount Rate	6.00%
Investment Rate of Return	6.00%
Municipal Bond Rate	4.08%
Health Care Cost Trend Rate	5.50% initial, 3.50% ultimate in 2039
Actuarial Cost Method	Individual Entry Age

An experience study was conducted for the period from 2016 through 2020, comparing assumptions to actual results. The experience study determined the appropriate set of assumptions to keep the plan on a path toward full funding. In 2021, information from the study led to changes in both demographic and economic assumptions, the most notable reductions being the actuarially assumed rate of return from 7.2 percent to 6.9 percent, a reduction in the wage inflation rate from 3.25 percent to 2.75 percent, and a reduction in long-term expected price inflation from 2.5 percent to 2.35 percent. The cost-of-living adjustments rate assumption for pensions for prior to January 7, 2013, retirees is 3 percent simple and for retirees after that date it is 2.9 percent simple through 2025. In the prior year it was 2.3 percent, and then becomes 2.05 percent simple. The discount rate used to measure the total pension liability was 6.9 percent, unchanged from the prior year. The OPEB actuarially assumed single discount rate increased from 5.7 percent to 6 percent and the municipal bond rate increased from 3.77 percent to 4.08 percent. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at statutory contribution rates. Based on the projection, the plan's fiduciary net position would be available to make all projected benefit payments for all current plan members. Therefore, the long-term expected rate of return of 6.9 percent on pension plan investments for the Traditional Pension and Member Directed plans was applied to all periods of projected benefit payments to determine the total liability.

A single discount rate of 6 percent was used to measure the Plan's total OPEB asset on the measurement date of December 31, 2024, compared to 5.7 percent the prior year. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects a long-term expected rate of return on OPEB plan investments and tax-exempt municipal bond rates based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. This single discount rate was based on an expected rate of return on the health care investment portfolio of 6 percent, same as last year, and a municipal bond rate of 4.08 percent, as compared to 3.77 percent the prior year. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at the actuarially determined rate; therefore, the contributions were sufficient for health care costs to 2124. The health care investment rate was applied to projected costs to 2124, and the municipal bond rate was applied to all health care costs after that date.

For the actuarial assumption tables above, Pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employees Mortality Table (males and females). Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females). Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females). For all mortality tables mentioned above, the base year is 2010 and the mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to those tables.

The actuarial assumptions used in the December 31, 2024, valuation were based on the results of an actuarial experience study covering a five-year period between 2016 through 2020. The pension and health care valuation results are valued and presented as of December 31, 2024, and December 31, 2023, respectively.

An estimate range for investment return assumption for pension and OPEB is developed and based on the target allocation adopted by the OPERS Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

Asset Class	Pension		OPEB	
	Target Allocation	Weighted, Average Long- Term Expected Real Rate of Return*	Target Allocation	Weighted, Average Long- Term Expected Real Rate of Return*
Fixed Income	24%	2.42%	37%	2.37%
Domestic Equity	21%	5.70%	26%	5.70%
Real Estate	13%	4.17%	5%	5.00%
Private Equity	15%	8.40%	0%	0.00%
International Equities	20%	6.10%	26%	6.10%
Risk Parity	2%	4.40%	3%	4.40%
Other Investments	5%	2.54%	3%	2.50%
Total Fund	100%		100%	

*Geometric

Sensitivity of the State's Proportionate Share of the Net Pension Liability/(Asset) to Changes in the Discount Rate – The following table represents the net pension liability/(asset) as of December 31, 2024, calculated using the current period discount rate assumption of 6.9 percent. Also shown is what the net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower (5.9 percent) or one percentage point higher (7.9 percent) than the current assumption (dollars in thousands):

	Pension		
	1% Decrease 5.9%	Current Discount Rate 6.9%	1% Increase 7.9%
Traditional Plan			
Net Pension Liability/(Asset):			
Primary Government	\$ 8,164,783	\$ 4,988,542	\$ 2,359,567
Ohio State University	4,457,397	2,724,607	1,284,783

The table below represents sensitivity of the State's proportionate share of the net OPEB liability/(asset) to changes in the current period single discount rate assumption of 6 percent, as of December 31, 2024. The table below shows the expected net OPEB liability/(asset) if it were calculated using a discount rate that is one percentage point lower (5 percent) or one percentage point higher (7 percent) than the current single discount rate (dollars in thousands):

	OPEB		
	1% Decrease 5.0%	Current Single Discount Rate 6.0%	1% Increase 7.0%
Net OPEB Liability/(Asset):			
Primary Government	\$ (236,416)	\$ (476,129)	\$ (676,140)
Ohio State University	(130,424)	(262,642)	(373,010)

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability/(asset). Retiree health care valuations use a health care cost trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2025 is 5.5 percent. The actuaries project premium rate decreases to a level at, or near, wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.5 percent in the most recent valuation. The following table represents the net OPEB liability/(asset) calculated using the assumed trend rates, and the expected net OPEB liability/(asset) if it were calculated using a health care cost trend rate that is one percentage point lower or one percentage point higher than the current health care cost trend rate assumption (dollars in thousands):



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

	OPEB		
	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Net OPEB Liability/(Asset):			
Primary Government	\$ (483,393)	\$ (476,129)	\$ (467,957)
Ohio State University	(266,676)	(262,642)	(258,160)

Early Retirement Incentives (ERI)

State agencies, or departments within agencies, may offer voluntary ERI under Section 145.297, Ohio Revised Code. Through the ERI Program, the State can offer to purchase up to a maximum of five years' worth of service credit from OPERS on behalf of employees who would then meet the age and service requirements to qualify for retirement. The ERI plan must remain in effect for at least one year and the employees must be given at least thirty days' notice before terminating the plan.

State agencies are also required under Section 145.298, Ohio Revised Code, to offer a generally similar ERI when the terminations equal or exceed the lesser of 350 employees or 40 percent of the agency's workforce, as a result of a closure of the agency or a lay-off within a six-month period. Under these circumstances, qualifying employees must decide whether to accept the offer in the time between the announcement of the layoffs and the effective date. The amount of service credit offered cannot exceed five years or 20 percent of the total service credited to any participant. The ERI agreements establish an obligation to pay specific amounts on fixed dates.

As of June 30, 2025, the State had no significant liabilities relative to existing ERI agreements with state employees covered by OPERS. During fiscal year 2025, the State did not incur any significant expenditures/expenses related to ERI agreements.

B. State Teachers Retirement System of Ohio (STRS)

Pension Benefits

STRS is a cost-sharing, multiple-employer public employee retirement system that administers three separate pension plans – the Defined Benefit Plan, the Defined Contribution Plan, and the Combined Plan with features of both the defined benefit plan and the defined contribution plan. STRS benefits are established under Chapter 3307, Ohio Revised Code. STRS also provides death, survivor, and disability benefits to members in the Defined Benefit and Combined Plans.

STRS issues a stand-alone financial report, copies of which may be obtained by making a written request to State Teachers Retirement System of Ohio, Attention: Chief Financial Officer, 275 East Broad Street, Columbus, Ohio 43215-3771, by calling (888) 227-7877 or by visiting the STRS Website at <https://www.strsoh.org>.

Employer and employee required contributions to STRS are established by the Board and limited under the Ohio Revised Code to employer and employee rates of 14 percent and are based on percentages of covered employees' gross salaries, which are calculated annually by the retirement system's actuary. Contribution rates for fiscal year 2025 were 14 percent for employers and 14 percent for employees for the Defined Benefit, Defined Contribution, and Combined Plans. New members may choose to participate in the Combined Plan or the Defined Contribution Plan, in lieu of participation in the Defined Benefit Plan.



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

The age and service requirements for employees for retirement are shown in the table below:

Effective June 1, 2025	Unreduced Benefit		Reduced Benefit	
	Age	Service	Age	Service
Effective June 1, 2025 - May 1, 2030	Any	32	Any	27
	65	5	60	5
Effective June 1, 2030 - May 1, 2032	Any	33	Any	28
	65	5	60	5
On or after June 1, 2032	Any	34	Any	29
	65	5	60	5

The effective retirement date is the first day of the month following the latter of the last day of teaching or attainment of age and service requirements. Retirees are entitled to a maximum annual retirement benefit, payable in monthly installments for life, equal to the “formula benefit” calculation. Benefits are based on the final average of the member’s five highest years of earnings and by multiplying 2.2 percent for each year of service credit. Reduced benefit retirees receive a percentage reduction in benefit amounts.

For members who were eligible to retire on July 1, 2015, or later, the annual benefit amount will be the greater of either the benefit amount calculated under the current benefit formula as described above, or the benefit amount calculated as of July 1, 2015, under the previous benefit formula, as described below.

The previous benefit formula was based on years of credited service and the final average salary, which is the average of the member’s three highest salary years. The annual allowance is determined by multiplying the final average salary by 2.2 percent, multiplied by years of credited service, or 2.5 percent of final average salary if the member has 35 or more years of contributing service credit. Each year over 30 years is incrementally increased by 0.1 percent, starting at 2.5 percent for the 31st year of contributing service up to a maximum 3.3 percent for the 39th year.

Retirees choose from one of four payment options, including annuity options and a “partial lump-sum” option. Under the partial lump-sum option, retirees may take a lump-sum payment that equals from six to 36 times their monthly single life annuity as a lump-sum with the remainder as an annuity.

Participants in the Defined Contribution Plan are eligible to retire at age 50. All employee contributions are deposited into the member’s individual account. Effective July 1, 2022, employers place 11.09 percent of salary into the members individual account and 2.91 percent of salary is allocated to pay for unfunded liabilities. Members direct the investment of their accounts by selecting from various professionally managed investment options. Members vest 20 percent per year in employer contributions, including associated gains and losses on those contributions. Employee contributions vest immediately. Retirees may select from various annuity payment plans or a lump-sum payment option.

Participants in the Combined Plan may start to collect the unreduced defined benefit portion of the plan at age 60 with five years of service, or participants may collect a reduced defined benefit portion of the plan before age 60 with five years of service. Of employee contributions, 12 percent of earned compensation is deposited into the defined contribution portion of the plan, while the remaining two percent is deposited into the member’s defined benefit portion of the combined plan. Employee contributions are allocated among investment choices by the member, and employer contributions are used to fund a defined benefits payment. The annual allowance for the defined benefit portion of the Plan is determined by multiplying the final average salary for the five highest paid years by one percent for each year of Ohio contributing service credit. Participants in the Combined Plan may also participate in the partial lump-sum option plan, as described previously, for the portion of their retirement benefit that is provided through the defined benefit portion of the plan. The defined contribution portion of the Plan may be taken as a lump sum if the member withdraws at or after the age of 50, or the defined benefit can be left on account for a benefit payable at the age of 60. The member may withdraw the defined benefit portion only if they also withdraw the defined contribution account.



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

A retiree of STRS or any other Ohio public retirement system is eligible for re-employment as a teacher after two months from the date of retirement. Members and the employer make contributions during the period of re-employment. Upon termination or the retiree reaches the age of 65, whichever comes later, the retiree is eligible for an annuity benefit or a lump-sum payment in addition to the original retirement allowance. Alternatively, the retiree may receive a refund of member contributions with interest before age 65 once employment is terminated.

At June 30, 2025, the State reports a liability of \$67 million for its proportionate share of the net pension liability, as compared to \$76.2 million at June 30, 2024. Ohio State University discretely presented component unit reports a net pension liability of \$964 million for its proportionate share, as compared to \$1.04 billion at June 30, 2024. The net pension liability was measured as of June 30, 2024. The Plan's total pension liability was used to calculate the net pension liability, as determined by an actuarial valuation as of June 30, 2024. The State's proportion of the net pension liability is determined by a measure of the State's proportionate relationship of employer contributions made to STRS to the total contributions made to STRS by all employers and non-employer contributing entities to the plan. At June 30, 2025, the State's proportion was 0.35 percent, remaining the same as the prior year, based on employer contributions totaling \$6.8 million. Ohio State University's proportionate share was 5 percent, as compared to 4.8 percent the prior year, based on employer contributions of \$99.3 million.

For purposes of measuring the net pension liability, and related deferred inflows and outflows of resources and pension expenses, information about the fiduciary net position of the system and additions to and deductions from the fiduciary net position have been determined on the same basis as they are reported by STRS. For this purpose, benefit payments (including refunds of member contributions) are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

For the year ended June 30, 2025, the State recognized pension expense of \$2.8 million.

At June 30, 2025, the State and Ohio State University reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources (dollars in thousands):

	Pension	
	Primary Government	Ohio State University
Deferred Outflows of Resources:		
Differences Between Expected and Actual Experience	\$ 4,222	\$ 60,704
Changes of Assumptions	3,090	44,425
Change in Employer Proportionate Share	2	1,340
Employer Contributions Subsequent to the Measurement Date	7,137	103,719
Total	<u>\$ 14,451</u>	<u>\$ 210,188</u>
Deferred Inflows of Resources:		
Differences Between Expected and Actual Experience	\$ (37)	\$ (528)
Changes of Assumptions	(2,326)	(33,439)
Differences Between Projected and Actual Investment Earnings	(5,764)	(82,881)
Change in Employer Proportionate Share	(1,757)	(1,492)
Total	<u>\$ (9,884)</u>	<u>\$ (118,340)</u>

Deferred Outflows of Resources of \$7.1 million related to pensions resulting from State contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Ohio State University discretely presented component unit will recognize a reduction of its net pension liability in the year ended June 30, 2026, of \$103.7 million related to pensions resulting from contributions subsequent to the measurement date.



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in pension expense as follows (dollars in thousands):

	Pension	
	Primary	Ohio
	Government	State University
Year Ended June 30:		
2026.....	\$ (4,612)	\$ (54,572)
2027.....	5,726	87,273
2028.....	(2,129)	(25,326)
2029.....	(1,555)	(19,246)

OPEB Benefits

Additionally, STRS offers a cost-sharing, multiple employer health care plan which provides access to health care to eligible retirees who participate in the Defined Benefit Plan or Combined Plan. Benefits include hospitalization, physician's fees, prescription drugs and reimbursement of a portion of the monthly Medicare Part B premiums. Health care premiums will be reduced by a Medicare Part B Premium credit beginning in 2023. Retirees enrolled in the Defined Contribution Plan receive no postemployment health care benefits.

Ohio Revised Code Chapter 3307 gives the STRS board discretionary authority over how much, if any, of associated health care costs are absorbed by the health care plan. All benefit recipients of the health care plan, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Medicare Part D allows STRS Ohio to recover part of the health care cost for providing prescription coverage through its health care plans which include creditable prescription drug coverage. For the Defined Benefit and Combined Plans, all employer contributions are used to fund pension obligations, and none was allocable to postemployment health care benefits for 2025. Under Ohio law, funding for the postemployment health care may be deducted from employer contributions. This action will reduce the amortization period for the pension fund. The Board has authority to direct part of the employer contribution back to the Health Care Fund in the future.

At June 30, 2025, the State reports a net OPEB asset of \$6.6 million for its proportionate share, as compared to \$6.9 million at June 30, 2024. Ohio State University discretely presented component unit reports a net OPEB asset of \$95 million for its proportionate share, as compared to \$93.6 million as of June 30, 2024. The net OPEB asset was measured as of June 30, 2024. The Plan's total OPEB liability was used to calculate the net OPEB asset determined by an actuarial valuation as of June 30, 2024. The State's proportion of the net OPEB asset is determined by a measure of the State's proportionate relationship of employer contributions made to STRS to the total contributions made to STRS by all employers to the plan. At June 30, 2025, the State's proportion was 0.35 percent remaining the same as the prior year, based on employer contributions totaling \$6.8 million. Ohio State University's proportionate share was 5 percent, based on employer contributions of \$99.3 million, as compared to 4.8 percent the prior year.

For purposes of measuring the net OPEB asset, related deferred inflows and outflows of resources and expenses, information about the fiduciary net position of the system and additions to and deductions from the fiduciary net position have been determined on the same basis as they are reported by STRS. For this purpose, benefit payments (including refunds of member contributions) are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

For the year ended June 30, 2025, the State recognized OPEB expense of \$(1.5) million.

At June 30, 2025, the State and Ohio State University reported Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB from the following sources (dollars in thousands):



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

	OPEB	
	Primary Government	Ohio State University
Deferred Outflows of Resources:		
Differences Between Expected and Actual Experience	\$ 287	\$ 4,131
Changes of Assumptions	813	11,696
Change in Employer Proportionate Share	44	8
Total	<u>\$ 1,144</u>	<u>\$ 15,835</u>
Deferred Inflows of Resources:		
Differences Between Expected and Actual Experience	\$ (712)	\$ (10,240)
Changes of Assumptions	(2,980)	(42,855)
Differences Between Projected and Actual Investment Earnings	(284)	(4,080)
Change in Employer Proportionate Share	(7)	(48)
Total	<u>\$ (3,983)</u>	<u>\$ (57,223)</u>

There were no State contributions to OPEB subsequent to the measurement date and therefore, there will be no increase of the net OPEB asset resulting from subsequent contributions recognized in the year ended June 30, 2026.

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB will be recognized in OPEB expense as follows (dollars in thousands):

	OPEB	
	Primary Government	Ohio State University
Year Ending June 30:		
2026.....	\$ (1,009)	\$ (14,889)
2027.....	(438)	(6,638)
2028.....	(563)	(8,184)
2029.....	(524)	(7,318)
2030.....	(423)	(5,865)
Thereafter.....	118	1,506

Actuarial Assumptions for Pension and OPEB Liabilities

The total pension and OPEB liabilities in the June 30, 2024, actuarial valuations were determined using the following actuarial assumptions, respectively, applied to all periods included in the measurement:



**NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)**

Pension		
Actuarial Cost Method	Entry Age Normal	
Inflation	2.50	percent
Salary Increases	2.5 to 8.5	percent, varies by service
Projected Payroll Growth	3.00	percent
Investment Rate of Return	7.00	percent, net of pension plan investment expenses, including inflation
Discount Rate	7.00	percent
COLA or Ad Hoc COLA	0	percent
OPEB		
Actuarial Cost Method	Entry Age Normal	
Salary Increases	2.5 to 8.5	percent, varies by service
Payroll Increases	3.00	percent
Investment Rate of Return	7.00	percent, net of OPEB plan investment expenses, including inflation
Municipal Bond Yield	3.93	percent as of June 30, 2024
Discount Rate	7.00	percent, based on a blend of 3.93% municipal bond yield/expected return
COLA or Ad Hoc COLA	0	percent
Health Care Cost Trends	-11.95 to 7.50 percent; 3.94 percent ultimate	

Pension and OPEB mortality rates were based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table for pension and PUB-2010 Teachers Healthy Annuitant Mortality Table for OPEB, both adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. The disabled rates are based on the Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020. The actuarial assumptions used in the valuation were adopted by the board based on the results of an actuarial experience study for July 1, 2015, through June 30, 2021.

The pension and OPEB actuarial assumptions used in this valuation for fiscal year 2024 are the same as the prior year except municipal bond yield changed from the prior year to 3.93 percent from 3.65 percent and the health care cost trends were adjusted to -11.95 to 7.50 percent; 3.94 per cent ultimate from -10.94 to -1.33 percent; 4.14 percent ultimate for OPEB in the prior year. The total pension liability for 2024 was determined by an actuarial valuation as of June 30, 2024, using actuarial assumptions related to inflation of 2.5 percent, investments rate of return of 7.00 percent, and zero percent for COLA.

An estimated range for investment return assumption is developed and based on the target allocation adopted by the STRS Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Pension and OPEB	
	Target Allocation	Long-Term Expected Real Rate of Return*
Domestic Equity	26%	6.90%
International Equity	22%	7.70%
Alternatives	19%	9.10%
Fixed Income	22%	4.50%
Real Estate	10%	5.10%
Liquidity Reserves	1%	2.40%
Total Fund	100%	

*10-year annualized geometric nominal returns, which include the real rate of return and inflation of 2.40 percent, and does not include investment expenses.



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

Discount Rate - The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at statutory contribution rates. Only employer contributions that are intended to fund benefits of current plan members and beneficiaries are included. Therefore, the long-term expected rate of return of 7.00 percent was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2024.

Sensitivity of the State's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table represents the net pension liability as of the June 30, 2024, measurement date, calculated using the current period discount rate assumption of 7.00 percent. Also shown in the table below is what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current assumption (dollars in thousands):

	Pension		
	1% Decrease	Current	1% Increase
	6.00%	Discount Rate	8.00%
		7.00%	
Net Pension Liability:			
Primary Government	\$ 108,150	\$ 67,042	\$ 32,271
Ohio State University	1,555,038	963,961	464,011

The projection of cash flows used to determine the net OPEB liability/(asset) discount rates assumed STRS continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2024. Therefore, the long-term expected rate of return on health care plan investments of 7.00 percent was applied to all periods of projected benefit payments to determine the total OPEB liability as of June 30, 2024. Shown in the table below is what the net OPEB liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current assumption (dollars in thousands):

	OPEB		
	1% Decrease	Current	1% Increase
	6.00%	Discount Rate	8.00%
		7.00%	
Net OPEB Liability/(Asset):			
Primary Government	\$ (5,374)	\$ (6,609)	\$ (7,684)
Ohio State University	(77,262)	(95,026)	(110,484)

Sensitivity of the net OPEB liability/(asset) to changes in the health care cost trend rates calculated using the assumed trend rates as well as what the plan's net OPEB liability/(asset) would be if it were calculated using a trend rate that is one percentage point lower or one percentage point higher is presented below (dollars in thousands):

	OPEB		
	1% Decrease	Current Health	1% Increase
		Care Cost Trend	
		Rate	
		Assumption	
Net OPEB Liability/(Asset):			
Primary Government	\$ (7,757)	\$ (6,609)	\$ (5,229)
Ohio State University	(111,528)	(95,026)	(75,180)

Economic assumption changes since the last valuation include 2024 healthcare trend updates to reflect emerging claims and recoveries experience as well as benefit changes.



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

C. State Highway Patrol Retirement System (SHPRS)

Pension Benefits

SHPRS, a component unit of the State, was established in 1941 by the General Assembly as a single-employer, defined benefit pension plan and is administered by the State. The plan covers employees of the State Highway Patrol, including officers with arrest authority, cadets in training, and members with the radio division.

The plan issues a stand-alone financial report that includes financial statements and required supplementary information, and the State reports the plan as a pension trust fund. Copies of the financial report may be obtained by writing to the Ohio State Highway Patrol Retirement System, 1900 Polaris Parkway, Suite 201, Columbus, Ohio 43240-4037, or by calling (614) 431-0781. SHPRS's Comprehensive Annual Financial Report for the year ended December 31, 2024, may also be found at <https://www.ohprs.org>.

SHPRS is authorized under Chapter 5505, Ohio Revised Code, to provide retirement and disability benefits to retired members and survivor benefits to qualified dependents of deceased members of the Ohio State Highway Patrol.

Chapter 5505, Ohio Revised Code, requires contributions by active members and the Ohio State Highway Patrol. The employer and employee contribution rates are established by the General Assembly, and any change in the rates requires legislative action. By law, the employer rate may not exceed three times the employee contribution rate, nor be less than the employee rate paid by contributing members.

SHPRS' investments are reported at fair value. Fair value is the amount that the plan can reasonably expect to receive for an investment in a current sale, between a willing buyer and a willing seller – that is, other than in a forced or liquidation sale.

Securities traded on a national exchange are valued at the last reported sales price at the current exchange rate. The fair value of real estate and private equity investments are based on information provided by the Fund's managers or by independent appraisals. For actuarial purposes, assets are valued with a method that amortizes the difference between actual and assumed return over a closed, four-year period.

Employees are eligible for pension and health care benefits upon reaching both an age and service requirement. Employees with at least 20 years of service credit, may retire at age 52 with unreduced benefits, or age 48 with reduced benefits. Employees with more than 25 years of service may retire at age 48 with unreduced benefits. The pension benefit is a percentage of the member's final average salary, which is the average of the member's five highest salary years. For members with 20 or more years of service credit, the percentage is determined by multiplying 2.5 percent for the first 20 years of service, plus 2.25 percent for the next five years of service, plus two percent for each year in excess of 25 years of service. A member's pension may not exceed 79.25 percent of the final average salary. All members must retire upon attaining age 60.

Employees who left SHPRS prior to meeting the requirements for receiving an age and service pension, but who have at least 15 years of service credit but less than 20 years, are eligible for a deferred pension. Such employees may collect a pension at age 55, at a percentage of their final average salary determined by multiplying 1.5 percent times the number of years of service credit. These employees are not eligible for health care benefits.

Membership data for SHPRS is presented in the table below:

Membership Data as of December 31, 2024

Active Members	1,436
Retirees Receiving Benefits	1,910
Retirees not Receiving Benefits	44
	<u>3,390</u>



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

The SHPRS Board sets employee contribution rates and cost-of-living adjustment rates. Employee contribution rates may range between 10 and 14 percent and cost-of-living adjustments range between zero and three percent. The Board may set the cost-of-living adjustments annually, but in no case shall it exceed three percent. The cost-of-living adjustment eligibility is 60 years of age, or age 53 for members retired prior to January 7, 2013.

The employer and employee contribution rates, as of December 31, 2024, were 26.5 percent and 14 percent, respectively. During calendar year 2024, employers' contributions funded zero percent of the postemployment health care, the same as the prior year. The employees' contributions funded pension benefits only.

The State's net pension liability was determined by an actuarial valuation as of December 31, 2023, using key actuarial assumptions, methods, and other inputs as of December 31, 2024, and projected to that date assuming no plan membership gains or losses. Detailed information about SHPRS' pension plan fiduciary net position and the OPEB plan fiduciary net position is available in the separately issued SHPRS financial report. SHPRS uses the accrual basis of accounting, under which expenses are recorded when incurred and revenues are recorded when earned and measurable. Member and employer contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investment purchases and sales are recorded at the trade date.

The Schedule of Changes in Net Pension Liability is presented below (dollars in thousands):

Fiscal year ending December 31, 2024	Pension
Total Pension Liability:	
Service Cost	\$ 19,425
Interest on the Total Pension Liability	98,914
Difference Between Expected and Actual Experience	17,456
Benefit Payments	(87,165)
Net Change in Total Pension Liability	48,630
Total Pension Liability - Beginning	1,388,488
Total Pension Liability - Ending (a)	<u>\$ 1,437,118</u>
Plan Fiduciary Net Position:	
Employer Contributions	\$ 34,725
Employee Contributions	18,685
Pension Plan Net Investment Income	96,153
Benefit Payments	(87,165)
Pension Plan Administrative Expense	(1,648)
Net Change in Plan Fiduciary Net Position	60,750
Plan Fiduciary Net Position - Beginning	952,866
Adjustment to Beginning of Year	(6,642)
Plan Fiduciary Net Position - Ending (b)	<u>\$ 1,006,974</u>
Net Pension Liability - Ending (a) - (b)	\$ 430,144
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	70.07%
Covered Payroll*	\$ 135,142
Net Pension Liability as a Percentage of Covered Payroll	318.29%
Notes to Schedule:	N/A

*Includes members of the DROP (Deferred Retirement Option Program).



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

For the year ended June 30, 2025, the State recognized pension expense of \$29.5 million. The amount of employer contributions from the State for the calendar year ended December 31, 2024, totaled \$34.7 million for pension. At June 30, 2025, the State reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources (dollars in thousands):

	Pension
Deferred Outflows of Resources:	
Differences Between Expected and Actual Experience	\$ 23,671
Contributions Subsequent to Measurement Date	18,848
Total	<u>\$ 42,519</u>
Deferred Inflows of Resources:	
Difference Between Expected and Actual Experience	\$ (1,429)
Net Difference Between Projected and Actual	
Earnings on Pension Plan Investments	(9,901)
Changes of Assumptions	(1,646)
Total	<u>\$ (12,976)</u>

Deferred Outflows of Resources of \$18.8 million related to pensions resulting from State contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in pension expense as follows (dollars in thousands):

	Pension
Year Ending June 30:	
2026.....	\$ 7,463
2027.....	23,397
2028.....	(14,494)
2029.....	(5,671)

OPEB Benefits

In addition to providing pension benefits, SHPRS, a single employer plan, is authorized by Chapter 5505, Ohio Revised Code, to provide a postemployment health care plan which includes medical, hospitalization and prescription drug coverage. Health care benefits are not guaranteed and are subject to change at any time, as determined by the Board and certified by the Office of Budget and Management. For actuarial purposes, assets are valued with a method that amortizes the difference between actual and assumed return over a closed, four-year period. Qualifications for postemployment health care coverage are described along with pension qualifications under the Pension Plan section.

During calendar year 2024, the employer's contribution rate for postemployment health care benefits was zero percent of payroll. None of the employees' contributions funded postemployment health care. The cost of retiree health care benefits is recognized as claims are incurred and premiums are paid.

The pension and OPEB plans' fiduciary net position has been determined on the same basis used by the pension plan.



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

The Schedule of Changes in Net OPEB Liability is presented as follows (dollars in thousands):

Fiscal year ending December 31, 2024	OPEB
Total OPEB Liability:	
Service Cost	\$ 6,305
Interest on the Total OPEB Liability	10,904
Benefit Changes	(100,253)
Difference Between Expected and Actual Experience	10,173
Assumption Changes	(16,303)
Benefit Payments	(7,298)
Net Change in Total OPEB Liability	(96,472)
Total OPEB Liability - Beginning	342,145
Total OPEB Liability - Ending (a)	<u>\$ 245,673</u>
Plan Fiduciary Net Position:	
Net Investment Income	\$ 12,176
Benefit Payments (includes refunds of employee contributions) ...	(7,298)
OPEB Plan Administrative Expense	(209)
Other	(863)
Net Change in Plan Fiduciary Net Position	3,806
Plan Fiduciary Net Position - Beginning	123,899
Plan Fiduciary Net Position - Ending (b)	<u>\$ 127,705</u>
Net OPEB Liability - Ending (a) - (b)	\$ 117,968
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	51.98%
Covered Payroll*	\$ 125,482
Net OPEB Liability as a Percentage of Covered Payroll	94.01%
Notes to Schedule:	N/A

*Includes members of the DROP.

For the year ended June 30, 2025, the State recognized OPEB expense of \$(130.1) million. At June 30, 2025, the State reported Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB from the following sources (dollars in thousands):

	OPEB
Deferred Outflows of Resources:	
Difference Between Expected and Actual Experience	\$ 9,905
Changes of Assumptions	43,949
Total	<u>\$ 53,854</u>
Deferred Inflows of Resources:	
Difference Between Expected and Actual Experience	\$ (11,997)
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	(831)
Changes of Assumptions	(167,958)
Total	<u>\$ (180,786)</u>

There were no State contributions to OPEB subsequent to the measurement date and therefore, there will be no reduction of the net OPEB liability resulting from subsequent state contributions recognized in the year ending June 30, 2026.



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB will be recognized in OPEB expense as follows (dollars in thousands):

	OPEB
Year Ending June 30:	
2026.....	\$ (23,559)
2027.....	(57,645)
2028.....	(38,941)
2029.....	(6,787)

Actuarial Assumptions for Pension and OPEB Liabilities

The total pension and OPEB liabilities at December 31, 2024, were determined using the following actuarial assumptions applied to all periods included in the measurement: an investment rate of return of 7.25 percent compounded annually, remained the same as the prior year. The projected salary increase of 2.75 percent was attributable to wage inflation, and additional projected salary increases ranging from 3.9 percent to 20.5 percent including inflation, both remaining the same as the prior year. Price inflation of 2.5 percent annually, remained the same as prior year. The actuarial assumptions were based off a December 31, 2023, actuarial valuation date for funding purposes and a December 31, 2024, actuarial valuation date for financial reporting purposes. These assumptions have been adopted effective for the year ended December 31, 2020, following a five-year experience study covering the five-year period ending December 31, 2018.

Pre-retirement mortality rates were based on the PubS-2010 healthy public safety employee below median amount-weighted mortality, adjusted by a factor of 100.4 percent of gender specific table rates at each age, with generational improvements using 75 percent of the most recent projection scale, currently scale MP-2021, and base year 2010. Healthy retiree mortality tables used in evaluating allowances were based on PubS-2010 total healthy public safety annuitant amount-weighted mortality, adjusted by a factor of 94.5 percent of gender-specific table rates at each age, with generational improvements using 75 percent of most recent projection scale, currently scale MP-2021, and a base year of 2010. Disabled retiree mortality tables were the PubS-2010 total disabled public safety annuitant amount-weighted mortality, adjusted by a factor of 101.6 percent of gender-specific table rates at each age rates, with generational improvements using 75 percent of most recent projection scale, currently scale MP-2021, and a base year of 2010.

An estimated range for investment return assumptions is developed and based on the target allocation adopted by the SHPRS' Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

Asset Class	Pension and OPEB	
	Pension and OPEB Target Allocation	Pension and OPEB Long-Term Expected Real Rate of Return*
Cash	3%	0.50%
Domestic Equity	22%	3.50%
Global Equity	23%	7.50%
Non-US Equity	0%	0.00%
Opportunistic Fixed Income	9%	4.20%
Core Fixed Income	8%	2.10%
Real Estate	5%	6.00%
Private Equity	20%	7.40%
Absolute Return	5%	4.30%
Real Assets	5%	6.00%
Total Fund	100%	

*Long-Term expected rates of return as shown were calculated arithmetically.

The single discount rate used to measure the total pension liability was 7.25 percent. The single discount rate was based on the expected rate of return on pension plan investments of 7.25 percent and the municipal bond rate of 4.28 percent. The projection of cash flows used to determine the discount rate assumes employer contribution rates allocated to pensions will be 26.5 percent for each year, employee contribution rates of 14 percent for 2024 and each year thereafter, and administrative expenses projected to future periods using an assumed growth rate of 2.5 percent. Based on these assumptions, the pension plan's fiduciary net position and future contributions were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.25 percent on investments and 4.28 percent on municipal bonds, was applied to all periods of projected benefit payments to determine the total pension liability as of December 31, 2024.

Sensitivity of the State's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table represents the net pension liability as of December 31, 2024, calculated using the current period discount rate assumption of 7.25 percent. Also shown is what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25 percent) or one percentage point higher (8.25 percent) than the current assumption (dollars in thousands):

Pension		
	Current Single	
1% Decrease	Discount Rate	1% Increase
6.25%	7.25%	8.25%
\$ 593,104	\$ 430,144	\$ 294,176

Net OPEB Liability uses a single discount rate of 4.75 percent as compared to a single discount rate of 4.28 percent as of measurement date December 31, 2023. This Single Discount Rate was based on an expected rate of return on OPEB plan investments of 7.25 percent and a municipal bond rate of 4.28 percent. The municipal bond rate is based on the S&P Municipal Bond 20 Year High Grade Rate Index as published by the S&P Dow Jones Indices and prescribed it for use in determining the discount rate under GASB accounting rules as of the measurement date.

The projection of cash flows used to determine this Single Discount Rate assumed no contributions, total payroll for the initial projection year consists of active membership payroll as of the valuation date who are expected to be actively employed on the measurement date, and average administrative expenses of the two most recent years were projected to increase 2.5 percent annually and allocated to employees based on the change in percentage of total membership attributable to each group. Based on these assumptions, the OPEB Plan's fiduciary net position



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

was projected to fund expected benefits through 2042. Therefore, the long-term expected rate of return was applied through 2042 and the municipal rate was applied thereafter. Shown in the table below is what the net OPEB liability would be if it were calculated using a single discount rate that is one percentage point lower (3.75 percent) or one percentage point higher (5.75 percent) than the current assumption (dollars in thousands):

OPEB		
1% Decrease	Current Single Discount Rate	1% Increase
3.75%	4.75%	5.75%
\$ 157,241	\$ 117,968	\$ 86,854

It is assumed health care cost will increase between 4.75 percent and 7.60 percent per year until 2033, ultimately declining to 4.75 percent for future years. The sensitivity of the net OPEB liability to changes in the health care cost trend rates calculated using the assumed trend rates as well as what the plan's net OPEB liability would be if it were calculated using a trend rate that is one percentage point lower or one percentage point higher is presented below (dollars in thousands):

OPEB		
1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
\$ 82,067	\$ 117,968	\$ 164,091

D. Alternative Retirement Plan (ARP)
Pension Benefits

The ARP is a defined contribution retirement plan that is authorized under Section 3305.02, Ohio Revised Code. The ARP provides at least four or more alternative retirement plans for academic and administrative employees of Ohio's institutions of higher education, who otherwise would be covered by OPERS or STRS. Unclassified civil service employees hired on or after August 1, 2005, are also eligible to participate in the ARP.

The Board of Trustees of each public institution of higher education enters into contracts with each approved retirement plan provider. Once established, full-time faculty and unclassified employees who are hired subsequent to the establishment of the ARP, or who had less than five years of service credit under the existing retirement plans, may choose to enroll in the ARP. The choice is irrevocable for as long as the employee remains continuously employed in a position for which the ARP is available. For those employees that choose to join the ARP, any prior employee contributions that had been made to OPERS or STRS would be transferred to the ARP. The Ohio Department of Higher Education has designated the companies that are eligible to serve as plan providers for the ARP.

Ohio law requires that employee contributions be made to the ARP in an amount equal to those that would otherwise have been required by the retirement system that applies to the employee's position. For the fiscal year ended June 30, 2025, these contribution rates are 10 percent for OPERS and 14 percent for STRS. Employees may also voluntarily make additional contributions to the ARP.

For the year ended June 30, 2025, each public institution of higher education was required to contribute 2.44 percent of a participating employee's salary to OPERS in cases when the employee would have otherwise been enrolled in OPERS.



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

Ohio law also requires each public institution of higher education to contribute 4.47 percent of a participating employee's gross salary, for the year ended June 30, 2025, to STRS in cases when the employee would have otherwise been enrolled in STRS.

The employer contribution amount is subject to actuarial review every fifth year to determine if the rate needs to be adjusted to mitigate any negative financial impact that the loss of contributions may have on OPERS and STRS. The Board of Trustees of each public institution of higher education may also make additional payments to the ARP based on the gross salaries of employees multiplied by a percentage the respective Board of Trustees approves.

The ARP vesting of all contributions made on behalf of participants is based on the employer's vesting requirements. The contributions are directed to one of the investment management companies as chosen by the participants. The ARP does not provide disability benefits, annual cost-of-living adjustments, postretirement health care benefits, or death benefits. Benefits are entirely dependent on the sum of the contributions and related investment income generated by each participant's choice of investment options.

For the State's major discretely presented component unit, employer and employee contributions required and made for the year ended June 30, 2025, for the ARP follow (dollars in thousands):

<u>Major Component Unit:</u>	<u>OPERS</u>	<u>STRS</u>
Ohio State University:		
Employer Contributions	\$ 40,710	\$ 52,323
Employee Contributions	35,217	76,865

NOTE 10 GENERAL OBLIGATION BONDS

At various times since 1921 to present, Ohio voters, by 21 constitutional amendments, have authorized the incurrence of general obligation debt for the construction and improvement of common school and higher education facilities, highways, local infrastructure improvements, research and development of coal technology, natural resources, research and development support for high-tech business, business site development, and veterans compensation. Issuances for highway capital improvements, natural resources, and conservation are, in part, used for acquisition, construction or improvement of capital assets. In practice, general obligation bonds are retired over periods of 10 to 25 years. The State's general obligation bonds are described below.

A 1999 constitutional amendment provided for the issuance of Common School Capital Facilities Bonds and Higher Education Capital Facilities Bonds. As of June 30, 2025, the General Assembly had authorized the issuance of \$6.42 billion in Common Schools Capital Facilities Bonds, of which \$5.91 billion has been issued. As of June 30, 2025, the General Assembly had also authorized the issuance of \$5.26 billion in Higher Education Capital Facilities Bonds, of which \$4.72 billion has been issued.

Through the approval of the November 1995 amendment, voters authorized the issuance of Highway Capital Improvements Bonds in amounts up to \$220 million in any fiscal year (plus any prior fiscal years' principal amounts not issued), with no more than \$1.2 billion outstanding at any time. As of June 30, 2025, the General Assembly has authorized the issuance of approximately \$4.29 billion in Highway Capital Improvements Bonds, of which \$3.58 billion has been issued.



NOTE 10 GENERAL OBLIGATION BONDS (Continued)

Constitutional amendments in 1995, 2005, 2014, and 2025 allowed for the issuance of \$5.63 billion of general obligation bonds for infrastructure improvements (Infrastructure Bonds). Not more than \$175 million of Infrastructure Bonds may be issued in each fiscal year beginning in 2018 through fiscal year 2022, \$200 million in each fiscal year beginning in fiscal year 2023 through fiscal year 2027, and \$250 million in each fiscal year beginning in fiscal year 2028 through fiscal year 2037, plus any obligations unissued from previous fiscal years. As of June 30, 2025, the General Assembly had authorized \$5.44 billion of these bonds to be sold (excluding any amounts for unaccreted discount on capital appreciation bonds at issuance), of which \$5.07 billion has been issued (net of \$214 million in unaccreted discounts at issuance).

Coal Research and Development Bonds and Parks, Recreation, and Natural Resources Bonds may be issued as long as the outstanding principal amounts do not exceed \$100 and \$200 million, respectively. Not more than \$50 million of Natural Resources Bonds may be issued in any fiscal year. As of June 30, 2025, the General Assembly had authorized the issuance of \$256.3 million in Coal Research and Development Bonds, of which \$254 million has been issued. Legislative authorizations for the issuance of Natural Resources Capital Facilities Bonds totaled \$509 million, as of June 30, 2025, of which \$484.6 million has been issued.

Constitutional amendments in 2000 and 2008 allowed for outstanding Conservation Projects Bonds of up to \$400 million. No more than \$50 million may be issued during a fiscal year (plus any obligations unissued from previous fiscal years). As of June 30, 2025, the General Assembly had authorized the issuance of \$832.8 million in Conservation Projects Bonds of which \$682.6 million has been issued.

Through approval of the November 2005 and May 2010 amendments, voters authorized the issuance of \$1.2 billion of Third Frontier Research and Development Bonds. Obligations that may be issued are limited to \$175 million in any fiscal year (plus any obligations unissued from previous fiscal years). As of June 30, 2025, the General Assembly had authorized the issuance of \$1.2 billion in Third Frontier Research and Development Bonds, of which \$1.03 billion has been issued.

A November 2005 amendment authorized the issuance of \$150 million of Site Development Bonds. As of fiscal year 2014, all \$150 million had been issued.

A 2009 constitutional amendment provided for the issuance of up to \$200 million in Veterans Compensation Bonds. No obligations may be issued after December 31, 2013. The General Assembly authorized all \$200 million in Veterans' Compensation Bonds, of which \$83.9 million had been issued.

General obligation bonds outstanding and future general obligation debt service requirements, as of June 30, 2025, are presented in the following table. For the variable-rate bonds, using the assumption that current interest rates remain the same over their term, the interest and net swap payment amounts are based on rates as of June 30, 2025. As rates vary, variable-rate bond interest payments and net swap payments vary.



NOTE 10 GENERAL OBLIGATION BONDS (Continued)

**Primary Government-Governmental Activities
Summary of General Obligation Bonds
and Future Funding Requirements
As of June 30, 2025
(dollars in thousands)**

	Fiscal Years Issued	Interest Rates	Maturing Through Fiscal Year	Outstanding Balance	Authorized But Unissued
Common Schools Capital Facilities	2006-25	1.3%-5.0%	2044	\$2,018,608	\$ 508,900
Higher Education Capital Facilities	2015-25	0.9%-5.0%	2045	1,982,674	539,555
Highway Capital Improvements	2016-24	4.0%-5.0%	2039	679,804	706,905
Infrastructure Improvements	2010-25	1.3%-5.5%	2044	2,014,831	371,304
Coal Research and Development	2016-20	4.0%-5.0%	2030	10,664	2,266
Natural Resources Capital Facilities	2018-20	4.0%-5.0%	2035	47,329	24,380
Conservation Projects	2016-24	2.0%-5.0%	2035	236,358	150,125
Third Frontier Research and Development	2016-25	2.2%-5.0%	2030	157,798	169,000
Veterans' Compensation	2020	2.1%-2.1%	2026	945	116,090
Total General Obligation Bonds				<u>\$7,149,011</u>	<u>\$2,588,525</u>

Future Funding of Fixed-Rate Bonds:

Year Ending June 30,	Principal	Interest	Total
2026.....	\$ 654,495	\$ 295,141	\$ 949,636
2027.....	583,370	263,984	847,354
2028.....	554,480	237,083	791,563
2029.....	536,555	210,714	747,269
2030.....	538,435	185,777	724,212
2031-2035.....	2,149,025	600,899	2,749,924
2036-2040.....	1,067,565	214,352	1,281,917
2041-2045.....	355,015	44,559	399,574
Total Fixed-Rate Bonds	<u>\$ 6,438,940</u>	<u>\$ 2,052,509</u>	<u>\$ 8,491,449</u>

Future Funding of Variable-Rate Bonds:

Year Ending June 30,	Principal	Interest	Interest Rate Sw aps, Net	Total
2026.....	\$ 13,620	\$ 408	\$ 56	\$ 14,084
Total Variable-Rate Bonds.....	<u>\$ 13,620</u>	<u>\$ 408</u>	<u>\$ 56</u>	<u>\$ 14,084</u>
Total General Obligation Bonds	\$6,452,560			
Unamortized Premium/(Discount), Net.....	696,451			
Total.....	<u>\$7,149,011</u>			

For the year ended June 30, 2025, NOTE 15 summarizes changes in general obligation bonds.

Hedging Derivative Instruments

As of June 30, 2025, approximately \$13.6 million of Common Schools Bonds have associated cash flow hedges with a fair value of \$44 thousand. The value of these bonds is reported as part of the Bonds and Notes Payable section and the fair value of the cash flow hedges is reported in the Other Noncurrent Liabilities section on the Statement of Net Position. The fair value decreased \$38 thousand during fiscal year 2025. This decrease is reported on the Statement of Net Position as part of Deferred Outflows of Resources. Fair value of the cash flow hedges is determined using the zero-coupon method. For information on the State's Deferred Outflows of Resources and Deferred Inflows of Resources, see NOTE 18.



NOTE 10 GENERAL OBLIGATION BONDS (Continued)

Terms and objectives of the State's hedging derivative instruments are provided in the following table:

Hedging Derivative Instruments As of June 30, 2025 <i>(dollars in thousands)</i>							
Issue	Type of Cash Flow Hedge	Notional Amount	Underlying Index	Counterparty's Sw ap Rate at 06/30/2025	State's Sw ap Rate at 06/30/2025	Effective Date	Termination (Maturity) Date
Common Schools, Series 2006B	Pay-fixed interest rate sw ap	\$6,810	SOFR (see terms below)	3.15%	3.20%	11/21/2014	6/15/2026
Objective: Convert Series 2006B variable-rate bonds into a synthetic fixed rate to minimize exposure to changing interest rates Credit Quality Ratings of Counterparty: A2/A+/A+ US Bank National Association Terms: 65% of 1-month SOFR + 25 basis points							
Common Schools, Series 2006C	Pay-fixed interest rate sw ap	\$6,810	SOFR (see terms below)	3.15%	3.20%	6/15/2006	6/15/2026
Objective: Convert Series 2006C variable-rate bonds into a synthetic fixed rate to minimize exposure to changing interest rates Credit Quality Ratings of Counterparty: Aa1/AA-/AA- Royal Bank of Canada Terms: 65% of 1-month SOFR + 25 basis points							

The State is exposed to credit risk in the amount of the derivative instrument's positive fair value.

Each swap counterparty is required to post collateral to a third party when their respective credit rating, as determined by specified nationally recognized credit rating agencies, falls below the trigger level defined in the swap agreement. This arrangement protects the State by mitigating credit risk, and therefore termination risk, inherent in the swap. Collateral on all swaps must be in the form of cash or U.S. government securities and held by a third-party custodian. Net payments are made on the same date, as specified in the agreements.

The combination of the variable-rate bonds and a floating-to-fixed swap creates a low-cost, long-term synthetic fixed-rate debt that protects the State from rising interest rates.

These swaps expose the State to basis risk or a mismatch between the floating rate received on the swap and the variable rate paid on the underlying variable-rate bonds. A mismatch would increase or decrease the interest cost paid by the State.

For Common Schools, Series 2006B and 2006C, the State assumes the risk of reductions in marginal federal tax rates or elimination of the tax preference for municipal securities, given that the variable swap receipt is based on a taxable index SOFR, due to the cessation of LIBOR. Those changes would increase the interest rates on the underlying variable-rate debt but would not impact the variable-rate swap receipt based on the SOFR index.



NOTE 10 GENERAL OBLIGATION BONDS (Continued)

The State retains the right to terminate any swap agreement at the fair value prior to maturity. The State has termination risk under the contracts, particularly upon the occurrence of an additional termination event (ATE), as defined in the swap agreements. An ATE occurs if either the credit rating of the bonds associated with a specific swap or the credit rating of the swap counterparty falls below a threshold defined in each swap agreement. If the swap was terminated, the variable-rate bonds would no longer carry a synthetic interest rate. Also, if at the time of the termination the swap has a negative fair value, the State may be liable to the counterparty for a payment. Other termination events include failure to pay, bankruptcy, merger without assumption, and illegality. No termination events have occurred.

Refundings and Defeasances

During fiscal year 2025, there was one refunding of general obligation bonds. Proceeds of the refunding (new) bonds were placed in irrevocable trusts to provide for all future debt service payments of the refunded (old) bonds. These refunded amounts are considered defeased and no longer outstanding. The various trust accounts' assets and liabilities for the defeased bonds are not included in the State's financial statements. Details on the refunding are presented in the table below.

During fiscal year 2025, the State paid cash to optionally redeem the debt outstanding for certain maturities in three bond series. The amounts are defeased and no longer outstanding.

In prior years, the State defeased certain bond issues by placing cash and other monetary assets and proceeds of refunding (new) bonds in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the various trust accounts' assets and liabilities for the defeased bonds are not included in the State's financial statements. At June 30, 2025, Higher Education Bonds of \$57.6 million are outstanding and considered defeased.

Primary Government — Governmental Activities
General Obligation Bonds
Details of Refundings
For the Year Ended June 30, 2025
(dollars in thousands)

Refunding Bond Issue	Date of Refunding	Amount of Refunding Bonds Issued	True Interest Cost Rates of Refunding Bonds	Carrying Amount of Bonds Refunded (in substance)	Refunding Bond Proceeds Placed in Escrow	Reduction (Increase) in Debt Service Payments	Economic Gain / (Loss) Resulting from Refunding
Higer Education, Series 2025B.....	2/24/2025	\$ 476,300	3.00%	\$ 534,275	\$ 527,525	\$ 56,882 / 12 yrs	\$ 46,483
Total		<u>\$ 476,300</u>		<u>\$ 534,275</u>	<u>\$ 527,525</u>		<u>\$ 46,483</u>



NOTE 11 REVENUE BONDS AND NOTES

The State Constitution permits state agencies and authorities to issue bonds and notes that are not supported by the full faith and credit of the State. These bonds and notes pledge income derived from user fees and rentals on the acquired or constructed assets to pay the debt service.

The Treasurer of State and the Buckeye Tobacco Settlement Financing Authority (BTSFA) issue revenue bonds and notes for the primary government. The Treasurer of State issues bonds and notes on behalf of the Ohio Department of Transportation. The Ohio State University issues revenue bonds and notes as a major discretely presented component unit.

A. Primary Government

The Treasurer of State, since fiscal year 1998, has issued a total of \$3.25 billion in State Infrastructure Bank Bonds for various transportation construction projects financed by the Department of Transportation. The State has pledged federal highway receipts and loan repayments received under the State Infrastructure Bank Loan Program as the primary source of moneys for meeting the principal and interest requirements on the bonds.

Issuances for the State Infrastructure Bank are, in part, used for the acquisition, construction, or improvement of capital assets. Total pledged federal highway receipts and loan repayments through the maturity of the bonds in 2037 are estimated at approximately \$815.3 million. For fiscal year 2025, principal and interest payments on the revenue bonds was \$148.4 million and pledged receipts was \$140.2 million.

BTSFA is authorized by the Ohio General Assembly to issue and to sell obligations, the aggregate principal amount of which shall not exceed \$6 billion, exclusive of obligations issued to refund, renew, or advance refund other obligations issued or incurred. On October 29, 2007, BTSFA successfully securitized 100 percent of the projected tobacco settlement receipts through the issuance of five series of asset-backed revenue bonds, aggregating in the amount of \$5.53 billion (Series 2007 Bonds). On March 4, 2020, the authority issued \$5.35 billion in Asset-Backed Refunding Bonds, Series 2020 Senior Bonds (Series 2020 Bonds), the proceeds of which were used to refund, through redemption and defeasance, all of the Authority's Series 2007 Bonds.

The Authority has pledged future tobacco settlement receipts, including related investment earnings, and net of specified operating and enforcement expenses, to repay the bonds, which have a final stated maturity in 2057. Annual principal and interest payments on the bonds will require 100 percent of the net tobacco settlement receipts.

As of June 30, 2025, the total principal and interest payments remaining to be paid on the bonds was \$8.68 billion. Principal and interest paid and total net tobacco settlement receipts for fiscal year 2025 were \$255.2 million and \$239.2 million, respectively.

The Series 2007 Bonds were issued on a tax-exempt basis to fund long-lived capital projects at state-supported institutions of higher education and to pay the State's share of the cost of rebuilding elementary and secondary school facilities across the State. The Series 2020 Bonds were issued on a federally-tax basis and on a tax-exempt basis. After the bonds and any related operating expenses have been fully paid, any remaining tobacco settlement receipts will become payable to the State. Additional information on these bonds can be found in BTSFA's stand-alone financial report.

Revenue bonds and notes outstanding and future bond service requirements for the primary government, as of June 30, 2025, are presented in the following tables:



NOTE 11 REVENUE BONDS AND NOTES (Continued)

Primary Government-Governmental Activities
Summary of Revenue Bonds and Notes
As of June 30, 2025
(dollars in thousands)

	Fiscal Years Issued	Interest Rates	Maturing Through Fiscal Year	Outstanding Balance
Treasurer of State: State Infrastructure Bank	2017-25	5.0%	2037	\$ 739,844
Buckeye Tobacco Settlement Financing Authority.....	2020	1.5%-5.6%	2057	5,403,808
Total Revenue Bonds and Notes				<u>\$6,143,652</u>

Primary Government-Governmental Activities
Future Funding Requirements for Revenue Bonds and Notes
As of June 30, 2025
(dollars in thousands)

Year Ending June 30,	Principal	Interest	Total
2026.....	\$ 498,245	\$ 243,312	\$ 741,557
2027.....	225,765	219,613	445,378
2028.....	237,120	208,948	446,068
2029.....	266,240	196,965	463,205
2030.....	239,180	184,135	423,315
2031-2035.....	1,080,720	760,189	1,840,909
2036-2040.....	1,194,260	488,268	1,682,528
2041-2045.....	1,307,729	520,165	1,827,894
2046-2050.....	505,282	1,115,335	1,620,617
	<u>5,554,541</u>	<u>3,936,930</u>	<u>9,491,471</u>
Unamortized Premium/(Discount), Net.....	589,111	-	589,111
Total	<u>\$6,143,652</u>	<u>\$ 3,936,930</u>	<u>\$10,080,582</u>

For the year ended June 30, 2025, NOTE 15 summarizes changes in revenue bonds and notes.

The preceding future funding table for the Authority's portion includes (i) serial bond maturities that the Authority must pay as of specific distribution dates in order to avoid an event of default under the Trust Indenture, (ii) turbo term bond payments that the Authority would pay according to the Trust Indenture if sufficient tobacco settlement receipts are collected; however, a failure to pay before final maturity does not constitute an event of default under the Trust Indenture, and (iii) capital appreciation turbo term bond maturities.

Refundings

There were no refundings during fiscal year 2025.

B. Major Discretely Presented Component Units

Future bond service requirements for revenue bonds and notes reported for the major discretely presented component units, as of June 30, 2025, are shown in the following table:



NOTE 11 REVENUE BONDS AND NOTES (Continued)

Major Discretely Presented Component Units
Future Funding Requirements for Revenue Bonds and Notes
As of June 30, 2025
(dollars in thousands)

Year Ending June 30,	Ohio State University		
	Principal	Interest	Total
2026.....	\$ 684,256	\$ 178,501	\$ 862,757
2027.....	83,005	162,991	245,996
2028.....	88,530	158,092	246,622
2029.....	72,182	153,497	225,679
2030.....	94,985	148,671	243,656
2031 – 2035.....	477,882	672,764	1,150,646
2036 – 2040.....	936,637	550,140	1,486,777
2041 – 2045.....	252,495	315,552	568,047
2046 – 2050.....	499,216	213,810	713,026
2051 – 2055.....	65,385	170,956	236,341
2056 – 2060.....	241,879	134,793	376,672
2061 – 2065.....	-	120,000	120,000
2066 – 2070.....	-	120,000	120,000
2071 – 2075.....	-	120,000	120,000
2076 – 2080.....	-	120,000	120,000
2081 – 2085.....	-	120,000	120,000
2086 – 2090.....	-	120,000	120,000
2091 – 2095.....	-	120,000	120,000
2096 – 2100.....	-	120,000	120,000
2101 – 2105.....	-	120,000	120,000
2106 – 2110.....	-	120,000	120,000
2111 – 2115.....	500,000	24,000	524,000
	3,996,452	4,083,767	8,080,219
Unamortized Premium/(Discount), Net...	185,557	-	185,557
Total	<u>\$4,182,009</u>	<u>\$ 4,083,767</u>	<u>\$8,265,776</u>

The bonds and notes of the state universities and state community colleges are payable from the institutions' available receipts, including student fees, rental income, and gifts and donations, as may be provided for in the respective bond and note agreements. The proceeds of the bonds and notes are used for the construction of educational and student resident facilities and auxiliary facilities such as dining halls, hospitals, parking facilities, bookstores, and athletic facilities. The State is not obligated for the debt of its discretely presented component units.

The Ohio State University, a major discretely presented component unit, has entered into two pay fixed/receive floating interest rate swap agreements, which are considered effective hedging derivative instruments, to convert all or a portion of variable-rate debt into a synthetic fixed rate to protect against the potential of rising interest rates. Both swaps have a notional amount of \$164.4 million, effective date of June 1, 2023, termination date of June 1, 2043, and cancellation option June 1, 2035, at the University's option. The two swaps differ in their June 30, 2025, fair value, counterparty credit rating, and what fixed rate the University pays, with the respective information as: Swap one \$28.3 million, A1/A+, and 1.19 percent and Swap two \$27.1 million, Aa2/A+, and 1.26 percent. The derivative instruments are reported at fair value in noncurrent assets and changes in fair value are part of deferred inflows on the Statement of Net Position.

NOTE 12 SPECIAL OBLIGATION BONDS

Under the authority of Chapter 154, Ohio Revised Code, the Treasurer of State is the issuer of special obligation bonds that finance the cost of capital facilities for mental health and developmental disabilities institutions, parks and recreation, cultural and sports facilities, correctional facilities, office buildings for state departments and agencies, transportation, and in some cases, related facilities for local governments. These issuances are, in part, used for acquisition, construction, or improvement of capital assets.



NOTE 12 SPECIAL OBLIGATION BONDS (Continued)

Pledges of lease rental payments from appropriations made to the General Fund and the Highway Operating special revenue fund, moneys held by trustees pursuant to related trust agreements, and other receipts, as required by the respective bond documents, secure the special obligation bonds. The lease rental payments are reported in the fund financial statements as interfund transfers.

Special obligation bonds outstanding, bonds authorized but unissued, and future debt service requirements, as of June 30, 2025, are presented in the following tables:

Primary Government-Governmental Activities Summary of Special Obligation Bonds As of June 30, 2025 <i>(dollars in thousands)</i>					
	Fiscal Years Issued	Interest Rates	Maturing Through Fiscal Year	Outstanding Balance	Authorized but Unissued
Treasurer of State Lease Rental Bonds.....	2016-2025	1.32-5.00%	2042	\$1,865,156	\$2,205,295
Total Special Obligation Bonds				<u>\$1,865,156</u>	<u>\$2,205,295</u>
Future Funding of Special Obligation Bonds:					
Year Ending June 30,	Principal	Interest	Total		
2026.....	\$ 168,145	\$ 72,717	\$ 240,862		
2027.....	166,775	64,781	231,556		
2028.....	168,830	56,593	225,423		
2029.....	162,810	48,501	211,311		
2030.....	158,870	40,772	199,642		
2031-2035.....	531,835	111,698	643,533		
2036-2040.....	313,890	29,487	343,377		
2041-2042.....	37,150	762	37,912		
	<u>1,708,305</u>	<u>425,311</u>	<u>2,133,616</u>		
Unamortized Premium/(Discount), Net.....	156,851	-	156,851		
Total	<u>\$ 1,865,156</u>	<u>\$ 425,311</u>	<u>\$ 2,290,467</u>		

For the year ended June 30, 2025, NOTE 15 summarizes changes in special obligation bonds.

During fiscal year 2025, the Treasurer of State Lease Rental had two refunding issues. Details on the refunding for fiscal year 2025 are presented in the table below:

Primary Government — Governmental Activities Special Obligation Bonds Details of Refundings For the Year Ended June 30, 2025 <i>(dollars in thousands)</i>							
Refunding Bond Issue	Date of Refunding	Amount of Refunding Bonds Issued	True Interest Cost Rates of Refunding Bonds	Carrying Amount of Bonds Refunded (in substance)	Refunding Bond Proceeds Placed in Escrow	Reduction (Increase) in Debt Service Payments	Economic Gain / (Loss) Resulting from Refunding
Treasurer of State Lease Rental Bonds:							
Administrative Building 2025A.....	1/8/2025	\$ 43,570	2.88%	\$ 47,870	\$ 48,440	\$ 4,008/11 yrs	\$ 3,455
Transportation Building 2025A.....	1/8/2025	33,600	2.79%	35,255	35,772	\$ 2,449/6 yrs	2,262
Total		<u>\$ 77,170</u>		<u>\$ 83,125</u>	<u>\$ 84,212</u>		<u>\$ 5,717</u>



NOTE 12 SPECIAL OBLIGATION BONDS (Continued)

In prior years, the Treasurer of State defeased certain bond issues by placing cash and other monetary assets and proceeds of new bonds in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the various trust accounts' assets and liabilities for the defeased bonds are not included in the State's financial statements. At June 30, 2025, \$12 million of lease rental special obligations bonds are outstanding and considered defeased.

NOTE 13 CERTIFICATES OF PARTICIPATION

As of June 30, 2025, approximately \$165 million in certificate of participation (COP) obligations were reported in governmental activities.

Beginning in fiscal year 2005, the Ohio Department of Administrative Services participated in the issuance of \$204.3 million of COP obligations to finance the acquisition of the Ohio Administrative Knowledge System (OAKS), a statewide Enterprise Resource Planning (ERP) system. These issuances are, in part, used for the acquisition, construction, or improvement of capital assets.

Beginning in fiscal year 2008, the Ohio Department of Administrative Services participated in the issuance of \$67 million of COP obligations to finance the cost of acquisition of the State Taxation Accounting and Revenue System (STARS).

Beginning in fiscal year 2013, the Ohio Department of Administrative Services participated in the issuance of \$72 million of COP obligations to finance the upgrade of the Ohio Multi-Agency Radio Communications System (MARCS).

Beginning in fiscal year 2015, the Ohio Department of Administrative Services participated in the issuance of \$105.4 million of COP obligations to finance the cost of acquisition of the Enterprise Data Center Solutions (EDCS).

In fiscal year 2017, the Ohio Attorney General's Office participated in the issuance of \$19.6 million of COP obligations to finance the cost of acquisition of the Bureau of Criminal Investigation Records System (BCIRS).

Beginning in fiscal year 2019, the Ohio Secretary of State participated in the issuance of \$92.9 million of COP obligations to finance Voting Systems Acquisitions (VSA).

In fiscal year 2020, the Ohio Department of Administrative Services participated in the issuance of \$12.2 million of COP obligations to finance the Unemployment Insurance System (UIS).

Beginning in fiscal year 2022, the Ohio Attorney General's Office participated in the issuance of \$44.6 million of COP obligations to finance the cost of acquisition of the Debt Collection System (DCS).

Under the COP financing arrangements, the State is required to make rental payments from the General Fund and Community and Economic Development Special Revenue Fund (subject to biennial appropriations) that approximate the interest and principal payments made by trustees to certificate holders.

Obligations outstanding and future commitments for the primary government under COP financing arrangements, as of June 30, 2025, are presented in the following tables:



NOTE 13 CERTIFICATES OF PARTICIPATION (Continued)

Primary Government — Governmental Activities
Summary of Certificate of Participation Obligations
As of June 30, 2025
(dollars in thousands)

	Fiscal Years Issued	Interest Rates	Maturing Through Fiscal Year	Outstanding Balance
Attorney General:				
Bureau of Criminal Investigation Records System (BCIRS).....	2021	0.7%-1.0%	2027	\$ 4,755
Debt Collection System (DCS).....	2022-24	2.0%-5.0%	2040	47,055
Department of Administrative Services:				
Enterprise Data Center Solutions (EDCS).....	2017-20	5.0%	2030	30,375
Multi-Agency Radio Communications System (MARCS)	2021	0.7%-1.3%	2028	19,010
Ohio Administrative Knowledge System (OAKS)	2017	5.0%	2027	4,775
State Taxation Accounting and Revenue System (STARS).....	2021	0.9%-1.2%	2027	2,180
Unemployment Insurance System (UIS).....	2020	5.0%	2030	7,324
Secretary of State:				
Voting Systems Acquisitions (VSA).....	2019-21	5.0%	2030	49,565
Total Certificates of Participation				<u>\$ 165,039</u>

Future Commitments for Certificate of Participation Obligations:			
Year Ending June 30,	Principal	Interest	Total
2026.....	\$ 33,275	\$ 5,987	\$ 39,262
2027.....	34,565	4,697	39,262
2028.....	26,515	3,481	29,996
2029.....	21,125	2,412	23,537
2030.....	9,515	1,648	11,163
2031-2035.....	15,605	5,190	20,795
2036-2040.....	13,495	1,417	14,912
	<u>154,095</u>	<u>24,832</u>	<u>178,927</u>
Unamortized Premium, Net.....	10,944	-	10,944
Total	<u>\$ 165,039</u>	<u>\$ 24,832</u>	<u>\$ 189,871</u>

For the year ended June 30, 2025, NOTE 15 summarizes changes in COP obligations.

Refundings and Defeasances

There were no refundings of COP obligations during fiscal year 2025.



NOTE 14 OTHER NONCURRENT LIABILITIES

As of June 30, 2025, in addition to bonds, notes, and certificates of participation obligations discussed in NOTES 10 through 13, the State reports the following noncurrent liabilities in its financial statements (dollars in thousands):

Other Noncurrent Liabilities	
Governmental Activities:	
Compensated Absences	\$ 599,115
Net Pension Liability	5,154,573
Net OPEB Liability	117,969
Lease Liability	84,732
Subscription Liability	49,952
Financed Purchase Obligations	81,338
Derivative Instruments	(44)
Pollution Remediation Liabilities	1,554
Infrastructure, Capital Assets	223,245
Liability for Escheat Property	511,105
Total Governmental Activities	<u>6,823,539</u>
Business-Type Activities:	
Compensated Absences	54,028
Net Pension Liability	331,154
Lease Liability	8,576
Subscription Liability	2,305
Workers' Compensation:	
Benefits Payable	11,716,228
Other	1,969,003
Prize Awards Payable	311,473
Tuition Benefits Payable	36,400
Total Business-Type Activities	<u>14,429,167</u>
Total Primary Government	<u>\$ 21,252,706</u>

For the year ended June 30, 2025, NOTE 15 summarizes the changes in other noncurrent liabilities. Explanations of certain significant noncurrent liability balances reported in the financial statements follow:

A. Compensated Absences

For the primary government, the compensated absences liability, as of June 30, 2025, was \$653.1 million, of which \$599.1 million is allocable to governmental activities and \$54 million is allocable to business-type activities.

As of June 30, 2025, major discretely presented component units reported a total of \$278.7 million in compensated absences liabilities, as detailed by major discretely presented component unit in NOTE 15.

B. Net Pension Liability and Net OPEB Liability

The State recognizes a net pension liability in the amount of \$5.49 billion, as of June 30, 2025, for the primary government of which \$5.15 billion is allocable to governmental activities and \$331.2 million is allocable to business-type activities. The net pension liability represents the State's proportionate share of the difference between the total pension liability and the fiduciary net position for OPERS, STRS, and SHPRS.

For the primary government, the State recognizes a net OPEB liability in the amount of \$118 million as of June 30, 2025, which all is allocable to governmental activities. The net OPEB liability represents the State's proportionate share of the difference between the total OPEB liability and the fiduciary net position for SHPRS, whereas OPERS and STRS resulted in a net OPEB asset. See NOTE 9 for further details.



NOTE 14 OTHER NONCURRENT LIABILITIES (Continued)

C. Financed Purchase Obligations

Financed purchase arrangements are used for the acquisition of certain assets. Assets acquired through financed purchase arrangements are valued at the lower of fair value or the present value of the future minimum payments at the inception of the financed purchase arrangement. Future minimum commitments for financed purchases judged to be noncancelable, as of June 30, 2025, are as follows (dollars in thousands):

Year Ending June 30,	Financed Purchases		
	Governmental Activities		
	Principal	Interest	Total
2026.....	\$ 17,080	\$ 3,074	\$ 20,154
2027.....	15,545	2,429	17,974
2028.....	14,559	1,803	16,362
2029.....	13,673	1,212	14,885
2030.....	12,526	640	13,166
2031-2035.....	7,955	202	8,157
Total Future Financed Purchase Payments.....	<u>\$ 81,338</u>	<u>\$ 9,360</u>	<u>\$ 90,698</u>

As of June 30, 2025, the primary government had the following capital assets under financed purchase arrangements (dollars in thousands):

	Capital Assets
	Governmental Activities
Equipment	\$ 3,511
Vehicles	105,954
Total	<u>\$ 109,465</u>

D. Lease Liability

The State's primary government leases buildings, machinery and equipment, and land. A lease under GASB 87 is a contract that conveys the right to use another entity's asset. The present value of future lease payments over the entirety of the lease term, which includes extension periods if it is probable the extension will be exercised, are reported as lease assets and lease liabilities. There were no significant variable lease, termination penalty, or residual value guarantee payments recorded by the State during fiscal year 2025 that were not included as part of the lease liability.

The primary government's total lease liabilities for fiscal year 2025 were approximately \$93.3 million of which \$84.7 million is allocable to governmental activities and \$8.6 million is allocable to business-type activities.



NOTE 14 OTHER NONCURRENT LIABILITIES (Continued)

Future principal and interest payments related to lease commitments for the primary government, as of June 30, 2025, are as follows (dollars in thousands):

	Primary Government		
	Principal	Interest	Total
<i>Governmental Activities Future Lease Payments:</i>			
Year Ending June 30,			
2026.....	\$ 17,379	\$ 911	\$ 18,290
2027.....	17,348	691	18,039
2028.....	12,654	501	13,155
2029.....	11,322	361	11,683
2030.....	7,311	254	7,565
2031-2035.....	12,641	516	13,157
2036-2040.....	2,358	262	2,620
2041-2045.....	1,391	159	1,550
2046-2050.....	1,106	96	1,202
2051-2055.....	1,015	39	1,054
2056-2060.....	207	1	208
Total Future Lease Payments.....	<u>\$ 84,732</u>	<u>\$ 3,791</u>	<u>\$ 88,523</u>

Business-Type Activities Future Lease Payments:

	Principal	Interest	Total
Year Ending June 30,			
2026.....	\$ 6,756	\$ 483	\$ 7,239
2027.....	1,150	136	1,286
2028.....	327	29	356
2029.....	343	13	356
Total Future Lease Payments.....	<u>\$ 8,576</u>	<u>\$ 661</u>	<u>\$ 9,237</u>

Future principal and interest payments related to lease commitments for the major discretely presented component unit funds, as of June 30, 2025, (dollars in thousands):

	Major Discretely Presented Component Units		
	Principal	Interest	Total
<i>Ohio State University Future Lease Payments:</i>			
Year Ending June 30,			
2026.....	\$ 11,338	\$ 4,172	\$ 15,510
2027.....	11,144	3,716	14,860
2028.....	10,856	3,249	14,105
2029.....	9,290	2,816	12,106
2030.....	7,879	2,438	10,317
2031-2035.....	11,690	8,444	20,134
2036-2040.....	10,073	5,399	15,472
2041-2045.....	4,675	3,732	8,407
2046-2050.....	5,622	2,528	8,150
2051-2055.....	3,082	1,271	4,353
2056-2060.....	1,187	449	1,636
2061-2065.....	1,166	202	1,368
2066-2070.....	197	5	202
Total Future Lease Payments.....	<u>\$ 88,199</u>	<u>\$ 38,421</u>	<u>\$126,620</u>

The major discretely presented component unit reported \$88.2 million in total lease liabilities for fiscal year 2025.



NOTE 14 OTHER NONCURRENT LIABILITIES (Continued)

E. Subscription-Based Information Technology Arrangements

A subscription-based information technology arrangement (SBITA) under GASB 96 is an arrangement that conveys the right to use another entity's IT software, alone or in combination with tangible capital assets for a specified period. The present value of future SBITA payments over the entirety of the SBITA term, which includes extension periods if it is probable the extension will be exercised, are reported as subscription assets and liabilities. There were no significant variable SBITAs, termination penalties, or residual value guarantee payments recorded by the State during fiscal year 2025 that were not included as part of the subscription liability.

The primary government's total subscription liabilities for fiscal year 2025 were approximately \$52.3 million of which \$50 million is allocable to governmental activities and \$2.3 million is allocable to business-type activities.

Future principal and interest payments related to SBITA commitments for the primary government, as of June 30, 2025, are as follows (dollars in thousands):

Primary Government			
Governmental Activities Future Subscription Payments:			
Year Ending June 30,	Principal	Interest	Total
2026.....	\$ 18,635	\$ 1,561	\$ 20,196
2027.....	9,414	1,033	10,447
2028.....	5,120	724	5,844
2029.....	3,998	550	4,548
2030.....	3,650	397	4,047
2031-2035.....	9,135	584	9,719
Total Future Subscription Payments.....	<u>\$ 49,952</u>	<u>\$ 4,849</u>	<u>\$ 54,801</u>
Business-Type Activities Future Subscription Payments:			
Year Ending June 30,	Principal	Interest	Total
2026.....	\$ 1,432	\$ 69	\$ 1,501
2027.....	873	29	902
Total Future Subscription Payments.....	<u>\$ 2,305</u>	<u>\$ 98</u>	<u>\$ 2,403</u>

Future principal and interest payments related to SBITA commitments for the major discretely presented component unit funds, as of June 30, 2025, (dollars in thousands):

Major Discretely Presented Component Units			
Ohio State University Future Subscription Payments:			
Year Ending June 30,	Principal	Interest	Total
2026.....	\$ 34,640	\$ 2,978	\$ 37,618
2027.....	31,964	1,662	33,626
2028.....	15,170	685	15,855
2029.....	12,101	92	12,193
2030.....	1,476	7	1,483
Total Future Subscription Payments.....	<u>\$ 95,351</u>	<u>\$ 5,424</u>	<u>\$ 100,775</u>



NOTE 14 OTHER NONCURRENT LIABILITIES (Continued)

The major discretely presented component unit reported \$95.4 million in total subscription liabilities for fiscal year 2025.

F. Derivative Instruments

For governmental activities, the State has reported \$(44) thousand of investment and hedging derivative instruments as of June 30, 2025. Additional information regarding the State's derivative instruments is included in NOTE 4, NOTE 10, and NOTE 18.

G. Pollution Remediation Liabilities

The State recognizes a liability for pollution remediation in the amount of \$1.6 million, as of June 30, 2025. This represents the cost to the State to the extent that is probable for future clean up and reclamation of polluted sites within the State. See NOTE 20 for further detail.

H. Infrastructure, Capital Assets

The State records a liability for the Portsmouth Bypass Highway. Since the completion of construction in fiscal year 2019, the State has recognized payments of \$206.5 million. As of June 30, 2025, the liability totaled approximately \$223.2 million.

I. Litigation Liabilities

In instances when the unfavorable outcome of a pending litigation has been assessed to be probable, liabilities are recorded in the financial statements. As of June 30, 2025, no noncurrent liabilities ultimately payable from various governmental funds have been recorded for this purpose. For more information on the State's loss contingencies arising from pending litigation, see NOTE 20.

J. Liability for Escheat Property

The State records a liability for escheat property to the extent that it is probable that the escheat property will be reclaimed and paid to claimants. As of June 30, 2025, the liability totaled approximately \$511.1 million.

K. Workers' Compensation

Benefits Payable

As discussed in NOTE 21, the Workers' Compensation Enterprise Fund provides benefits to employees for losses sustained from job-related injury, disease, or death. The Bureau has computed a reserve for compensation, as of June 30, 2025, in the amount of approximately \$11.72 billion. The reserve, which includes estimates for reported claims and claims incurred but not reported, is included in the "Benefits Payable" balance reported for the enterprise fund.



NOTE 14 OTHER NONCURRENT LIABILITIES (Continued)

L. Prize Awards Payable

Future installment payments for the prize awards payable are reported at present value based upon interest rates that the Treasurer of State provides to the Lottery Commission Enterprise Fund. The interest rates, ranging from 2 to 6 percent, represent the expected long-term rate of return on the assets restricted for the payment of prize awards. Once established for a particular prize award, the interest rate does not fluctuate with changes in the expected long-term rate of return. The difference between the present value and gross amount of the obligations is amortized into income over the terms of the obligations using the interest method. The State reduces prize liabilities by an estimate of the amount of the prize that will ultimately be unclaimed. As of June 30, 2025, the prize awards payable totals \$311.5 million.

Future payments of prize awards, stated at present value, as of June 30, 2025, follow (dollars in thousands):

Year Ending June 30,	
2026.....	\$ 42,517
2027.....	32,703
2028.....	31,822
2029.....	30,872
2030.....	30,171
2031-2035.....	109,998
2036-2040.....	57,241
2041-2045.....	35,220
2046-2050.....	10,130
2051 thereafter.....	1,950
	<u>382,624</u>
Unamortized Discount	(71,151)
Net Prize Liability	<u>\$ 311,473</u>

M. Tuition Benefits Payable

The actuarial present value of future tuition benefits payable from the Tuition Trust Authority Enterprise Fund was approximately \$36.4 million, as of June 30, 2025. The valuation method reflects the present value of estimated tuition benefits that will be paid in future years and is adjusted for the effects of projected tuition increases in state universities and state community colleges and termination of participant contracts under the plan.

The following assumptions were used in the actuarial determination of tuition benefits payable: 3.7 percent rate of return, compounded annually, on the investment of current and future assets, a tuition inflation assumption equal to the maximum amount of tuition and mandatory fee increases permitted by the State of Ohio biennial budget of 4 percent.

As of June 30, 2025, the fair value of actuarial net position available for the payment of the tuition benefits payable was \$124.8 million.

N. Other Liabilities

The Workers' Compensation Enterprise Fund reports approximately \$1.97 billion in other noncurrent liabilities, as of June 30, 2025, of which 1) \$1.69 billion is comprised of the compensation adjustment expenses liability for estimated future expenses to be incurred in the settlement of claims, as discussed further in NOTE 21, 2) \$215.6 million consists of retrospective rating adjustments for employers within similar industries that are enrolled in group experience rating plans, and 3) \$64.3 million consists of other miscellaneous liabilities.



NOTE 15 CHANGES IN NONCURRENT LIABILITIES

A. Primary Government

Changes in noncurrent liabilities, for the year ended June 30, 2025, are presented for the primary government in the following table:

Primary Government
Changes in Noncurrent Liabilities
For the Fiscal Year Ended June 30, 2025
(dollars in thousands)

	Balance June 30, 2024	Additions	Reductions	Balance June 30, 2025	Amount Due Within One Year
Governmental Activities:					
Bonds and Notes Payable:					
General Obligation Bonds (NOTE 10)	\$ 7,099,670	\$ 1,653,125	\$ 1,603,784	\$ 7,149,011	\$ 678,436
Revenue Bonds and Notes (NOTE 11)	6,172,965	137,422	166,735	6,143,652	499,368
Special Obligation Bonds (NOTE 12)	2,072,986	165,399	373,229	1,865,156	200,546
Total Bonds and Notes Payable	15,345,621	1,955,946	2,143,748	15,157,819	1,378,350
Certificates of Participation (NOTE 13)	207,230	-	42,191	165,039	33,610
Other Noncurrent Liabilities (NOTE 14):					
Compensated Absences	615,471	425,218	441,574	599,115	83,440
Net Pension Liability	5,465,481	18	310,926	5,154,573	-
Net OPEB Liability	218,246	-	100,277	117,969	-
Lease Liability	113,220	506	28,994	84,732	17,379
Subscription Liability	50,858	19,785	20,691	49,952	18,635
Financed Purchase Obligations	22,483	72,010	13,155	81,338	17,081
Derivative Instruments	(136)	92	-	(44)	-
Pollution Remediation Liabilities	1,626	-	72	1,554	72
Infrastructure, Capital Assets	248,347	-	25,102	223,245	25,527
Liability for Escheat Property	428,637	181,428	98,960	511,105	159,487
Total Other Noncurrent Liabilities	7,164,233	699,057	1,039,751	6,823,539	321,621
Total Noncurrent Liabilities	\$ 22,717,084	\$ 2,655,003	\$ 3,225,690	\$ 22,146,397	\$ 1,733,581
Business-Type Activities:					
Other Noncurrent Liabilities (NOTE 14):					
Compensated Absences, Restated	\$ 54,187	\$ 30,316	\$ 30,475	\$ 54,028	\$ 6,779
Net Pension Liability	357,137	-	25,983	331,154	-
Lease Liability	12,847	3,071	7,342	8,576	6,756
Subscription Liability	2,253	1,575	1,523	2,305	1,432
Workers' Compensation:					
Benefits Payable	11,803,628	2,157,166	2,244,566	11,716,228	1,294,807
Other:					
Adjustment Expenses Liability	1,672,100	631,766	607,166	1,696,700	427,877
Miscellaneous	243,556	179,511	150,764	272,303	115,131
Prize Awards Payable	318,683	32,127	39,337	311,473	33,744
Tuition Benefits Payable	48,000	-	11,600	36,400	6,310
Total Other Noncurrent Liabilities	\$ 14,512,391	\$ 3,035,532	\$ 3,118,756	\$ 14,429,167	\$ 1,892,836

The State makes payments on bonds and notes payable and certificate of participation obligations that pertain to its governmental activities from the debt service funds. The General Fund and the nonmajor governmental funds will primarily liquidate the other noncurrent liabilities balance attributable to governmental activities.

For fiscal year 2025, the State's primary government included interest expense on its debt issues in the following governmental functions rather than reporting it separately as interest expense. The related borrowings are essential to the creation or continuing existence of the programs they finance and accordingly, such expense is not reported separately on the Statement of Activities under the expense category for interest on long-term debt. The various state subsidy programs supported by the borrowings provide direct state assistance to local governments for their respective capital and construction or research projects.



NOTE 15 CHANGES IN NONCURRENT LIABILITIES (Continued)

	(in 000s)
Governmental Activities:	
Primary, Secondary and Other Education	\$ 285,477
Higher Education Support	118,282
Health and Human Services	114
Environmental Protection and Natural Resources	1,313
Transportation	35,126
Community and Economic Development	91,961
Total Interest Expense Charged to Governmental Functions	<u>\$ 532,273</u>

B. Major Discretely Presented Component Units

Changes in noncurrent liabilities, for the year ended June 30, 2025, are presented in the following table for the State's major discretely presented component units:

**Major Discretely Presented Component Units
Changes in Noncurrent Liabilities
For the Fiscal Year Ended June 30, 2025
(dollars in thousands)**

	Balance June 30, 2024	Additions	Reductions	Balance June 30, 2025	Amount Due Within One Year
<i>Ohio Facilities Construction Commission</i>					
Intergovernmental Payable	\$ 782,844	\$ 448,394	\$ 353,331	\$ 877,907	\$ 386,522
Compensated Absences*	1,835	1,222	1,271	1,786	218
Total	<u>\$ 784,679</u>	<u>\$ 449,616</u>	<u>\$ 354,602</u>	<u>\$ 879,693</u>	<u>\$ 386,740</u>
<i>Ohio State University:</i>					
Compensated Absences*	\$ 255,355	\$ 45,036	\$ 23,484	\$ 276,907	\$ 23,484
Lease Liability*	77,465	36,847	26,113	88,199	11,338
Subscription Liability*	48,439	87,602	40,690	95,351	34,640
Net Pension Liability*	3,869,225	-	180,657	3,688,568	-
Net OPEB Liability*	22,970	-	653	22,317	-
Advance from Concessionaire*	967,967	810	23,596	945,181	24,648
Other Liabilities*	676,789	729,702	666,620	739,871	103,325
Revenue Bonds & Notes Payable**	4,248,898	118,647	185,536	4,182,009	684,256
Total	<u>\$ 10,167,108</u>	<u>\$ 1,018,644</u>	<u>\$ 1,147,349</u>	<u>\$ 10,038,403</u>	<u>\$ 881,691</u>

*Liability is reported under the "Refund and Other Liabilities" account. **See Note 11.

NOTE 16 CONDUIT DEBT

The State of Ohio, by action of the General Assembly, created various financing authorities for the expressed purpose of making available to non-profit and, in some cases, for profit private entities, lower cost sources of capital financing for facilities and projects found to be for a public purpose. Fees are assessed to recover related processing and application costs incurred. The authorities' debt instruments represent a limited obligation payable solely from payments made by the borrowing entities. Most of the bonds are secured by the property financed. Upon repayment of the bonds, ownership of acquired property transfers to the entity served by the bond issuance.

This debt is not deemed to constitute debt of the State or a pledge of the faith and credit of the State. Accordingly, these bonds are not reflected in the accompanying financial statements.



NOTE 16 CONDUIT DEBT (Continued)

Ohio Enterprise Bond Fund bonds are issued through the Treasurer of State for the purpose of financing eligible projects of private industry organizations. The actual bonds are sold through private placement. These bonds are not general obligations of the State of Ohio or of any political subdivision and are not payable from any tax source; therefore, the rights of the holders of the bonds for payments of amounts due are limited solely to the pledged receipts deposited into the Ohio Enterprise Bond Fund Accounts. The bonds represent conduit debt and are not reflected in the accompanying financial statements. The scheduled payment of the bonds currently outstanding is, however, guaranteed through the Department of Development, Loan Servicing Office, under Chapter 166, Ohio Revised Code. As of June 30, 2025, no liability has been recorded in the accompanying financial statements for guarantees extended to defaulted organizations.

Under Chapter 5531, Ohio Revised Code, the Ohio Department of Transportation is authorized to issue State Infrastructure Bond Program debt issuances through the Treasurer of State for highway and transit capital projects of eligible Ohio political subdivisions. These bonds are not general obligations of the State of Ohio or of any political subdivision and are not payable from any tax source; therefore, the rights of the holders of the bonds for payments of amounts due are limited to the pledged receipts and those special funds pledged by each debt issuance. The bonds represent conduit debt and are not reflected in the accompanying financial statements. The scheduled payment of the bonds currently outstanding is, however, guaranteed through the State Infrastructure Bank program of the Ohio Department of Transportation. In the event of a borrower's default, amounts recovered from the secured capital project would be used to replenish any reserve funds and any remaining amounts would be transferred to the State Infrastructure Bank accounts. Any amounts provided to repay bonds using appropriations of the Ohio Department of Transportation would be submitted to the Attorney General's Office for collection. Currently, guarantees are outstanding through fiscal year 2044, when the bonds mature, and no circumstances presently exist that indicate the State will be required to make any payments as a result of these guarantees.

As of June 30, 2025, revenue bonds and notes outstanding that represent conduit debt for the State were as follows (dollars in thousands):

	Outstanding Amount
Primary Government:	
Department of Development:	
Ohio Enterprise Bond Program	\$ 135,620
Ohio Department of Transportation:	
State Transportation Infrastructure Bond Fund Program.....	70,330
Total Primary Government	<u>\$ 205,950</u>

NOTE 17 FUND DEFICITS AND FUND BALANCE REPORTING

A. Fund Balance Reporting-Constraints by Purpose

Fund balance constraints reported in the governmental funds, as of June 30, 2025, are presented by purpose in the table on the following page:



STATE OF OHIO
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2025

Primary Government
Fund Balance Constraints by Purpose
(dollars in thousands)

	Major Funds					
	General	Job, Family & Other Human Services	Buckeye Tobacco Settlement Financing Authority Bonds	Pandemic Relief Funds	Nonmajor Governmental Funds	Total
Fund Balance:						
<i>Nonspendable</i>						
Inventories.....	\$ 24,027	\$ -	\$ -	\$ 5,099	\$ 104,874	\$ 134,000
Advances to Local Government.....	36,254	-	-	-	-	36,254
Total Nonspendable.....	60,281	-	-	5,099	104,874	170,254
<i>Restricted</i>						
Primary, Secondary and Other Education.....	-	-	-	-	101,769	101,769
Higher Education Support.....	188,558	-	-	-	11,631	200,189
Public Assistance and Medicaid.....	-	288,260	-	-	323,101	611,361
Health and Human Services.....	-	1,002	-	39,985	93,980	134,967
Justice and Public Protection.....	47,890	5,414	-	-	39,904	93,208
Environmental Protection/Natural Resources.....	3,455	-	-	-	355,924	359,379
Transportation.....	-	-	-	-	11,499	11,499
Transit Project Loans.....	-	-	-	-	270,818	270,818
Highway Construction/Preservation.....	-	-	-	-	1,817,764	1,817,764
General Government.....	7,724	49,248	-	-	69,388	126,360
Community and Economic Development.....	49,675	-	-	-	494,290	543,965
Grants/Loans-Local Govt Capital Projects.....	1,100,805	-	-	-	-	1,100,805
Local Government Road/Bridge Improvements..	221,224	-	-	-	-	221,224
Capital Outlay.....	-	-	-	-	495,977	495,977
Debt Service.....	-	-	3,688,051	-	11,452	3,699,503
Total Restricted.....	1,619,331	343,924	3,688,051	39,985	4,097,497	9,788,788
<i>Committed</i>						
Primary, Secondary and Other Education.....	1,533	-	-	-	367,898	369,431
Higher Education Support.....	-	-	-	-	1,633	1,633
Public Assistance and Medicaid.....	-	409,530	-	-	61,648	471,178
Health and Human Services.....	405	12,211	-	-	51,663	64,279
Justice and Public Protection.....	3,164	4,785	-	-	143,224	151,173
Environmental Protection/Natural Resources.....	-	-	-	-	225,222	225,222
Transportation.....	-	-	-	-	18,777	18,777
General Government.....	134,334	37,717	-	-	118,806	290,857
Community and Economic Development.....	202,206	-	-	-	132,445	334,651
Business Development Loans.....	571,257	-	-	-	-	571,257
Total Committed.....	912,899	464,243	-	-	1,121,316	2,498,458
<i>Assigned</i>						
Primary, Secondary and Other Education.....	115,186	-	-	-	-	115,186
Higher Education Support.....	54,282	-	-	-	-	54,282
Public Assistance and Medicaid.....	2,021,696	-	-	-	-	2,021,696
Health and Human Services.....	284,101	-	-	-	-	284,101
Justice and Public Protection.....	492,331	-	-	-	-	492,331
Environmental Protection/Natural Resources.....	163,024	-	-	-	-	163,024
Transportation.....	567,002	-	-	-	-	567,002
General Government.....	1,999,440	-	139	-	-	1,999,579
Escheat Investments for Mortgage Insurance/ Minority Contractor Bonding/Housing Loans....	3,435,135	-	-	-	-	3,435,135
Community and Economic Development.....	1,820,620	-	-	-	-	1,820,620
Total Assigned.....	10,952,817	-	139	-	-	10,952,956
<i>Unassigned</i>	3,608,614	-	-	(35,253)	(77)	3,573,284
Total Fund Balance.....	\$ 17,153,942	\$ 808,167	\$ 3,688,190	\$ 9,831	\$ 5,323,610	\$ 26,983,740



NOTE 17 FUND DEFICITS AND FUND BALANCE REPORTING (Continued)

As of June 30, 2025, the Budget Stabilization Fund had a fund balance of \$3.94 billion, which was included as a part of the unassigned fund balance in the General Fund.

B. Fund Deficits

The following individual funds reported deficits that are reflected in the State's basic financial statements, as of June 30, 2025 (dollars in thousands):

Primary Government:

Nonmajor Proprietary Fund:

Office of Auditor of State.....	\$ (39,627)
Total Primary Government.....	<u>\$ (39,627)</u>

Discretely Presented Component Units:

Major Component Unit:

Ohio Facilities Construction Commission	\$ (3,171,964)

Nonmajor Component Units:

Ohio Capital Fund.....	(120,559)
Total Component Units.....	<u>\$ (3,292,523)</u>

Deficits are due to the timing of revenue recognition and the accrual of expenses not recorded under the cash basis of accounting.

NOTE 18 DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

A. Deferred Outflows of Resources

Details on deferred outflows of resources for the primary government, as of June 30, 2025, follow (dollars in thousands):

Primary Government - Deferred Outflows of Resources					
	Net Pension and OPEB Liability/Asset	Hedging Derivative Instruments	Loss on Debt Refundings	Resources of a Future Period	Total
Governmental Activities:					
Major Governmental Funds:					
Buckeye Tobacco Settlement Financing Authority Revenue Bonds.....	\$ -	\$ -	\$ -	\$ 3,353,951	\$ 3,353,951
Total Governmental Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,353,951</u>	<u>3,353,951</u>
Reconciliation of fund level statements to government-wide statements due to basis differences.....					
	995,105	(44)	130,473	-	1,125,534
Total Governmental Activities	<u>\$ 995,105</u>	<u>\$ (44)</u>	<u>\$ 130,473</u>	<u>\$ 3,353,951</u>	<u>\$ 4,479,485</u>
Business-Type Activities:					
Major Proprietary Funds:					
Workers' Compensation.....	\$ 50,663	\$ -	\$ -	\$ -	\$ 50,663
Lottery Commission.....	8,416	-	-	-	8,416
Nonmajor Proprietary Funds	17,998	-	-	-	17,998
Total Business-Type Activities	<u>\$ 77,077</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77,077</u>
Total Primary Government.....					<u>\$ 4,556,562</u>

As of June 30, 2025, Ohio State University, a major discretely presented component unit, reported Deferred Outflows of Resources totaling approximately \$736.5 million for net pension and OPEB liability/asset, \$16.4 million for losses on debt-related transactions, \$1.5 million for future asset retirement obligation, and \$25.5 million for excess consideration for acquisition.



NOTE 18 DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES (Continued)

B. Deferred Inflows of Resources

The deferred inflows of resources for the primary government, as of June 30, 2025, are comprised of the following (dollars in thousands):

Primary Government - Deferred Inflows of Resources					
	Net Pension and OPEB Liability/Asset	Resources from the Sale of Future Revenues	Unavailable Resources and Other	Debt Refundings	Total
Governmental Activities:					
Major Governmental Funds:					
General	\$ -	\$ 622,830	\$ 412,378	\$ -	\$ 1,035,208
Job, Family and Other Human Services	-	-	130,338	-	130,338
Buckeye Tobacco Settlement Financing					
Authority Revenue Bonds.....	-	-	1,030,070	-	1,030,070
Nonmajor Governmental Funds	-	-	44,476	-	44,476
Total Governmental Activities	-	622,830	1,617,262	-	2,240,092
Reconciliation of fund level statements to government-wide statements due to basis differences.....	394,073	736,631	(1,617,262)	97,446	(389,112)
Total Governmental Activities	\$ 394,073	\$ 1,359,461	\$ -	\$ 97,446	\$ 1,850,980
Business-Type Activities:					
Major Proprietary Funds:					
Workers' Compensation.....	\$ 11,364	\$ -	\$ 776	\$ -	\$ 12,140
Lottery Compensation.....	1,127	-	-	-	1,127
Nonmajor Proprietary Funds	2,551	-	-	-	2,551
Total Business-Type Activities	\$ 15,042	\$ -	\$ 776	\$ -	\$ 15,818
Total Primary Government.....					\$ 1,866,798

As of June 30, 2025, Ohio Facilities Construction Commission, a major discretely presented component unit, reported Deferred Inflows of Resources totaling approximately \$2.73 billion pertaining to resources from the sale of future revenues. In addition, Ohio State University, another major discretely presented component unit, reported Deferred Inflows of Resources of \$232.2 million for net pension and OPEB liability/asset, \$117.8 million for gains on debt-related transactions, \$9.7 million for irrevocable split-interest agreements, \$330.5 million for leases, and \$427 million related to service concession arrangements.

NOTE 19 JOINT VENTURES AND RELATED ORGANIZATIONS

A. Joint Ventures

Great Lakes Protection Fund (GLPF)

The Great Lakes Protection Fund is an Illinois non-profit organization that was formed to further federal and state commitments to the restoration and maintenance of the Great Lakes Basin's ecosystem. The governors of seven of the eight states that border on the Great Lakes comprise the GLPF's membership. Under the GLPF's articles of incorporation, each state is required to make a financial contribution. Income earned on the contributions provides grants to projects that advance the goals of the Great Lakes Toxic Substances Control Agreement and the binational Great Lakes Water Quality Agreement.

Each governor nominates two individuals to the GLPF's board of directors who serve staggered two-year terms. All budgetary and financial decisions rest with the board, except when they are restricted by the GLPF's articles of incorporation.



NOTE 19 JOINT VENTURES AND RELATED ORGANIZATIONS (Continued)

Annually, one-third of the GLPF's net earnings is allocated and paid to the member states in proportion to their respective cash contributions to the GLPF. The allocation is based on the amount and period of time the state's contributions were invested. GLPF earnings distributions are to be used by the states to finance projects that are compatible with the GLPF's objectives. Ohio applies its distribution (approximately \$260 thousand) to operations of its own protection program, known as the Lake Erie Protection Program, which is modeled after the GLPF.

Required contributions and contributions received from the states, which border the Great Lakes, as of December 31, 2024 (the GLPF's year-end), are presented below (dollars in thousands):

	Contribution Required	Contribution Received	Contribution Percentage
Michigan	\$ 25,000	\$ 25,000	30.9%
Indiana*	16,000	-	-
Illinois	15,000	15,000	18.4%
Ohio	14,000	14,000	17.3%
New York	12,000	12,000	14.8%
Wisconsin	12,000	12,000	14.8%
Minnesota	1,500	1,500	1.9%
Pennsylvania	1,500	1,500	1.9%
Total	<u>\$ 97,000</u>	<u>\$ 81,000</u>	<u>100%</u>

*The State of Indiana has not yet elected to join the Great Lakes Protection Fund.

Summary Financial information for the GLPF, for the fiscal year ended December 31, 2024, was as follows (dollars in thousands):

Cash and Investments	\$ 161,665
Other Assets	2,049
Total Assets	<u>\$ 163,714</u>
Total Liabilities	\$ 3,409
Total Net Position	160,305
Total Liabilities and Net Position	<u>\$ 163,714</u>
Total Revenues and Other Additions	\$ 19,230
Total Expenditures and Other Deductions	(7,152)
Change in Net Position	<u>\$ 12,078</u>

In the event of the Fund's dissolution, the State of Ohio would receive a residual portion of the Fund's assets equal to the lesser of the amount of such assets multiplied by the ratio of its required contribution to the required contributions of all member states, or the amount of its required contribution.

Community and Technical Colleges

The State's primary government has an ongoing financial responsibility for the funding of 14 community and technical colleges. With respect to the community colleges, State of Ohio officials appoint three members of each college's respective nine-member board of trustees; county officials appoint the remaining six members.

The governing boards of the technical colleges consist of either seven or nine trustees, of which State officials appoint two or three members, respectively; the remaining members are appointed by the local school boards located in the respective technical college district.



NOTE 19 JOINT VENTURES AND RELATED ORGANIZATIONS (Continued)

The Ohio General Assembly appropriates moneys to these institutions from the General Fund to subsidize operations so that higher education can become more financially accessible to Ohio residents. The primary government also provides financing for the construction of these institutions' capital facilities by meeting the debt service requirements for the Tobacco Settlement revenue bonds issued by the Buckeye Tobacco Settlement Financing Authority and the Higher Education Capital Facilities general obligation bonds issued by the Ohio Public Facilities Commission (OPFC), for these purposes. The bonds provide funding for capital appropriations, which are available to the local community and technical colleges for spending on capital construction.

Fiscal year 2025 expenses that were included in the "Higher Education Support" function under governmental activities in the Statement of Activities for state assistance to the community and technical colleges are presented below (dollars in thousands):

	Operating Subsidies	Capital Subsidies	Total
Community and Technical Colleges:			
Cuyahoga	\$ 59,139	\$ 4,640	\$ 63,779
Eastern Gateway*	23,293	4	23,297
Lakeland	17,407	9,392	26,799
Lorain County	29,370	392	29,762
Rio Grande	7,056	-	7,056
Sinclair	58,742	4,056	62,798
Belmont	3,317	97	3,414
Central Ohio	10,792	18	10,810
Hocking	10,845	2,024	12,869
Rhodes	11,050	3,643	14,693
Marion	8,712	46	8,758
Zane	6,490	454	6,944
North Central	9,425	189	9,614
Stark	32,263	3,630	35,893
Total	<u>\$ 287,901</u>	<u>\$ 28,585</u>	<u>\$ 316,486</u>

* Eastern Gateway closed July 28, 2024

Information for obtaining complete financial statements for each of the primary government's joint ventures is available from the Ohio Office of Budget and Management.

B. Related Organizations

Officials of the State's primary government appoint a voting majority of the governing boards of the Ohio Housing Finance Agency, the Ohio Water Development Authority, the Petroleum Underground Storage Tank Release Compensation Board, the Higher Education Facility Commission, and the Ohio Access to Justice Foundation. However, the primary government's accountability for these organizations does not extend beyond making the appointments.



NOTE 19 JOINT VENTURES AND RELATED ORGANIZATIONS (Continued)

During fiscal year 2025, the State had the following related-party transactions with its related organizations:

- The General Fund reports a \$491.1 million loans receivable balance due from the Ohio Housing Finance Agency. The State made the loans to finance and support the agency's housing programs.
- Separate funds, established for the Ohio Housing Finance Agency, the Petroleum Underground Storage Tank Release Compensation Board, and the Higher Education Facility Commission, were accounted for on the primary government's Ohio Administrative Knowledge System. The primary purpose of the funds is to streamline payroll and other administrative disbursement processing for these organizations. The financial activities of the funds, which do not receive any funding support from the primary government, have been included in the custodial funds.
- From the Job, Family and Other Human Services Fund, the Public Defender's Office paid the Ohio Access to Justice Foundation approximately \$12.3 million for administrative services performed under contract for the distribution of state funding to nonprofit legal aid societies.

NOTE 20 CONTINGENCIES AND COMMITMENTS

A. Litigation

The State, its units, and employees are parties to numerous legal proceedings, which normally occur in governmental operations. There are no legal proceedings, in the opinion of management after consultation with the Attorney General, likely to have a material adverse effect on the State's financial position.

B. Federal Awards

The State of Ohio receives significant awards from the Federal Government in the form of grants and entitlements, including certain non-cash programs. Receipt of grants is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable federal regulations, including the spending of resources for eligible purposes. Substantially all grants are subject to either the Federal Single Audit or to financial compliance audits by the grantor agencies of the federal government or their designees. Disallowances and sanctions as a result of these audits may become liabilities to the State.

Federal Single Audit

As a result of the fiscal year 2024 State of Ohio Single Audit issued in March 2025, \$925 thousand of federal expenditures were in question as not being appropriate under the terms of the respective grants. No provision for any liability or adjustments has been recognized for these questioned costs in the state's financial statements for the fiscal year ended June 30, 2025.

C. Tobacco Settlement

In November 1998, the Attorneys General of 46 states, five U.S. territories, and the District of Columbia signed the Master Settlement Agreement (MSA) with the nation's largest tobacco manufacturers. This signaled the end of litigation brought by the Attorneys General against the manufacturers in 1996 for state healthcare expenses attributed to smoking-related claims. The remaining four states (Florida, Minnesota, Mississippi, and Texas) settled separately.

According to the MSA, participating tobacco manufacturers are required to adhere to a variety of new marketing and lobbying restrictions and provide payments to the states in perpetuity.

As of October 23, 2007, the State transferred future rights to the Master Settlement Agreement revenue to the Buckeye Tobacco Settlement Financing Authority (BTSFA).

While BTSFA's share of the total base payments to the states through 2057 will not change over time, estimating the amount of annual payments that actually will be received in any given year can be complex, since under the terms of the MSA, payments are subject to a number of adjustment factors, including an inflation adjustment, a volume adjustment, and a potential adjustment for market share losses of participating manufacturers. Some of these adjustments, such as the inflation adjustment, result in BTSFA receiving higher payments. Other factors,



NOTE 20 CONTINGENCIES AND COMMITMENTS (Continued)

such as the volume adjustment and the market share adjustment can work to reduce the amount of the State's annual payments.

In addition to the base payments in 2008 through 2017, BTSFA received payments from the Strategic Contribution Fund. The Strategic Contribution Fund was established to reward states that played leadership roles in the tobacco litigation and settlement negotiations. Allocations from the fund were based on a state's contribution to the litigation and settlement with the tobacco companies. These payments were also subject to the adjustment factors outlined in the MSA. Strategic contribution payments ended in 2017. Beginning in 2018, payments consist solely of the base payment plus amounts, if any, paid by participating manufacturers relating to prior years and amounts, if any, released from the disputed payment account.

During fiscal year 2025, Ohio received \$222.6 million, which is approximately \$95.6 million or 30.04 percent less than the pre-adjusted base payment for the year.

In March 2020, the Authority issued \$5.35 billion in Asset-Backed Refunding Bonds (Series 2020 Bonds) to advance refund and current refund the outstanding 2007 Series Bonds. The Series 2020 Bonds have a final stated maturity in 2057.

As of June 30, 2025, the estimated tobacco settlement receivable in the amount of \$1.03 billion is included in "Other Receivables" reported for the governmental funds. The receivable includes \$861 million for payments withheld from BTSFA beginning fiscal year 2008 by the cigarette manufacturers when they exercised the market share loss provisions of the MSA. The moneys are on deposit in an escrow account until pending litigation between the States and the manufacturers is resolved. Both the Authority and the State contend that they have met their obligations under the MSA and are due the payments withheld.

The Tobacco Settlement receipts provide funding for the construction of primary and secondary school capital facilities, education technology for primary and secondary education and for higher education, programs for smoking cessation and other health-related purposes, biomedical research and technology, and assistance to tobacco-growing areas in Ohio.

The BTSFA revenue bonds are secured by and payable solely from the tobacco settlement receipts and other pledged collateral. In the event that the assets of BTSFA have been exhausted, no amounts will thereafter be paid on the bonds.

The enforcement of the terms of the MSA has been challenged by lawsuits and may continue to be challenged in the future. In the event of an adverse court ruling, BTFSA may not have adequate financial resources to make payment on the bonds.

A schedule of pre-adjusted base payments for the State of Ohio in future years follows (dollars in thousands):

Year Ending June 30,	Pre-Adjusted MSA Base Payments
2026.....	\$ 317,112
2027.....	316,761
2028.....	316,951
2029.....	317,587
2030.....	318,251
2031-2035.....	1,600,906
2036-2040.....	1,613,571
2041-2045.....	1,621,512
2046-2050.....	1,628,282
2051-2055.....	1,635,907
2056-2057.....	657,211
Total	<u>\$ 10,344,051</u>



D. Construction Commitments

As of June 30, 2025, the Ohio Department of Transportation had total contractual commitments of approximately \$3.85 billion for highway construction projects. Funding for future projects is expected to be provided from federal, primary government, general obligation and revenue bonds, and local government sources in amounts of \$2.52 billion, \$836.5 million, \$378.4 million, and \$106 million, respectively.

As of June 30, 2025, other major non-highway construction commitments for the primary government's budgeted capital projects funds and major discretely presented component unit were as follows (dollars in thousands):

Primary Government	
Mental Health/Developmental Disabilities Facilities Improvements	\$ 96,798
Parks and Recreation Improvements	214,505
Administrative Services Building Improvements	395,702
Youth Services Building Improvements	22,999
Adult Correctional Building Improvements	350,041
Ohio Parks and Natural Resources	18,798
Total	<u>\$ 1,098,843</u>
Major Discretely Presented Component Unit	
Ohio State University	\$ 497,660

E. Pollution Remediation Activities

During fiscal year 2025, the State was involved in remediation activities for pollution as described in the following paragraph. These activities include site investigation, cleanup, and monitoring. The associated estimated cost of remediation activities is shown below (in general, projects with a liability of less than \$1 million at June 30 are not listed).

The Ohio Department of Transportation has been named as the responsible party to remediate pollution resulting from contaminated soil on the agency-owned property and contaminated groundwater on the surrounding properties. The June 30 liability to eliminate the pollution and continue monitoring activities is estimated to be \$1.6 million. Cost was estimated by the onsite coordinators using actual invoices to date.

The liability described above is reported as "Other Noncurrent Liabilities-Due in One Year" and "Other Noncurrent Liabilities-Due in More Than One Year" for governmental activities in the government-wide Statement of Net Position. The reported liability for this activity is an estimate and subject to change over time. Variances in the final costs may result from changes in technology, changes in responsible parties, results of environmental studies, and changes in laws and regulations. Future recoveries from other responsible parties may also reduce the final cost paid by the State.

Capital assets may be created during the pollution remediation process. These capital assets will be reported in accordance with the State's capital assets policy. As of June 30, 2025, no capital assets were created nor reported as a result of any pollution remediation process.

F. Encumbrances

At June 30, 2025, the State has significant encumbrances of \$3.19 billion in the General Fund, \$1.52 billion in the Job, Family and Other Human Services Special Revenue Fund, \$1.19 billion in the Pandemic Relief Funds and \$6.84 billion in the nonmajor governmental funds.

G. Colleges and Universities

Due to timing issues, two nonmajor discretely presented component unit colleges/universities fiscal year 2025 independently audited reports were not available for inclusion in the State's ACFR. As an alternative to use as an estimate, the State included Terra State Community College's fiscal year 2024 audited report. Central State University's financial information was not included as the most recent audited report available was for fiscal year 2022.



NOTE 21 RISK FINANCING

A. Workers' Compensation Benefits

The Ohio Workers' Compensation System, which the Ohio Bureau of Workers' Compensation and the Industrial Commission of Ohio administer, is the exclusive provider of workers' compensation insurance to private and public employers in Ohio who are not self-insured. The Workers' Compensation Enterprise Fund (Fund) provides benefits to employees for losses sustained from job-related injury, disease, or death.

"Benefits Payable" of \$11.72 billion is reported in the Fund as of June 30, 2025. This amount represents reserves for indemnity and medical claims resulting from work-related injuries or illnesses, including actuarial estimates for both reported claims and claims incurred but not reported. The liability is based on the estimated ultimate cost of settling claims, including the effects of inflation and other societal and economic factors and projections as to future events, including claims frequency, severity, persistency, and inflationary trends for medical claims reserves. The compensation adjustment expenses liability, which is included in "Other Liabilities" in the amount of approximately \$1.7 billion, is an estimate of future expenses to be incurred in the settlement of claims. The estimate for this liability is based on projected claim-related expenses, estimated costs of the managed care Health Partnership Program, the estimated costs of the Pharmacy Benefit Manager, and the reserve for compensation.

Management of the Bureau of Workers' Compensation and the Industrial Commission believes that the recorded reserves for compensation and compensation adjustment expenses make for a reasonable and appropriate provision for expected future losses. While management uses available information to estimate the reserves for compensation and compensation adjustment expenses, future changes to the reserves for compensation and compensation adjustment expenses may be necessary based on claims experience and changing claims frequency and severity conditions. The methods of making such estimates and for establishing the resulting liabilities are reviewed quarterly and updated based on current circumstances. Any adjustments resulting from changes in estimates are recognized in the current period.

Benefits payable and the compensation adjustment expenses liability have been discounted at four percent to reflect the present value of future benefit payments. The selected discount rate approximates an average expected investment yield on the Bureau of Workers' Compensation and the Industrial Commission's investment portfolio that supports the future payments of the underlying Bureau's and Commission's reserves.

The undiscounted reserves for the benefits and compensation adjustment expenses totaled \$21.5 billion, as of June 30, 2025, and \$21.6 billion, as of June 30, 2024. For additional information, refer to the Fund's separately audited financial report, for the fiscal year ended June 30, 2025.

Changes in the balance of benefits payable and the compensation adjustment expenses liability for the Workers' Compensation Program during the past two fiscal years are presented in the table below:

Primary Government		
Changes in Workers' Compensation Benefits Payable and Compensation Adjustment Expenses Liability		
Last Two Fiscal Years		
(dollars in millions)		
	Fiscal Year 2025	Fiscal Year 2024
Benefits Payable and Compensation		
Adjustment Expenses Liability, as of July 1	\$ 13,476	\$ 13,348
Incurred Compensation		
and Compensation Adjustment Benefits	1,550	1,707
Incurred Compensation		
and Compensation Adjustment Benefit Payments		
and Other Adjustments	(1,613)	(1,579)
Benefits Payable and Compensation		
Adjustment Expenses Liability, as of June 30	\$ 13,413	\$ 13,476



NOTE 21 RISK FINANCING (Continued)

B. State Employee Healthcare Plan

Employees of the State's primary government have the option of participating in the State of Ohio medical plan (Plan). The Plan offers three options: the Ohio Med PPO (preferred provider organization), Ohio Med HDHP (high deductible health plan), and the Ohio Med NN (narrow network). The Plan is managed by two third party administrators (TPAs) who are responsible for processing claims for separate regions throughout the State.

When it is probable that a loss has occurred and the amount of the loss can be reasonably estimated, liabilities are reported in the governmental and proprietary funds for claims that have been incurred but not reported. The Plan's actuaries calculate estimated claims liabilities based on prior claims data, employee enrollment figures, medical trends, and experience.

Governmental and proprietary funds pay a share of the costs for claims settlement based on the number of employees opting for plan participation and the type of coverage selected by participants. The payments are accumulated in the State Employee Health Benefit Fund, accounted for within the General Fund, until such time that the accumulated resources are distributed to the TPAs for claims settlement.

For governmental funds, claims are recognized as expenditures to the extent that the amounts are payable with expendable available financial resources. For governmental and business-type activities, claims are recognized in the Statement of Activities as expenses when incurred.

As of June 30, 2025, approximately \$148.29 million in total assets was available in the General Fund to cover healthcare claims. Changes in the balance of claims liabilities for the Plan during the past two fiscal years were as follows (dollars in thousands):

Ohio Med PPO		
	Fiscal Year 2025	Fiscal Year 2024
Claims Liabilities, as of July 1	\$ 76,711	\$ 77,428
Incurred Claims	1,197,342	1,006,251
Claims Payments	(1,173,430)	(1,006,968)
Claims Liabilities, as of June 30	<u>\$ 100,623</u>	<u>\$ 76,711</u>

As of June 30, 2025, the resources on deposit in the General Fund were more than the estimated claims liability by approximately \$47.7 million, thereby resulting in a funding surplus.

C. Other Risk Financing Programs

The primary government has established programs to advance fund potential losses for vehicular liability and theft in office. The potential amount of loss arising from these risks, however, is not considered material in relation to the State's financial position.



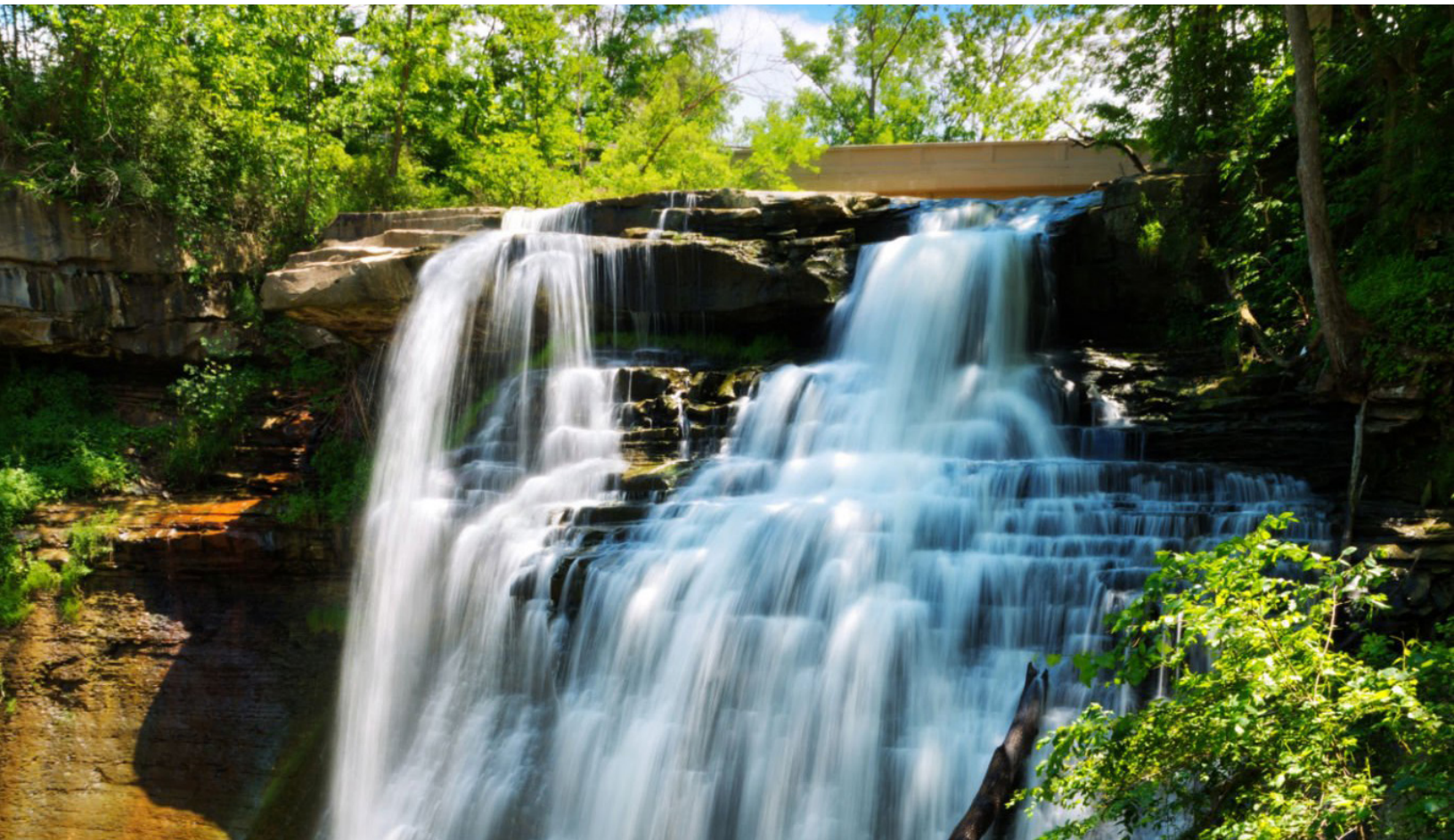
NOTE 22 SUBSEQUENT EVENTS

Bond Issuances

Subsequent to June 30, 2025, the State issued major debt as detailed in the table below:

Debt Issuances Subsequent to June 30, 2025 (dollars in thousands)			
	Date Issued	Net Interest Rate or True Interest Cost	Amount
Primary Government:			
<i>Ohio Public Facilities Commission (OPFC) - General Obligation Bonds:</i>			
Conservation, Series 2025A.....	11/19/2025	2.76%	\$ 44,830
Higher Education, Series 2025C.....	11/19/2025	3.77%	291,385
Higher Education, Refunding Series 2025D.....	11/19/2025	2.88%	171,200
Common Schools, Refunding Series 2025B.....	12/9/2025 *	2.96%	177,340
Infrastructure Improvements, Refunding Series 2025B.....	12/9/2025 *	2.88%	27,620
Total General Obligation Bonds.....			<u>712,375</u>
<i>Treasurer of State - Special Obligation Bonds:</i>			
Adult Correctional Facilities, Series 2025A.....	9/24/2025	2.87%	112,255
Adult Correctional Facilities, Series 2025B.....	9/24/2025	3.03%	125,520
Administrative Facilities, Series 2025B.....	10/29/2025	3.92%	195,450
Mental Health Facilities, Series 2025A.....	12/16/2025	2.94%	89,960
Parks and Recreation Facilities, Refunding Series 2025A.....	12/16/2025	2.83%	56,940
Adult Correctional Facilities, Refunding Series 2025C.....	12/16/2025	3.16%	27,975
Administrative Facilities, Series 2025C.....	12/16/2025	3.97%	38,250
Total Special Obligation Bonds.....			<u>646,350</u>
Total Primary Government.....			<u>\$ 1,358,725</u>

*Anticipated bond closing is 12/23/2025.



Brandywine Falls - Northfield, Ohio

Financial Section

Required Supplementary Information



Infrastructure Assets Accounted for Using the Modified Approach

Pavement Network

The Ohio Department of Transportation conducts annual condition assessments of its Pavement Network. The State manages its pavement system by means of annual, visual inspections by trained pavement technicians. Technicians rate the pavement using a scale of 1 (minimum) to 100 (maximum) based on a Pavement Condition Rating (PCR). This rating examines items such as cracking, potholes, deterioration of the pavement, and other factors. It does not include a detailed analysis of the pavement's subsurface conditions.

Ohio accounts for its pavement network in two subsystems: *Priority*, which comprises interstate highways, freeways, and multi-lane portions of the National Highway System, and *General*, which comprises two-lane routes outside of cities.

For the Priority Subsystem, it is the State's intention to maintain at least 75 percent of the pavement at a PCR level of at least 65, and to allow no more than 25 percent of the pavement to fall below a 65 PCR level. For the General Subsystem, it is the State's intention to maintain at least 75 percent of the pavement at a PCR level of at least 55, and to allow no more than 25 percent of the pavement to fall below a 55 PCR level.

**Pavement Network
Condition Assessment Data**

Priority Subsystem

Fiscal Year	Pavement Condition Ratings (PCR)								Total	
	Excellent PCR = 85-100		Good PCR = 75-84		Fair PCR = 65-74		Poor PCR = Below 65			
	Lane- Miles	%	Lane- Miles	%	Lane- Miles	%	Lane- Miles	%	Lane- Miles	%
2025	8,091	57.94	3,243	23.22	1,844	13.21	786	5.63	13,964	100.00
2024	8,244	59.31	3,221	23.17	1,658	11.93	776	5.59	13,899	100.00
2023	8,390	60.68	3,492	25.25	1,420	10.27	525	3.80	13,827	100.00
2022	8,308	60.08	3,205	23.18	1,837	13.29	477	3.45	13,827	100.00
2021	8,326	60.21	3,175	22.96	1,884	13.62	444	3.21	13,829	100.00

General Subsystem

Fiscal Year	Pavement Condition Ratings (PCR)								Total	
	Excellent PCR = 85-100		Good PCR = 75-84		Fair PCR = 55-74		Poor PCR = Below 55			
	Lane- Miles	%	Lane- Miles	%	Lane- Miles	%	Lane- Miles	%	Lane- Miles	%
2025	14,959	50.64	7,150	24.21	6,530	22.11	898	3.04	29,537	100.00
2024	14,783	50.05	7,285	24.66	6,587	22.30	883	2.99	29,538	100.00
2023	14,874	50.24	7,117	24.04	6,926	23.39	689	2.33	29,606	100.00
2022	15,031	50.77	7,408	25.02	6,574	22.21	592	2.00	29,605	100.00
2021	15,701	53.03	7,452	25.17	5,910	19.97	541	1.83	29,604	100.00



Infrastructure Assets Accounted for Using the Modified Approach (Continued)

Pavement Network
Comparison of Estimated-to-Actual Maintenance and Preservation Costs
(dollars in thousands)

Priority Subsystem

Fiscal Year	Estimated	Actual
2025	\$631,955	\$651,250
2024	474,533	638,980
2023	497,517	622,193
2022	449,910	509,150
2021	427,159	483,633

General Subsystem

Fiscal Year	Estimated	Actual
2025	\$444,405	\$473,689
2024	353,152	518,566
2023	364,454	476,886
2022	303,681	360,818
2021	279,971	350,792

Bridge Network

The Ohio Department of Transportation conducts annual inspections of all bridges in the State's Bridge Network. The inspections cover major structural items such as piers and abutments, and assign a General Appraisal Condition Rating (GACR) from 0 (minimum) to nine (maximum) based on a composite measure of these major structural items.

It is the State's intention to maintain at least 85 percent of the square feet of deck area at a general appraisal condition rating level of at least five, and to allow no more than 15 percent of the number of square feet of deck area to fall below a general appraisal condition rating level of five.

Bridge Network
Condition Assessment Data
(square feet in thousands)

Fiscal Year	General Appraisal Condition Ratings (GACR)									
	Excellent GACR = 7-9		Good GACR = 5-6		Fair GACR = 3-4		Poor GACR = 0-2		Total	
	Sq Ft Deck Area	%	Sq Ft Deck Area	%	Sq Ft Deck Area	%	Sq Ft Deck Area	%	Sq Ft Deck Area	%
2025	67,009	61.86	38,404	35.45	2,844	2.63	62	0.06	108,319	100.00
2024	67,720	62.60	37,976	35.10	2,484	2.30	2	0.00	108,182	100.00
2023	68,784	61.25	40,651	36.20	2,857	2.55	0	0.00	112,292	100.00
2022	68,368	62.93	37,763	34.76	2,500	2.30	13	0.01	108,644	100.00
2021	76,048	69.76	31,214	28.64	1,741	1.60	4	0.00	109,007	100.00



Infrastructure Assets Accounted for Using the Modified Approach (Continued)

Bridge Network		
Comparison of Estimated-to-Actual Maintenance and Preservation Costs		
<i>(dollars in thousands)</i>		
Fiscal Year	Estimated	Actual
2025	\$393,501	\$453,508
2024	360,754	448,223
2023	324,959	368,699
2022	327,649	335,604
2021	369,529	396,994



STATE OF OHIO

SCHEDULE OF PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITY/(ASSET)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

AS OF THE CURRENT MEASUREMENT DATE FOR THE LAST TEN YEARS

(dollars in thousands)

	As of December 31st:		
	2024	2023	2022
Traditional Plan:			
Employer's Proportion of the Collective Net Pension Liability.....	20.35%	20.29%	21.31%
Employer's Proportionate Share of the Collective Net Pension Liability.....	\$ 4,988,542	\$ 5,310,804	\$ 6,293,687
Covered Payroll.....	\$ 3,677,602	\$ 3,371,818	\$ 3,332,009
Employer's Proportionate Share of the Collective Net Pension Liability as a Percentage of the Employer's Covered Payroll.....	135.65%	157.51%	188.89%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability.....	80.99%	79.01%	75.74%
Combined Plan:			
Employer's Proportion of the Collective Net Pension/(Asset).....	0.00% *	21.31%	21.34%
Employer's Proportionate Share of the Collective Net Pension/(Asset).....	\$ -	\$ (65,499)	\$ (50,288)
Covered Payroll.....	\$ -	\$ 84,700	\$ 92,752
Employer's Proportionate Share of the Collective Net Pension/(Asset) as a Percentage of the Employer's Covered Payroll.....	0.00%	77.33%	54.22%
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset.....	0.00%	144.55%	137.14%

*Effective January 1, 2024, OPERS consolidated the Combined Plan into the Traditional Pension Plan.



2021	2020	2019	2018	2017	2016	2015
21.14%	21.37%	20.82%	20.86%	20.85%	20.95%	20.65%
\$ 1,839,383	\$ 3,164,266	\$ 4,115,589	\$ 5,714,426	\$ 3,271,382	\$ 4,736,652	\$ 3,561,458
\$ 3,091,357	\$ 3,032,613	\$ 2,952,641	\$ 2,862,809	\$ 2,791,773	\$ 2,754,860	\$ 2,589,575
59.50%	104.34%	139.39%	199.61%	117.18%	171.94%	137.53%
92.62%	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%
19.99%	19.85%	19.36%	19.59%	19.13%	19.67%	19.64%
\$ (78,793)	\$ (57,311)	\$ (40,375)	\$ (21,905)	\$ (26,038)	\$ (10,623)	\$ (9,355)
\$ 91,863	\$ 88,168	\$ 86,872	\$ 85,111	\$ 81,048	\$ 77,885	\$ 72,010
85.77%	65.00%	46.48%	25.74%	32.13%	13.64%	12.99%
169.88%	157.67%	145.28%	126.64%	137.28%	116.55%	116.90%



STATE OF OHIO

SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
FOR THE LAST TEN FISCAL YEARS
(dollars in thousands)

	2025	2024	2023
Traditional Plan:			
Statutorily Required Employer Contribution.....	\$ 534,225	\$ 504,784	\$ 460,849
Actual Employer Contributions Received.....	534,225	504,784	460,849
Difference.....	\$ -	\$ -	\$ -
Covered Payroll.....	\$ 3,801,064	\$ 3,591,942	\$ 3,279,241
Actual Employer Contributions Received as a Percentage of Covered Payroll.....	14.05%	14.05%	14.05%
Combined Plan:			
Statutorily Required Employer Contribution.....	\$ - *	\$ 12,514	\$ 11,737
Actual Employer Contributions Received.....	0	12,514	11,737
Difference.....	\$ -	\$ -	\$ -
Covered Payroll.....	\$ -	\$ 89,047	\$ 83,517
Actual Employer Contributions Received as a Percentage of Covered Payroll.....	0.00%	14.05%	14.05%

*Effective January 1, 2024, OPERS consolidated the Combined Plan into the Traditional Pension Plan.



2022	2021	2020	2019	2018	2017	2016
\$ 440,591	\$ 428,702	\$ 421,955	\$ 407,968	\$ 383,973	\$ 343,330	\$ 314,599
440,591	428,702	421,955	407,968	383,973	343,330	314,599
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 3,135,204	\$ 3,050,925	\$ 3,003,237	\$ 2,903,850	\$ 2,834,015	\$ 2,794,847	\$ 2,613,331
14.05%	14.05%	14.05%	14.05%	13.55%	12.28%	12.04%
\$ 13,382	\$ 12,547	\$ 12,317	\$ 12,139	\$ 11,345	\$ 9,977	\$ 9,366
13,382	12,547	12,317	12,139	11,345	9,977	9,366
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 95,227	\$ 89,294	\$ 87,664	\$ 86,407	\$ 83,734	\$ 81,219	\$ 77,801
14.05%	14.05%	14.05%	14.05%	13.55%	12.28%	12.04%



STATE OF OHIO

SCHEDULE OF PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITY

STATE TEACHERS RETIREMENT SYSTEM

AS OF THE CURRENT MEASUREMENT DATE FOR THE LAST TEN YEARS

(dollars in thousands)

	<u>As of June 30th:</u>		
	<u>2024</u>	<u>2023</u>	<u>2022</u>
Employer's Proportion of the Collective Net Pension Liability.....	0.35%	0.35%	0.36%
Employer's Proportionate Share of the Collective Net Pension Liability.....	\$ 67,042	\$ 76,192	\$ 79,225
Covered Payroll.....	\$ 48,385	\$ 45,469	\$ 46,322
Employer's Proportionate Share of the Collective Net Pension Liability as a Percentage of the Employer's Covered Payroll.....	138.56%	167.57%	171.03%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability.....	82.50%	80.00%	78.90%



2021	2020	2019	2018	2017	2016	2015
0.36%	0.36%	0.36%	0.37%	0.38%	0.38%	0.39%
\$ 46,507	\$ 88,004	\$ 80,186	\$ 81,261	\$ 90,418	\$ 126,919	\$ 107,522
\$ 44,888	\$ 47,303	\$ 42,360	\$ 42,066	\$ 41,881	\$ 39,990	\$ 40,509
103.61%	186.04%	189.30%	193.18%	215.89%	317.38%	265.43%
87.80%	75.50%	77.40%	77.31%	75.29%	66.78%	72.10%



STATE OF OHIO

SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS

STATE TEACHERS RETIREMENT SYSTEM

FOR THE LAST TEN FISCAL YEARS ^(A)

(dollars in thousands)

	2025	2024	2023
Statutorily Required Employer Contribution.....	\$ 7,137	\$ 6,774	\$ 6,485
Actual Employer Contributions Received.....	7,137	6,774	6,485
Difference.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll.....	\$ 50,979	\$ 48,385	\$ 45,469
Actual Employer Contributions Received as a Percentage of Covered Payroll.....	14.00%	14.00%	14.26%

Notes:

^(A) Starting in fiscal year 2017, the 2015 and 2016 data presented was adjusted to reflect the State's fiscal reporting year rather than measurement date.



2022	2021	2020	2019	2018	2017	2016
\$ 6,284	\$ 6,141	\$ 6,622	\$ 5,929	\$ 5,888	\$ 5,863	\$ 5,692
6,284	6,141	6,622	5,929	5,888	5,863	5,692
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 46,322	\$ 44,888	\$ 47,303	\$ 42,360	\$ 42,066	\$ 41,881	\$ 39,990
13.57%	13.68%	14.00%	14.00%	14.00%	14.00%	14.23%



STATE OF OHIO

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
STATE HIGHWAY PATROL RETIREMENT SYSTEM
AS OF THE CURRENT MEASUREMENT DATE FOR THE LAST TEN YEARS
(dollars in thousands)

	As of December 31st:		
	2024	2023	2022
Total Pension Liability:			
Service Cost.....	\$ 19,425	\$ 18,711	\$ 19,112
Interest on the Total Pension Liability.....	98,914	96,063	93,506
Benefit Changes.....	-	43	-
Difference between Expected and Actual Experience.....	17,456	13,217	9,926
Assumption Changes.....	-	(3,292)	-
Benefit Payments.....	(87,165)	(85,095)	(88,662)
Refunds.....	-	-	-
Net Change in Total Pension Liability.....	48,630	39,647	33,882
Total Pension Liability - Beginning.....	1,388,488	1,348,841	1,314,959
Total Pension Liability - Ending (a).....	<u>\$ 1,437,118</u>	<u>\$ 1,388,488</u>	<u>\$ 1,348,841</u>
Plan Fiduciary Net Position:			
Employer Contributions.....	\$ 34,725	\$ 33,040	\$ 28,972
Employee Contributions.....	18,685	18,659	18,004
Pension Plan Net Investment Income.....	96,153	127,085	(96,156)
Benefit Payments.....	(87,165)	(85,095)	(88,662)
Refunds.....	-	-	-
Pension Plan Administrative Expense.....	(1,648)	(1,966)	(1,331)
Other.....	-	-	-
Net Change in Plan Fiduciary Net Position.....	60,750	91,723	(139,173)
Plan Fiduciary Net Position - Beginning.....	952,866	861,143	1,000,316
Adjustment to Beginning of Year.....	(6,642)	-	-
Plan Fiduciary Net Position - Ending (b).....	<u>\$ 1,006,974</u>	<u>\$ 952,866</u>	<u>\$ 861,143</u>
Net Pension Liability - Ending (a) - (b).....	<u>\$ 430,144</u>	<u>\$ 435,622</u>	<u>\$ 487,698</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability.....	70.07%	68.63%	63.84%
Covered Payroll..... (A) \$	135,142	\$ 118,412	\$ 112,477
Net Pension Liability as a Percentage of Covered Payroll.....	318.29%	367.89%	433.60%

Notes:

(A) Covered payroll includes Deferred Retirement Option Program (DROP) employees.



2021	2020	2019	2018	2017	2016	2015
\$ 19,853	\$ 20,462	\$ 29,856	\$ 19,679	\$ 19,635	\$ 18,094	\$ 17,805
92,395	90,171	85,534	89,298	85,936	84,195	81,577
-	-	-	-	(5,681)	-	-
(7,143)	5,922	(7,403)	538	17,854	(8,633)	(6,366)
-	-	(241,353)	256,572	-	-	40,773
(89,406)	(81,133)	(75,134)	(71,577)	(75,393)	(65,720)	(66,213)
-	-	-	(717)	(1,075)	(1,731)	(858)
15,699	35,422	(208,500)	293,793	41,276	26,205	66,718
1,299,260	1,263,838	1,472,338	1,178,545	1,137,269	1,111,064	1,044,346
<u>\$ 1,314,959</u>	<u>\$ 1,299,260</u>	<u>\$ 1,263,838</u>	<u>\$ 1,472,338</u>	<u>\$ 1,178,545</u>	<u>\$ 1,137,269</u>	<u>\$ 1,111,064</u>
\$ 30,090	\$ 32,855	\$ 33,107	\$ 26,014	\$ 26,110	\$ 25,384	\$ 22,895
16,489	18,107	16,253	14,452	14,505	14,101	13,686
136,722	121,213	129,802	(37,810)	101,482	46,423	(5,702)
(89,406)	(81,133)	(75,134)	(71,577)	(75,393)	(65,721)	(66,213)
-	-	-	(717)	(1,075)	(1,731)	(858)
(971)	(1,509)	(1,650)	(1,436)	(1,437)	(1,353)	(1,084)
-	-	-	199	479	357	839
92,924	89,533	102,378	(70,875)	64,671	17,460	(36,437)
907,392	817,859	715,481	786,356	721,685	704,225	740,662
-	-	-	-	-	-	-
<u>\$ 1,000,316</u>	<u>\$ 907,392</u>	<u>\$ 817,859</u>	<u>\$ 715,481</u>	<u>\$ 786,356</u>	<u>\$ 721,685</u>	<u>\$ 704,225</u>
<u>\$ 314,643</u>	<u>\$ 391,868</u>	<u>\$ 445,979</u>	<u>\$ 756,857</u>	<u>\$ 392,189</u>	<u>\$ 415,584</u>	<u>\$ 406,839</u>
76.07%	69.84%	64.71%	48.59%	66.72%	63.46%	63.38%
\$ 111,621	\$ 117,996	\$ 118,370	\$ 116,010	\$ 112,705	\$ 108,789	\$ 99,983
281.89%	332.10%	376.77%	652.41%	347.98%	382.01%	406.91%



STATE OF OHIO

SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS
STATE HIGHWAY PATROL RETIREMENT SYSTEM
FOR THE LAST TEN FISCAL YEARS
(dollars in thousands)

	(B) 2025	2024	2023	2022	2021
Actuarially Determined Contribution.....	\$ 32,100	\$ 30,818	\$ 28,708	\$ 31,938	\$ 32,265
Actual Employer Contributions Received.....	33,717	33,040	28,972	30,090	32,855
Difference.....	<u>\$ (1,617)</u>	<u>\$ (2,222)</u>	<u>\$ (264)</u>	<u>\$ 1,848</u>	<u>\$ (590)</u>
Covered Payroll..... (A)	\$ 139,798	\$ 118,412	\$ 112,477	\$ 111,621	\$ 117,996
Actual Employer Contributions Received as a Percentage of Covered Payroll.....	24.12%	27.90%	25.76%	26.96%	27.84%

Notes:

(A) Covered payroll includes Deferred Retirement Option Program (DROP) employees.

(B) Starting in FY 2025, actual employer contributions and covered payroll for the fiscal year were reported instead of the amounts for the measurement period, which had previously been reported.

Actuarial Assumptions

Valuation Date	December 31, 2023, projected to December 31, 2024
Notes	Actuarially determined contribution amounts are for the measurement period ending on December 31, 2024 and are calculated as of December 31, 2022 (for the period beginning January 1, 2023 and ending on December 31, 2023) and December 31, 2023 (for the period beginning January 1, 2024 and ending on December 31, 2024). The actuarial assumptions and methods as of December 31, 2023 were used to determine the actuarially determined contribution amounts reported for the fiscal year ending on June 30, 2025.
Actuarial Cost Method	Entry age normal (level percent of pay)
Amortization Method	Level Percent of Pay over a Closed Period not more than 30 years
Remaining Amortization Period	19 years
Asset Valuation Method	Four-year smoothed market with a 20 percent corridor
Inflation	3.0 percent wage inflation; 2.5 percent price inflation
Salary Increases	3.8 percent to 13.5 percent including inflation
Investment Rate of Return	7.25 percent
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	Healthy Active Lives: PubS-2010 (amount-weighted) employee tables. Retiree/Vested Terminated Lives: PubS-2010 (amount-weighted) healthy retiree tables adjusted by 94.5 percent. Contingent Survivor Lives: PubS-2010 (amount-weighted, above-median) contingent survivor tables adjusted by 109.7 percent. Disabled Lives: PubS-2010 (amount-weighted) disabled retiree tables adjusted by 101.6 percent. Mortality assumptions for all participants are sex distinct with mortality improvement projected five years beyond the valuation date using scale MP-2021 and a base year of 2010.



STATE OF OHIO
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

JUNE 30, 2025

2020	2019	2018	2017	2016
\$ 31,270	\$ 26,014	\$ 25,349	\$ 24,407	\$ 22,446
33,107	26,014	26,110	25,383	22,895
<u>\$ (1,837)</u>	<u>\$ -</u>	<u>\$ (761)</u>	<u>\$ (976)</u>	<u>\$ (449)</u>
\$ 118,371	\$ 116,010	\$ 112,705	\$ 108,789	\$ 99,983
27.97%	22.42%	23.17%	23.33%	22.90%



STATE OF OHIO

SCHEDULE OF PROPORTIONATE SHARE OF THE COLLECTIVE NET OPEB LIABILITY/(ASSET)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

AS OF THE CURRENT MEASUREMENT DATE FOR THE LAST EIGHT YEARS ^(A)

(dollars in thousands)

	As of December 31st:		
	2024	2023	2022
All Plans:			
Employer's Proportion of the Collective Net OPEB Liability/(Asset).....	20.31%	20.27%	21.25%
Employer's Proportionate Share of the Collective Net OPEB Liability/(Asset).....	\$ (476,129)	\$ (182,918)	\$ 133,974
Covered Payroll.....	\$ 3,782,083	\$ 3,548,176	\$ 3,506,430
Employer's Proportionate Share of the Collective Net OPEB Liability/(Asset) as a Percentage of the Employer's Covered Payroll.....	12.59%	5.16%	3.82%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/(Asset).....	121.51%	107.76%	94.79%

Notes:

^(A) This table will present ten years of information as it becomes available.



2021	2020	2019	2018	2017
21.04%	21.25%	20.71%	20.75%	20.74%
\$ (658,986)	\$ (378,552)	\$ 2,859,959	\$ 2,704,808	\$ 2,252,428
\$ 3,253,569	\$ 3,187,089	\$ 3,103,935	\$ 2,986,152	\$ 2,915,630
20.25%	11.88%	92.14%	90.58%	77.25%
128.23%	115.57%	47.80%	46.33%	54.14%



STATE OF OHIO

SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

FOR THE LAST EIGHT FISCAL YEARS ^(A)

(dollars in thousands)

	2025	2024	2023
Actuarially Determined Employer Contribution.....	\$ 52,246	\$ 50,208	\$ 48,749
Actual Employer Contributions Received.....	0	0	0
Difference.....	<u>\$ 52,246</u>	<u>\$ 50,208</u>	<u>\$ 48,749</u>
Covered Payroll.....	\$ 3,931,623	\$ 3,801,492	\$ 3,468,339
Actual Employer Contributions Received as a Percentage of Covered Payroll.....	0.00%	0.00%	0.00%

Notes:

^(A) This table will present ten years of information as it becomes available.



2022	2021	2020	2019	2018
\$ 44,755	\$ 209,912	\$ 177,136	\$ 176,568	\$ 153,362
0	0	0	0	18,802
<u>\$ 44,755</u>	<u>\$ 209,912</u>	<u>\$ 177,136</u>	<u>\$ 176,568</u>	<u>\$ 134,560</u>
\$ 3,321,619	\$ 3,225,871	\$ 3,173,961	\$ 3,070,283	\$ 2,994,040
0.00%	0.00%	0.00%	0.00%	0.63%



STATE OF OHIO

SCHEDULE OF PROPORTIONATE SHARE OF THE COLLECTIVE NET OPEB LIABILITY/(ASSET)

STATE TEACHERS RETIREMENT SYSTEM

AS OF THE CURRENT MEASUREMENT DATE FOR THE LAST EIGHT YEARS ^(A)

(dollars in thousands)

	As of June 30th:		
	2024	2023	2022
Employer's Proportion of the Collective Net OPEB Liability/(Asset).....	0.35%	0.35%	0.36%
Employer's Proportionate Share of the Collective Net OPEB Liability/(Asset).....	\$ (6,609)	\$ (6,881)	\$ (9,228)
Covered Payroll.....	\$ 48,385	\$ 45,469	\$ 46,322
Employer's Proportionate Share of the Collective Net OPEB Liability/(Asset) as a Percentage of the Employer's Covered Payroll.....	13.66%	15.13%	19.92%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/(Asset).....	158.01%	168.52%	230.73%

Notes:

^(A) This table will present ten years of information as it becomes available.



2021	2020	2019	2018	2017
0.36%	0.36%	0.36%	0.37%	0.38%
\$ (7,669)	\$ (6,392)	\$ (6,005)	\$ (5,939)	\$ 14,850
\$ 44,888	\$ 47,303	\$ 42,360	\$ 42,066	\$ 40,918
17.08%	13.51%	14.18%	14.12%	36.29%
174.73%	182.13%	174.74%	176.00%	47.11%



STATE OF OHIO

SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS

STATE TEACHERS RETIREMENT SYSTEM

FOR THE LAST EIGHT FISCAL YEARS ^(A)

(dollars in thousands)

	2025	2024	2023
Actuarially Determined Employer Contribution.....	\$ -	\$ -	\$ -
Actual Employer Contributions Received.....	-	-	-
Difference.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll..... ^(B)	\$ 50,979	\$ 48,385	\$ 45,469
Actual Employer Contributions Received as a Percentage of Covered Payroll.....	0.00%	0.00%	0.00%

Notes:

^(A) This table will present ten years of information as it becomes available.

^(B) The covered payroll amount includes a small portion of the defined contribution plan payroll; which this portion of the plan is not covered for OPEB.



2022	2021	2020	2019	2018
\$ -	\$ -	\$ -	\$ -	\$ 910
-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 910</u>
\$ 46,322	\$ 44,888	\$ 47,303	\$ 42,360	\$ 42,066
0.00%	0.00%	0.00%	0.00%	0.00%



STATE OF OHIO

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS

STATE HIGHWAY PATROL RETIREMENT SYSTEM

AS OF THE CURRENT MEASUREMENT DATE FOR THE LAST EIGHT YEARS ^(A)

(dollars in thousands)

	As of December 31st:		
	2024	2023	2022
Total OPEB Liability:			
Service Cost.....	\$ 6,305	\$ 9,308	\$ 18,271
Interest on the Total OPEB Liability.....	10,904	16,114	12,959
Benefit Changes.....	(100,253)	-	-
Difference between Expected and Actual Experience.....	10,173	(1,716)	(5,747)
Assumption Changes.....	(16,303)	(27,495)	(177,048)
Benefit Payments, including refunds of employee contributions.....	(7,298)	(7,493)	(5,851)
Net Change in Total OPEB Liability.....	(96,472)	(11,282)	(157,416)
Total OPEB Liability - Beginning.....	342,145	353,427	510,843
Total OPEB Liability - Ending (a).....	<u>\$ 245,673</u>	<u>\$ 342,145</u>	<u>\$ 353,427</u>
Plan Fiduciary Net Position:			
Employer Contributions.....	\$ -	\$ -	\$ 3,890
Employee Contributions.....	-	-	-
Net Investment Income.....	12,176	16,512	(12,854)
Benefit Payments, including refunds of employee contributions.....	(7,298)	(7,493)	(5,851)
Administrative Expense.....	(209)	(256)	(178)
Other.....	(863)	-	-
Net Change in Plan Fiduciary Net Position.....	3,806	8,763	(14,993)
Plan Fiduciary Net Position - Beginning.....	123,899	115,136	130,129
Plan Fiduciary Net Position - Ending (b).....	<u>\$ 127,705</u>	<u>\$ 123,899</u>	<u>\$ 115,136</u>
Net OPEB Liability - Ending (a) - (b).....	<u>\$ 117,968</u>	<u>\$ 218,246</u>	<u>\$ 238,291</u>
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability.....	51.98%	36.21%	32.58%
Covered Payroll..... ^(B)	\$ 125,482	\$ 122,123	\$ 112,477
Net OPEB Liability as a Percentage of Covered Payroll.....	94.01%	178.71%	211.86%

Notes:

^(A) This table will present ten years of information as it becomes available.

^(B) Covered payroll includes Deferred Retirement Option Program (DROP) employees.



2021	2020	2019	2018	2017
\$ 29,981	\$ 19,270	\$ 18,125	\$ 26,137	\$ 23,657
15,920	19,150	16,992	19,663	19,243
(142,052)	-	-	-	709
5,301	(26,654)	(26,860)	(74,912)	(1,204)
(144,182)	167,137	122,197	(68,878)	46,862
(6,161)	(8,303)	(8,619)	(8,539)	(9,434)
(241,193)	170,600	121,835	(106,529)	79,833
752,036	581,436	459,601	566,130	486,297
<u>\$ 510,843</u>	<u>\$ 752,036</u>	<u>\$ 581,436</u>	<u>\$ 459,601</u>	<u>\$ 566,130</u>
\$ -	\$ -	\$ -	\$ 4,623	\$ 4,640
-	-	-	-	-
17,794	16,141	18,006	(5,852)	14,467
(6,161)	(8,303)	(8,619)	(8,538)	(9,433)
(126)	(201)	(229)	(204)	(204)
-	-	-	-	-
11,507	7,637	9,158	(9,971)	9,470
118,622	110,986	101,828	111,799	102,329
<u>\$ 130,129</u>	<u>\$ 118,623</u>	<u>\$ 110,986</u>	<u>\$ 101,828</u>	<u>\$ 111,799</u>
<u>\$ 380,714</u>	<u>\$ 633,413</u>	<u>\$ 470,450</u>	<u>\$ 357,773</u>	<u>\$ 454,331</u>
25.47%	15.77%	19.09%	22.16%	19.75%
\$ 111,621	\$ 117,996	\$ 118,370	\$ 116,010	\$ 112,705
341.08%	536.81%	397.44%	308.39%	403.11%



STATE OF OHIO

SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS

STATE HIGHWAY PATROL RETIREMENT SYSTEM

FOR THE LAST EIGHT FISCAL YEARS ^(A)

(dollars in thousands)

	^(C)				
	2025	2024	2023	2022	2021
Actuarially Determined Contribution.....	\$ 5,750	\$ 9,147	\$ 10,788	\$ 15,435	\$ 17,304
Actual Employer Contributions Received.....	-	-	3,890	-	-
Difference.....	<u>\$ 5,750</u>	<u>\$ 9,147</u>	<u>\$ 6,898</u>	<u>\$ 15,435</u>	<u>\$ 17,304</u>
Covered Payroll..... ^(B)	\$ 139,798	\$ 122,123	\$ 112,477	\$ 111,621	\$ 117,996
Actual Employer Contributions Received as a Percentage of Covered Payroll.....	0.00%	0.00%	3.46%	0.00%	0.00%

Notes:

^(A) This table will present ten years of information as it becomes available.

^(B) Covered payroll includes Deferred Retirement Option Program (DROP) employees.

^(C) Starting in FY 2025, covered payroll for the fiscal year was reported instead of the amount for the measurement period, which had previously been reported.

Actuarial Assumptions

Valuation Date	December 31, 2023, projected to December 31, 2024
Notes	Actuarially determined contribution amounts for the measurement period ending on December 31, 2024 are calculated as of December 31, 2023 (for the period beginning January 1, 2024 and ending on December 31, 2024). The actuarial assumptions and methods as of December 31, 2023 were used to determine the actuarially determined contribution amounts reported for the fiscal year ending June 30, 2025.
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percent of pay over open period
Remaining Amortization Period	30 years
Asset Valuation Method	Four-year smoothed market with a 20 percent Corridor
Inflation	2.75 percent wage inflation; 2.5 percent price inflation
Salary Increases	3.9 percent to 20.5 percent, includes inflation
Investment Rate of Return	7.25 percent, net to OPEB plan investment expense, includes inflation
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	Pre-retirement: PubS-2010 healthy public safety employee (amount-weighted) table adjusted by 100.4 percent. Post-retirement: PubS-2010 healthy public safety annuitant (amount-weighted) table adjusted by 94.5 percent. Post-disablement: PubS-2010 total disabled public safety annuitant (amount-weighted) table adjusted by 101.6 percent. Mortality assumptions for all participants are sex distinct with mortality improvement projected five years beyond the valuation date using scale MP-2021 and a base year of 2010.



2020	2019	2018
\$ 15,228	\$ 22,105	\$ 30,774
-	4,623	4,640
<u>\$ 15,228</u>	<u>\$ 17,482</u>	<u>\$ 26,134</u>
\$ 118,370	\$ 116,010	\$ 112,705
0.00%	3.99%	4.12%



STATE OF OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) GENERAL FUND AND MAJOR SPECIAL REVENUE FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

(dollars in thousands)

	GENERAL			VARIANCE WITH FINAL BUDGET POSITIVE/ (NEGATIVE)
	BUDGET			
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Income Taxes.....	\$ 10,953,342	\$ 10,272,042	\$ 10,963,361	\$ 691,319
Sales Taxes.....	13,887,826	13,566,391	14,311,214	744,823
Corporate and Public Utility Taxes.....	3,263,627	3,282,127	3,323,716	41,589
Motor Vehicle Fuel Taxes.....	1,433,120	1,433,120	1,433,120	—
Cigarette Taxes.....	766,700	703,500	711,979	8,479
Other Taxes.....	957,478	1,001,478	1,015,567	14,089
Licenses, Permits and Fees.....	1,378,243	1,413,243	1,417,584	4,341
Sales, Services and Charges.....	392,442	392,442	401,812	9,370
Federal Government.....	15,351,128	14,243,455	14,304,781	61,326
Tobacco Settlement.....	90	90	332	242
Investment Income.....	448,783	573,783	697,550	123,767
Other.....	3,732,364	3,784,712	3,748,752	(35,960)
TOTAL REVENUES.....	52,565,143	50,666,383	52,329,768	1,663,385
BUDGETARY EXPENDITURES:				
CURRENT OPERATING:				
Primary, Secondary and Other Education.....	12,241,597	12,349,119	12,311,684	37,435
Higher Education Support.....	3,546,159	3,873,760	3,378,262	495,498
Public Assistance and Medicaid.....	26,044,910	26,109,909	24,518,931	1,590,978
Health and Human Services.....	1,336,530	1,393,796	1,301,079	92,717
Justice and Public Protection.....	4,721,214	4,823,540	4,654,566	168,974
Environmental Protection and Natural Resources.....	358,920	382,457	363,189	19,268
Transportation.....	228,326	813,807	734,099	79,708
General Government.....	2,990,762	4,048,644	3,757,758	290,886
Community and Economic Development.....	4,601,925	6,161,987	4,996,185	1,165,802
CAPITAL OUTLAY.....	—	—	—	—
DEBT SERVICE.....	1,245,308	1,298,403	1,288,447	9,956
TOTAL BUDGETARY EXPENDITURES.....	57,315,651	61,255,422	57,304,200	3,951,222
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) BUDGETARY EXPENDITURES.....	(4,750,508)	(10,589,039)	(4,974,432)	5,614,607
OTHER FINANCING SOURCES (USES):				
Bonds, Notes, and COPs Issued.....	607,954	607,954	607,954	—
Transfers-in.....	2,816,916	2,981,916	1,612,692	(1,369,224)
Transfers-out.....	(3,459,676)	(2,630,675)	(1,981,049)	649,626
TOTAL OTHER FINANCING SOURCES (USES).....	(34,806)	959,195	239,597	(719,598)
NET CHANGE IN FUND BALANCES.....	\$ (4,785,314)	\$ (9,629,844)	(4,734,835)	\$ 4,895,009
BUDGETARY FUND BALANCES (DEFICITS), JULY 1.....			14,178,676	
Outstanding Encumbrances at Beginning of Fiscal Year.....			2,430,520	
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30.....			\$ 11,874,361	

JOB, FAMILY AND OTHER HUMAN SERVICES				PANDEMIC RELIEF FUNDS			
BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE/ (NEGATIVE)	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE/ (NEGATIVE)
ORIGINAL	FINAL			ORIGINAL	FINAL		
		\$ —				\$ —	
		—				—	
		—				—	
		—				—	
		732				—	
		3,370,940				—	
		—				—	
		12,441,066				13,866	
		—				—	
		71,680				64,378	
		3,165,020				7,472	
		<u>19,049,438</u>				<u>85,716</u>	
\$ —	\$ —	—	\$ —	\$ 99,452	\$ 190,745	189,698	\$ 1,047
—	—	—	—	—	—	—	—
20,765,730	21,898,102	20,647,965	1,250,137	8,128	8,128	8,128	—
489,364	504,047	450,987	53,060	116,748	174,331	173,997	334
75,496	102,158	93,638	8,520	103,363	113,439	106,509	6,930
—	—	—	—	100,814	187,331	186,010	1,321
—	—	—	—	1,211	7,211	6,678	533
3,071	3,071	3,028	43	—	18,504	18,429	75
—	—	—	—	989,657	1,844,749	1,550,868	293,881
1,463	24,462	297	24,165	—	—	—	—
—	—	—	—	—	—	—	—
<u>\$ 21,335,124</u>	<u>\$ 22,531,840</u>	<u>21,195,915</u>	<u>\$ 1,335,925</u>	<u>\$ 1,419,373</u>	<u>\$ 2,544,438</u>	<u>2,240,317</u>	<u>\$ 304,121</u>
		<u>(2,146,477)</u>				<u>(2,154,601)</u>	
		—				—	
		136,620				—	
		(109,399)				(73,442)	
		<u>27,221</u>				<u>(73,442)</u>	
		<u>(2,119,256)</u>				<u>(2,228,043)</u>	
		(260,560)				702,029	
		<u>1,669,014</u>				<u>1,419,373</u>	
		<u>\$ (710,802)</u>				<u>\$ (106,641)</u>	



Note: GAAP versus NON-GAAP BUDGETARY BASIS

In the accompanying *Schedule of Revenues, Expenditures and Changes in Fund Balances — Budget and Actual (Non-GAAP Budgetary Basis) — General Fund and Major Special Revenue Fund*, actual revenues, transfers-in, expenditures, encumbrances, and transfers-out reported on the non-GAAP budgetary basis do not equal those reported on the GAAP basis in the *Statement of Revenues, Expenditures and Changes in Fund Balances — Major Governmental Funds*.

This inequality results primarily from basis differences in the recognition of accruals, deferred resources, interfund transactions, and loan transactions, and from timing differences in the budgetary basis of accounting for encumbrances. On the non-GAAP budgetary basis, the State recognizes encumbrances as expenditures in the year encumbered, while on the modified accrual basis, the State recognizes expenditures when goods or services are received regardless of the year encumbered.

Original Budget amounts in the accompanying budgetary schedules have been taken from the first complete appropriated budget for fiscal year 2025. An appropriated budget is the expenditure authority created by appropriation bills that are signed into law and related estimated revenues. The original budget also includes actual appropriation amounts automatically carried over from prior years by law, including the automatic rolling forward of appropriations to cover prior-year encumbrances.

Final Budget amounts represent original appropriations modified by authorized transfers, supplemental and amended appropriations, and other legally authorized legislative and executive changes applicable to fiscal year 2025, whenever signed into law or otherwise legally authorized.

For fiscal year 2025, no excess expenditures over appropriations were reported in individual funds.

A reconciliation of the fund balances reported under the GAAP basis and budgetary basis for the General Fund and the major special revenue funds is presented on the following page.



Note: GAAP versus NON-GAAP BUDGETARY BASIS (Continued)

Primary Government

**Reconciliation of GAAP Basis Fund Balances to Non-GAAP Budgetary Basis Fund Balances
For the General Fund and Major Special Revenue Funds**

As of June 30, 2025

(dollars in thousands)

	General	Job, Family & Other Human Services	Pandemic Relief Funds
Total Fund Balances — GAAP Basis	\$ 17,153,942	\$ 808,167	\$ 9,831
Less: Nonspendable Fund Balances.....	60,281	-	5,099
Less: Restricted Fund Balances.....	1,619,331	343,924	39,985
Less: Committed Fund Balances.....	912,899	464,243	-
Less: Assigned Fund Balances.....	10,952,817	-	-
Unassigned Fund Balances — GAAP Basis	3,608,614	-	(35,253)
BASIS DIFFERENCES			
Revenue Accruals/Adjustments:			
Cash Equity with Treasurer	(12,423)	(22,921)	-
Taxes Receivable	(1,965,226)	-	-
Intergovernmental Receivable	(857,632)	(253,641)	-
Loans Receivable, Net	(1,542,822)	-	-
Other Receivables	(628,009)	(1,041,704)	-
Unearned Revenue	-	925,213	1,040,285
Total Revenue Accruals/Adjustments	(5,006,112)	(393,053)	1,040,285
Expenditure Accruals/Adjustments:			
Cash Equity with Treasurer	(262,626)	(9,422)	(63)
Inventories	(24,027)	-	(11,315)
Other Assets	(49)	-	-
Accounts Payable	383,170	134,823	56,907
Accrued Liabilities	163,644	20,601	26
Medicaid Claims Payable	1,251,734	-	-
Intergovernmental Payable	1,663,849	159,138	29,124
Interfund Payable	402,050	8,092	136
Payable to Component Units	21,197	2,760	-
Refund and Other Liabilities	1,750,571	6,907	-
Liability for Escheat Property	511,105	-	-
Total Expenditure Accruals/Adjustments	5,860,618	322,899	74,815
Deferred Inflows of Resources.....	1,035,208	130,338	-
Other Adjustments:			
Fund Balance Reclassifications:			
From Unassigned (Non-GAAP Budgetary Basis) to:			
Nonspendable	60,281	-	5,099
Restricted.....	1,619,331	343,924	39,985
Committed	912,899	464,243	-
Assigned.....	10,952,817	-	-
Cash and Investments Held Outside State Treasury	(3,636,864)	(2,804)	-
Total Other Adjustments	9,908,464	805,363	45,084
Total Basis Differences	11,798,178	865,547	1,160,184
TIMING DIFFERENCES			
Encumbrances	(3,532,431)	(1,576,349)	(1,231,572)
Budgetary Fund Balances (Deficits) — Non-GAAP Basis ..	\$ 11,874,361	\$ (710,802)	\$ (106,641)



King's Mill Covered Bridge - Marion, Ohio

Financial Section

Combining Financial Statements and Schedules

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

The Special Revenue Funds account for specific revenues that are legally restricted to expenditure for particular purposes.

Debt Service Funds

The Debt Service Funds account for the resources accumulated and payments made for principal and interest on long-term debt of the governmental funds.

Capital Projects Funds

The Capital Projects Funds account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

STATE OF OHIO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2025
(dollars in thousands)

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS
ASSETS:			
Cash Equity with Treasurer.....	\$ 5,028,294	\$ 1,491	\$ 514,537
Cash and Cash Equivalents.....	36,554	407	—
Investments.....	20,200	9,558	16,691
Collateral on Lent Securities.....	1,214,856	360	124,314
Taxes Receivable	218,933	—	—
Intergovernmental Receivable.....	754,027	—	—
Loans Receivable, Net	222,217	—	—
Other Receivables	12,687	—	—
Inventories	104,874	—	—
TOTAL ASSETS.....	\$ 7,612,642	\$ 11,816	\$ 655,542
LIABILITIES:			
Accounts Payable	\$ 455,367	\$ 4	\$ 35,251
Accrued Liabilities.....	59,873	—	—
Medicaid Claims Payable.....	384,368	—	—
Obligations Under Securities Lending.....	1,214,856	360	124,314
Intergovernmental Payable.....	362,079	—	—
Interfund Payable.....	99,445	—	—
Payable to Component Units.....	1,585	—	—
Unearned Revenue.....	174,412	—	—
TOTAL LIABILITIES.....	2,751,985	364	159,565
DEFERRED INFLOWS OF RESOURCES.....	44,476	—	—
FUND BALANCES (DEFICITS):			
Nonspendable.....	104,874	—	—
Restricted.....	3,590,068	11,452	495,977
Committed.....	1,121,316	—	—
Unassigned.....	(77)	—	—
TOTAL FUND BALANCES (DEFICITS).....	4,816,181	11,452	495,977
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 7,612,642	\$ 11,816	\$ 655,542

TOTAL

\$	5,544,322
	36,961
	46,449
	1,339,530
	218,933
	754,027
	222,217
	12,687
	104,874
\$	8,280,000

\$	490,622
	59,873
	384,368
	1,339,530
	362,079
	99,445
	1,585
	174,412
	2,911,914
	44,476

	104,874
	4,097,497
	1,121,316
	(77)
	5,323,610

\$	8,280,000

STATE OF OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

(dollars in thousands)

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS
REVENUES:			
Corporate and Public Utility Taxes.....	\$ 89,702	\$ —	\$ —
Motor Vehicle Fuel Taxes.....	1,243,508	—	—
Cigarette Taxes.....	12	—	—
Other Taxes.....	582,426	—	—
Licenses, Permits and Fees.....	953,836	—	—
Sales, Services and Charges.....	58,932	—	—
Federal Government.....	10,124,401	—	1,252
Investment Income.....	137,269	5,991	26,568
Other.....	1,001,182	—	744
TOTAL REVENUES.....	14,191,268	5,991	28,564
EXPENDITURES:			
CURRENT OPERATING:			
Primary, Secondary and Other Education.....	4,657,322	—	—
Higher Education Support.....	49,875	—	—
Public Assistance and Medicaid.....	4,144,924	—	—
Health and Human Services.....	1,067,118	—	—
Justice and Public Protection.....	470,502	—	—
Environmental Protection and Natural Resources.....	570,473	—	—
Transportation.....	3,743,799	—	—
General Government.....	452,455	—	—
Community and Economic Development.....	1,043,721	—	—
CAPITAL OUTLAY.....	38,833	—	649,073
DEBT SERVICE.....	—	1,738,305	—
TOTAL EXPENDITURES.....	16,239,022	1,738,305	649,073
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(2,047,754)	(1,732,314)	(620,509)
OTHER FINANCING SOURCES (USES):			
Bonds, Notes, and COPs Issued.....	59,937	78,263	121,440
Refunding Bonds and COPs Issued.....	—	553,470	—
Payment to Refunded Bond and COPs Escrow Agents.....	—	(611,738)	—
Premiums/Discounts.....	—	109,791	10,560
Transfers-in.....	1,984,524	1,602,543	3
Transfers-out.....	(469,453)	—	(1,471)
TOTAL OTHER FINANCING SOURCES (USES).....	1,575,008	1,732,329	130,532
NET CHANGE IN FUND BALANCES.....	(472,746)	15	(489,977)
FUND BALANCES (DEFICITS), July 1.....	5,311,797	11,437	985,954
Increase (Decrease) for Changes in Inventories.....	(22,870)	—	—
FUND BALANCES (DEFICITS), JUNE 30.....	\$ 4,816,181	\$ 11,452	\$ 495,977

<u>TOTAL</u>	
\$	89,702
	1,243,508
	12
	582,426
	953,836
	58,932
	10,125,653
	169,828
	<u>1,001,926</u>
	<u>14,225,823</u>

	4,657,322
	49,875
	4,144,924
	1,067,118
	470,502
	570,473
	3,743,799
	452,455
	1,043,721
	687,906
	<u>1,738,305</u>
	<u>18,626,400</u>

(4,400,577)

	259,640
	553,470
	(611,738)
	120,351
	3,587,070
	<u>(470,924)</u>
	<u>3,437,869</u>

(962,708)

	6,309,188
	<u>(22,870)</u>

\$ 5,323,610

NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds account for specific revenues that are legally restricted to expenditure for particular purposes.

Education Fund

The Education Fund accounts for programs administered by the Department of Education and Workforce, the Department of Higher Education, and other various state agencies, which prescribe the State's minimum educational requirements and which provide funding and assistance to local school districts for basic instruction and vocation and technical job training, and to the State's colleges and universities for post-secondary education.

Highway Operating Fund

The Highway Operating Fund accounts for programs administered by the Department of Transportation, which is responsible for the planning and design, construction, and maintenance of Ohio's highways, roads, and bridges and for Ohio's public transportation programs.

Community and Economic Development Fund

The Community and Economic Development Fund accounts for programs administered by the Department of Development and other various state agencies, which were created to assure the efficient use of resources for the State's community and economic growth and development.

Health Fund

The Health Fund accounts for public health programs primarily administered by the Department of Health, which promotes the prevention and treatment of diseases and illnesses through technical assistance, health education, and research.

Mental Health and Developmental Disabilities Fund

The Mental Health and Developmental Disabilities Fund accounts for mental health care and developmental disabilities programs primarily administered by the Department of Mental Health and Addiction Services and the Department of Developmental Disabilities, which provide assistance, services, and medical care to those individuals with mental health and developmental disability problems.

Highway Safety Fund

The Highway Safety Fund accounts for public safety programs primarily administered by the Department of Public Safety, which enforces traffic-related laws for the purpose of reducing accidents, deaths, injuries, and property damages on Ohio's highways.

Natural Resources Fund

The Natural Resources Fund accounts for environmental programs administered by the Department of Natural Resources, the Environmental Protection Agency, and other various state agencies, which promote, protect, and manage the State's natural resources and environment.

Wildlife and Waterways Safety Fund

The Wildlife and Waterways Safety Fund accounts for programs administered by the Department of Natural Resources' Divisions of Wildlife and Watercraft, which promote, protect, and manage the State's wildlife and waterways and which provide technical assistance and education to the public.

STATE OF OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2025
(dollars in thousands)

	EDUCATION	HIGHWAY OPERATING	COMMUNITY AND ECONOMIC DEVELOPMENT
ASSETS:			
Cash Equity with Treasurer.....	\$ 530,489	\$ 1,989,851	\$ 1,051,759
Cash and Cash Equivalents.....	—	100	36,454
Investments.....	—	—	6,712
Collateral on Lent Securities.....	128,169	480,757	254,106
Taxes Receivable	—	187,511	26,719
Intergovernmental Receivable.....	139,351	223,548	16,960
Loans Receivable, Net	—	116,933	105,284
Other Receivables	—	5,731	—
Inventories	310	77,173	—
TOTAL ASSETS.....	\$ 798,319	\$ 3,081,604	\$ 1,497,994
LIABILITIES:			
Accounts Payable	\$ 7,507	\$ 333,935	\$ 67,235
Accrued Liabilities.....	1,854	25,440	8,924
Medicaid Claims Payable.....	—	—	—
Obligations Under Securities Lending.....	128,169	480,757	254,106
Intergovernmental Payable.....	147,955	—	119,740
Interfund Payable.....	1,376	52,837	4,021
Payable to Component Units.....	275	205	500
Unearned Revenue.....	4,559	—	123,635
TOTAL LIABILITIES.....	291,695	893,174	578,161
DEFERRED INFLOWS OF RESOURCES.....	10,723	4,939	—
FUND BALANCES (DEFICITS):			
Nonspendable.....	310	77,173	—
Restricted.....	125,168	2,089,029	589,940
Committed.....	370,423	17,289	329,970
Unassigned.....	—	—	(77)
TOTAL FUND BALANCES (DEFICITS).....	495,901	2,183,491	919,833
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 798,319	\$ 3,081,604	\$ 1,497,994

HEALTH	MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES	HIGHWAY SAFETY	NATURAL RESOURCES	WILDLIFE AND WATERWAYS SAFETY	TOTAL
\$ 161,467	\$ 572,240	\$ 68,073	\$ 592,582	\$ 61,833	\$ 5,028,294
—	—	—	—	—	36,554
—	—	—	13,488	—	20,200
39,011	138,256	16,447	143,171	14,939	1,214,856
115	—	—	—	4,588	218,933
14,832	359,336	—	—	—	754,027
—	—	—	—	—	222,217
4,249	2,707	—	—	—	12,687
27,391	—	—	—	—	104,874
\$ 247,065	\$ 1,072,539	\$ 84,520	\$ 749,241	\$ 81,360	\$ 7,612,642
\$ 14,730	\$ 9,345	\$ 2,288	\$ 14,357	\$ 5,970	\$ 455,367
4,080	6,279	1,728	8,340	3,228	59,873
—	384,368	—	—	—	384,368
39,011	138,256	16,447	143,171	14,939	1,214,856
18,001	76,383	—	—	—	362,079
2,497	28,415	2,323	3,723	4,253	99,445
134	246	27	22	176	1,585
4,062	—	—	42,156	—	174,412
82,515	643,292	22,813	211,769	28,566	2,751,985
—	28,814	—	—	—	44,476
27,391	—	—	—	—	104,874
112,092	304,926	10,998	342,398	15,517	3,590,068
25,067	95,507	50,709	195,074	37,277	1,121,316
—	—	—	—	—	(77)
164,550	400,433	61,707	537,472	52,794	4,816,181
\$ 247,065	\$ 1,072,539	\$ 84,520	\$ 749,241	\$ 81,360	\$ 7,612,642

STATE OF OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

(dollars in thousands)

	EDUCATION	HIGHWAY OPERATING	COMMUNITY AND ECONOMIC DEVELOPMENT
REVENUES:			
Corporate and Public Utility Taxes.....	\$ —	\$ —	\$ 89,702
Motor Vehicle Fuel Taxes.....	—	1,209,672	7,200
Cigarette Taxes.....	—	—	12
Other Taxes.....	177,396	—	337,845
Licenses, Permits and Fees.....	13,492	79,808	534,403
Sales, Services and Charges.....	842	215	42,776
Federal Government.....	3,012,069	2,126,805	666,896
Investment Income.....	24,887	78,830	10,881
Other.....	3,912	38,064	68,833
TOTAL REVENUES.....	3,232,598	3,533,394	1,758,548
EXPENDITURES:			
CURRENT OPERATING:			
Primary, Secondary and Other Education.....	4,656,840	—	482
Higher Education Support.....	41,875	—	8,000
Public Assistance and Medicaid.....	197	—	—
Health and Human Services.....	17,104	—	125
Justice and Public Protection.....	11,107	—	372,110
Environmental Protection and Natural Resources.....	—	—	515
Transportation.....	—	3,740,319	3,480
General Government.....	—	—	442,645
Community and Economic Development.....	—	—	1,016,253
CAPITAL OUTLAY.....	—	—	31,313
TOTAL EXPENDITURES.....	4,727,123	3,740,319	1,874,923
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(1,494,525)	(206,925)	(116,375)
OTHER FINANCING SOURCES (USES):			
Bonds, Notes, and COPs Issued.....	—	—	59,937
Transfers-in.....	1,448,320	476,117	29,426
Transfers-out.....	(541)	(356,182)	(95,206)
TOTAL OTHER FINANCING SOURCES (USES).....	1,447,779	119,935	(5,843)
NET CHANGE IN FUND BALANCES.....	(46,746)	(86,990)	(122,218)
FUND BALANCES (DEFICITS), July 1.....	542,647	2,281,292	1,042,051
Increase (Decrease) for Changes in Inventories.....	—	(10,811)	—
FUND BALANCES (DEFICITS), JUNE 30.....	\$ 495,901	\$ 2,183,491	\$ 919,833

HEALTH	MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES	HIGHWAY SAFETY	NATURAL RESOURCES	WILDLIFE AND WATERWAYS SAFETY	TOTAL
\$ —	\$ —	\$ —	\$ —	\$ —	\$ 89,702
—	—	—	—	26,636	1,243,508
—	—	—	—	—	12
6,672	—	—	60,513	—	582,426
26,040	70,723	12,643	162,990	53,737	953,836
—	153	4,165	9,073	1,708	58,932
783,559	3,341,484	37,704	113,024	42,860	10,124,401
962	14,354	2,293	3,918	1,144	137,269
75,577	718,769	27,810	66,133	2,084	1,001,182
892,810	4,145,483	84,615	415,651	128,169	14,191,268
—	—	—	—	—	4,657,322
—	—	—	—	—	49,875
41,721	4,103,006	—	—	—	4,144,924
855,164	194,525	200	—	—	1,067,118
—	—	87,011	274	—	470,502
—	—	—	444,851	125,107	570,473
—	—	—	—	—	3,743,799
4,640	—	—	5,170	—	452,455
6,886	—	—	20,582	—	1,043,721
—	—	—	1,087	6,433	38,833
908,411	4,297,531	87,211	471,964	131,540	16,239,022
(15,601)	(152,048)	(2,596)	(56,313)	(3,371)	(2,047,754)
—	—	—	—	—	59,937
7,140	9,348	1,359	11,833	981	1,984,524
(2,797)	(14,727)	—	—	—	(469,453)
4,343	(5,379)	1,359	11,833	981	1,575,008
(11,258)	(157,427)	(1,237)	(44,480)	(2,390)	(472,746)
187,867	557,860	62,944	581,952	55,184	5,311,797
(12,059)	—	—	—	—	(22,870)
\$ 164,550	\$ 400,433	\$ 61,707	\$ 537,472	\$ 52,794	\$ 4,816,181

STATE OF OHIO

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(dollars in thousands)

	EDUCATION		
	BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE/ (NEGATIVE)
	FINAL		
REVENUES:			
Corporate and Public Utility Taxes.....		\$ —	
Motor Vehicle Fuel Taxes.....		—	
Cigarette Taxes.....		—	
Other Taxes.....		173,613	
Licenses, Permits and Fees.....		14,601	
Sales, Services and Charges.....		4,625	
Federal Government.....		3,053,611	
Investment Income.....		24,887	
Other.....		12,940	
TOTAL REVENUES.....		3,284,277	
BUDGETARY EXPENDITURES:			
CURRENT OPERATING:			
Primary, Secondary and Other Education.....	\$ 4,996,511	4,754,836	\$ 241,675
Higher Education Support.....	57,425	49,743	7,682
Public Assistance and Medicaid.....	335	314	21
Health and Human Services.....	24,046	22,635	1,411
Justice and Public Protection.....	17,873	14,827	3,046
Environmental Protection and Natural Resources.....	—	—	—
Transportation.....	—	—	—
General Government.....	—	—	—
Community and Economic Development.....	—	—	—
CAPITAL OUTLAY.....	—	—	—
DEBT SERVICE.....	—	—	—
TOTAL BUDGETARY EXPENDITURES.....	\$ 5,096,190	4,842,355	\$ 253,835
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) BUDGETARY EXPENDITURES.....		(1,558,078)	
OTHER FINANCING SOURCES (USES):			
Bonds, Notes, and COPs Issued.....		—	
Transfers-in.....		1,448,388	
Transfers-out.....		(541)	
TOTAL OTHER FINANCING SOURCES (USES).....		1,447,847	
NET CHANGE IN FUND BALANCES.....		(110,231)	
BUDGETARY FUND BALANCES			
(DEFICITS), JULY 1.....		522,526	
Outstanding Encumbrances at Beginning of Fiscal Year.....		52,285	
BUDGETARY FUND BALANCES			
(DEFICITS), JUNE 30.....		\$ 464,580	

HIGHWAY OPERATING			COMMUNITY AND ECONOMIC DEVELOPMENT		
BUDGET		VARIANCE WITH FINAL BUDGET	BUDGET		VARIANCE WITH FINAL BUDGET
FINAL	ACTUAL	POSITIVE/ (NEGATIVE)	FINAL	ACTUAL	POSITIVE/ (NEGATIVE)
	\$ —			\$ 95,242	
	1,179,446			7,200	
	—			12	
	—			333,335	
	78,987			527,615	
	215			45,466	
	2,108,353			742,445	
	78,830			10,881	
	144,648			84,489	
	<u>3,590,479</u>			<u>1,846,685</u>	
\$ —	—	\$ —	\$ 5,598	1,957	\$ 3,641
—	—	—	8,000	8,000	—
—	—	—	—	—	—
—	—	—	125	125	—
—	—	—	585,779	452,481	133,298
—	—	—	668	532	136
11,840,868	7,642,072	4,198,796	12,911	11,041	1,870
—	—	—	539,009	497,580	41,429
—	—	—	2,492,368	1,922,724	569,644
—	—	—	117,710	63,203	54,507
174,000	161,671	12,329	1,965	1,965	—
<u>\$ 12,014,868</u>	<u>7,803,743</u>	<u>\$ 4,211,125</u>	<u>\$ 3,764,133</u>	<u>2,959,608</u>	<u>\$ 804,525</u>
<u>(4,213,264)</u>			<u>(1,112,923)</u>		
—			59,937		
476,333			37,024		
<u>(194,727)</u>			<u>(100,840)</u>		
<u>281,606</u>			<u>(3,879)</u>		
<u>(3,931,658)</u>			<u>(1,116,802)</u>		
(1,641,150)			37,895		
<u>3,729,529</u>			<u>1,054,814</u>		
<u>\$ (1,843,279)</u>			<u>\$ (24,093)</u>		

(continued)

STATE OF OHIO

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) NONMAJOR SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

(dollars in thousands)

(continued)

	HEALTH		
	BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE/ (NEGATIVE)
	FINAL		
REVENUES:			
Corporate and Public Utility Taxes.....		\$ —	
Motor Vehicle Fuel Taxes.....		—	
Cigarette Taxes.....		—	
Other Taxes.....		6,659	
Licenses, Permits and Fees.....		26,040	
Sales, Services and Charges.....		571	
Federal Government.....		613,603	
Investment Income.....		962	
Other.....		134,563	
TOTAL REVENUES.....		782,398	
BUDGETARY EXPENDITURES:			
CURRENT OPERATING:			
Primary, Secondary and Other Education.....	\$ —	—	\$ —
Higher Education Support.....	—	—	—
Public Assistance and Medicaid.....	50,021	48,209	1,812
Health and Human Services.....	1,049,840	863,992	185,848
Justice and Public Protection.....	850	—	850
Environmental Protection and Natural Resources.....	—	—	—
Transportation.....	—	—	—
General Government.....	5,968	5,389	579
Community and Economic Development.....	11,529	10,727	802
CAPITAL OUTLAY.....	—	—	—
DEBT SERVICE.....	—	—	—
TOTAL BUDGETARY EXPENDITURES.....	\$ 1,118,208	928,317	\$ 189,891
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) BUDGETARY EXPENDITURES.....		(145,919)	
OTHER FINANCING SOURCES (USES):			
Bonds, Notes, and COPs Issued.....		—	
Transfers-in.....		7,140	
Transfers-out.....		(2,797)	
TOTAL OTHER FINANCING SOURCES (USES).....		4,343	
NET CHANGE IN FUND BALANCES.....		(141,576)	
BUDGETARY FUND BALANCES (DEFICITS), JULY 1.....		(20,804)	
Outstanding Encumbrances at Beginning of Fiscal Year.....		186,468	
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30.....		\$ 24,088	

MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES			HIGHWAY SAFETY		
		VARIANCE WITH FINAL BUDGET			VARIANCE WITH FINAL BUDGET
BUDGET		POSITIVE/ (NEGATIVE)	BUDGET		POSITIVE/ (NEGATIVE)
FINAL	ACTUAL		FINAL	ACTUAL	
	\$ —			\$ —	
	—			—	
	—			—	
	—			—	
	70,836			12,641	
	153			4,162	
	3,273,612			37,704	
	14,354			2,293	
	696,861			28,387	
	<u>4,055,816</u>			<u>85,187</u>	
\$ —	—	\$ —	\$ —	—	\$ —
—	—	—	—	—	—
4,715,619	4,243,323	472,296	—	—	—
416,398	367,201	49,197	200	200	—
—	—	—	145,773	116,295	29,478
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
<u>\$ 5,132,017</u>	<u>4,610,524</u>	<u>\$ 521,493</u>	<u>\$ 145,973</u>	<u>116,495</u>	<u>\$ 29,478</u>
	<u>(554,708)</u>			<u>(31,308)</u>	
	—			—	
	9,348			1,359	
	<u>(14,727)</u>			<u>(1)</u>	
	<u>(5,379)</u>			<u>1,358</u>	
	<u>(560,087)</u>			<u>(29,950)</u>	
	(21,834)			40,058	
	<u>755,930</u>			<u>28,488</u>	
	<u>\$ 174,009</u>			<u>\$ 38,596</u>	

(continued)

STATE OF OHIO

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) NONMAJOR SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

(dollars in thousands)

(continued)

NATURAL RESOURCES			
		VARIANCE WITH FINAL BUDGET	
BUDGET			
FINAL	ACTUAL	POSITIVE/ (NEGATIVE)	
REVENUES:			
Corporate and Public Utility Taxes.....	\$	—	
Motor Vehicle Fuel Taxes.....		—	
Cigarette Taxes.....		—	
Other Taxes.....		60,526	
Licenses, Permits and Fees.....		167,224	
Sales, Services and Charges.....		8,954	
Federal Government.....		134,866	
Investment Income.....		3,918	
Other.....		66,358	
TOTAL REVENUES.....		441,846	
BUDGETARY EXPENDITURES:			
CURRENT OPERATING:			
Primary, Secondary and Other Education.....	\$	—	\$ —
Higher Education Support.....		—	—
Public Assistance and Medicaid.....		—	—
Health and Human Services.....		—	—
Justice and Public Protection.....		351	274 77
Environmental Protection and Natural Resources.....		812,953	649,801 163,152
Transportation.....		—	—
General Government.....		5,822	5,447 375
Community and Economic Development.....		21,673	21,646 27
CAPITAL OUTLAY.....		9,593	2,605 6,988
DEBT SERVICE.....		—	—
TOTAL BUDGETARY EXPENDITURES.....	\$	850,392	679,773 \$ 170,619
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) BUDGETARY EXPENDITURES.....			
		(237,927)	
OTHER FINANCING SOURCES (USES):			
Bonds, Notes, and COPs Issued.....		—	
Transfers-in.....		14,958	
Transfers-out.....		(3,125)	
TOTAL OTHER FINANCING SOURCES (USES).....		11,833	
NET CHANGE IN FUND BALANCES.....		(226,094)	
BUDGETARY FUND BALANCES			
(DEFICITS), JULY 1.....		368,100	
Outstanding Encumbrances at Beginning of Fiscal Year.....		239,597	
BUDGETARY FUND BALANCES			
(DEFICITS), JUNE 30.....	\$	381,603	

WILDLIFE AND WATERWAYS SAFETY			TOTAL		
		VARIANCE WITH FINAL BUDGET			VARIANCE WITH FINAL BUDGET
BUDGET		BUDGET	BUDGET		BUDGET
FINAL	ACTUAL	POSITIVE/ (NEGATIVE)	FINAL	ACTUAL	POSITIVE/ (NEGATIVE)
	\$ —			\$ 95,242	
	26,652			1,213,298	
	—			12	
	—			574,133	
	53,737			951,681	
	1,710			65,856	
	42,860			10,007,054	
	1,144			137,269	
	3,683			1,171,929	
	<u>129,786</u>			<u>14,216,474</u>	
\$ —	—	\$ —	\$ 5,002,109	4,756,793	\$ 245,316
—	—	—	65,425	57,743	7,682
—	—	—	4,765,975	4,291,846	474,129
—	—	—	1,490,609	1,254,153	236,456
—	—	—	750,626	583,877	166,749
188,821	176,380	12,441	1,002,442	826,713	175,729
—	—	—	11,853,779	7,653,113	4,200,666
—	—	—	550,799	508,416	42,383
—	—	—	2,525,570	1,955,097	570,473
65,134	13,917	51,217	192,437	79,725	112,712
—	—	—	175,965	163,636	12,329
<u>\$ 253,955</u>	<u>190,297</u>	<u>\$ 63,658</u>	<u>\$ 28,375,736</u>	<u>22,131,112</u>	<u>\$ 6,244,624</u>
<u>(60,511)</u>			<u>(7,914,638)</u>		
—			59,937		
4,593			1,999,143		
<u>(3,612)</u>			<u>(320,370)</u>		
<u>981</u>			<u>1,738,710</u>		
<u>(59,530)</u>			<u>(6,175,928)</u>		
19,688			(695,521)		
<u>41,949</u>			<u>6,089,060</u>		
<u>\$ 2,107</u>			<u>\$ (782,389)</u>		

NONMAJOR DEBT SERVICE FUNDS

Debt Service Funds account for the resources accumulated and payments made for principal and interest on long-term debt of the governmental funds.

General Obligation Bonds Fund

The General Obligation Fund accounts for the payment of principal and interest on general obligation bonds that have been authorized, under the Ohio Constitution, to finance state capital projects, improvements, or compensation for Coal Research and Development, Local Infrastructure Improvements, State Projects, Highway Capital Improvements, Higher Education Capital Facilities, Common Schools Capital Facilities, Conservation Projects, Third Frontier Research and Development, Job Ready Site Development, and Persian Gulf Conflict Compensation.

Infrastructure Bank Revenue Bonds Fund

The Infrastructure Bank Revenue Bonds Fund accounts for the payment of principal and interest on revenue bonds issued to finance various highway construction projects sponsored by the Department of Transportation.

Lease Rental Special Obligation Bonds Fund

The Lease Rental Special Obligation Fund accounts for the payment of principal and interest on special obligation bonds issued to finance the construction of higher education facilities, mental health facilities, parks and recreation projects and facilities, and Ohio Facilities Construction Commission projects.

Certificates of Participation Fund

The Certificates of Participation Fund accounts for the payment of certificate of participation-related obligations that finance some of the State's capital projects including the Multi Agency Radio Communications (MARCS), Ohio Administrative Knowledge System (OAKS), the State's Taxation Accounting and Revenue System (STARS), the Treasury Management System (TMS), the Enterprise Data Center Solutions (EDCS), the Bureau of Criminal Investigation Records System (BCIRS), the Unemployment Insurance System (UIS), the Voters System Acquisition (VSA) project, and the Debt Collection System (DCS).

STATE OF OHIO
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
JUNE 30, 2025
(dollars in thousands)

	GENERAL OBLIGATION BONDS	INFRASTRUCTURE BANK REVENUE BONDS	LEASE RENTAL SPECIAL OBLIGATION BONDS
ASSETS:			
Cash Equity with Treasurer.....	\$ 1,491	\$ —	\$ —
Cash and Cash Equivalents.....	—	—	407
Investments.....	—	8,981	—
Collateral on Lent Securities.....	360	—	—
TOTAL ASSETS.....	\$ 1,851	\$ 8,981	\$ 407
LIABILITIES:			
Accounts Payable	\$ —	\$ 4	\$ —
Obligations Under Securities Lending.....	360	—	—
TOTAL LIABILITIES.....	360	4	—
FUND BALANCES (DEFICITS):			
Restricted.....	1,491	8,977	407
TOTAL FUND BALANCES (DEFICITS).....	1,491	8,977	407
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,851	\$ 8,981	\$ 407

<i>CERTIFICATES OF PARTICIPATION</i>	<i>TOTAL</i>
\$ —	\$ 1,491
—	407
577	9,558
—	360
<u>\$ 577</u>	<u>\$ 11,816</u>
\$ —	\$ 4
—	360
—	364
577	11,452
577	11,452
<u>\$ 577</u>	<u>\$ 11,816</u>

STATE OF OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR DEBT SERVICE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

(dollars in thousands)

	GENERAL OBLIGATION BONDS	INFRASTRUCTURE BANK REVENUE BONDS	LEASE RENTAL SPECIAL OBLIGATION BONDS
REVENUES:			
Investment Income.....	\$ 2,699	\$ 3,227	\$ —
TOTAL REVENUES.....	2,699	3,227	—
EXPENDITURES:			
DEBT SERVICE.....	1,213,323	149,068	330,199
TOTAL EXPENDITURES.....	1,213,323	149,068	330,199
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(1,210,624)	(145,841)	(330,199)
OTHER FINANCING SOURCES (USES):			
Bonds, Notes, and COPs Issued.....	78,263	—	—
Refunding Bonds and COPs Issued.....	476,300	—	77,170
Payment to Refunded Bond and COPs Escrow Agents.....	(527,526)	—	(84,212)
Premiums/Discounts.....	96,140	5,422	8,229
Transfers-in.....	1,087,091	140,288	329,047
TOTAL OTHER FINANCING SOURCES (USES).....	1,210,268	145,710	330,234
NET CHANGE IN FUND BALANCES.....	(356)	(131)	35
FUND BALANCES (DEFICITS), July 1.....	1,847	9,108	372
FUND BALANCES (DEFICITS), JUNE 30.....	\$ 1,491	\$ 8,977	\$ 407

CERTIFICATES OF PARTICIPATION	TOTAL
<u>\$ 65</u>	<u>\$ 5,991</u>
<u>65</u>	<u>5,991</u>
<u>45,715</u>	<u>1,738,305</u>
<u>45,715</u>	<u>1,738,305</u>
<u>(45,650)</u>	<u>(1,732,314)</u>
<u>—</u>	<u>78,263</u>
<u>—</u>	<u>553,470</u>
<u>—</u>	<u>(611,738)</u>
<u>—</u>	<u>109,791</u>
<u>46,117</u>	<u>1,602,543</u>
<u>46,117</u>	<u>1,732,329</u>
<u>467</u>	<u>15</u>
<u>110</u>	<u>11,437</u>
<u>\$ 577</u>	<u>\$ 11,452</u>

STATE OF OHIO

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR DEBT SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(dollars in thousands)

	GENERAL OBLIGATION BONDS		
			VARIANCE
			WITH
			FINAL
	BUDGET		BUDGET
	FINAL	ACTUAL	POSITIVE/ (NEGATIVE)
REVENUES:			
Investment Income.....		\$ 2,699	
Other.....		938,098	
TOTAL REVENUES.....		940,797	
BUDGETARY EXPENDITURES:			
DEBT SERVICE.....	\$ 1,095,091	1,090,148	\$ 4,943
TOTAL BUDGETARY EXPENDITURES.....	\$ 1,095,091	1,090,148	\$ 4,943
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) BUDGETARY EXPENDITURES.....		(149,351)	
OTHER FINANCING SOURCES (USES):			
Bonds, Notes, and COPs Issued.....		2	
Transfers-in.....		148,993	
TOTAL OTHER FINANCING SOURCES (USES).....		148,995	
NET CHANGE IN FUND BALANCES.....		(356)	
BUDGETARY FUND BALANCES (DEFICITS), JULY 1.....		1,847	
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30.....		\$ 1,491	

NONMAJOR CAPITAL PROJECTS FUNDS

Capital Projects Funds account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Infrastructure Bank Obligations Fund

The Infrastructure Bank Obligations Fund accounts for revenue bond proceeds that finance various highway construction projects sponsored by the Department of Transportation.

Capital Facilities and Improvements Fund

The Capital Facilities and Improvements Fund accounts for general and special obligation bond proceeds that finance the construction of Mental Health and Developmental Disabilities Facilities Improvements, Parks and Recreation Improvements, Administrative Services Building Improvements, Youth Services Building Improvements, Adult Correctional Building Improvements, Ohio Parks and Natural Resources, and Transportation Building Improvements.

Highway Capital Improvements Fund

The Highway Capital Improvement Fund accounts for general obligation bond proceeds that finance capital improvements to the state highway system.

Certificates of Participation Projects Fund

The Certificates of Participation Projects Fund accounts for certificates of participation proceeds that finance the costs of the Enterprise Data Center Solutions (EDCS), the Bureau of Criminal Investigation Records System (BCIRS), the Unemployment Insurance System (UIS), and the Debt Collection System (DCS).

STATE OF OHIO
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2025
(dollars in thousands)

	INFRASTRUCTURE BANK OBLIGATIONS	CAPITAL FACILITIES AND IMPROVEMENTS	HIGHWAY CAPITAL IMPROVEMENTS
ASSETS:			
Cash Equity with Treasurer.....	\$ 112,889	\$ 341,692	\$ 59,956
Investments.....	—	—	—
Collateral on Lent Securities.....	27,274	82,554	14,486
TOTAL ASSETS.....	\$ 140,163	\$ 424,246	\$ 74,442
LIABILITIES:			
Accounts Payable	\$ 4,618	\$ 25,061	\$ 4,017
Obligations Under Securities Lending.....	27,274	82,554	14,486
TOTAL LIABILITIES.....	31,892	107,615	18,503
FUND BALANCES (DEFICITS):			
Restricted.....	108,271	316,631	55,939
TOTAL FUND BALANCES (DEFICITS).....	108,271	316,631	55,939
TOTAL LIABILITIES AND FUND BALANCES	\$ 140,163	\$ 424,246	\$ 74,442

<i>CERTIFICATES OF PARTICIPATION PROJECTS</i>	<i>TOTAL</i>
\$ —	\$ 514,537
16,691	16,691
—	124,314
\$ 16,691	\$ 655,542
1,555	\$ 35,251
—	124,314
1,555	159,565
15,136	495,977
15,136	495,977
\$ 16,691	\$ 655,542

STATE OF OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(dollars in thousands)

	INFRASTRUCTURE BANK OBLIGATIONS	CAPITAL FACILITIES AND IMPROVEMENTS	HIGHWAY CAPITAL IMPROVEMENTS
REVENUES:			
Federal Government.....	\$ —	\$ 1,252	\$ —
Investment Income.....	4,646	18,339	3,117
Other.....	—	744	—
TOTAL REVENUES.....	4,646	20,335	3,117
EXPENDITURES:			
CAPITAL OUTLAY.....	61,877	538,739	36,252
TOTAL EXPENDITURES.....	61,877	538,739	36,252
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(57,231)	(518,404)	(33,135)
OTHER FINANCING SOURCES (USES):			
Bonds, Notes, and COPS Issued.....	121,440	—	—
Premiums/Discounts.....	10,560	—	—
Transfers-in.....	—	3	—
Transfers-out.....	—	—	—
TOTAL OTHER FINANCING SOURCES (USES).....	132,000	3	—
NET CHANGE IN FUND BALANCES.....	74,769	(518,401)	(33,135)
FUND BALANCES (DEFICITS), July 1.....	33,502	835,032	89,074
FUND BALANCES (DEFICITS), JUNE 30.....	\$ 108,271	\$ 316,631	\$ 55,939

CERTIFICATES OF PARTICIPATION PROJECTS		TOTAL	
\$	—	\$	1,252
	466		26,568
	—		744
	466		28,564
	<u>12,205</u>		<u>649,073</u>
	12,205		649,073
	<u>(11,739)</u>		<u>(620,509)</u>
	—		121,440
	—		10,560
	—		3
	(1,471)		(1,471)
	(1,471)		130,532
	(13,210)		(489,977)
	<u>28,346</u>		<u>985,954</u>
\$	15,136	\$	495,977

STATE OF OHIO

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(dollars in thousands)

INFRASTRUCTURE BANK OBLIGATIONS			
	BUDGET		VARIANCE WITH FINAL BUDGET POSITIVE/ (NEGATIVE)
	FINAL	ACTUAL	
REVENUES:			
Federal Government.....		\$ —	
Investment Income.....		4,647	
Other.....		—	
TOTAL REVENUES.....		4,647	
BUDGETARY EXPENDITURES:			
CAPITAL OUTLAY.....	\$ 297,374	235,133	\$ 62,241
TOTAL BUDGETARY EXPENDITURES.....	\$ 297,374	235,133	\$ 62,241
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) BUDGETARY EXPENDITURES.....		(230,486)	
OTHER FINANCING SOURCES (USES):			
Bonds, Notes, and COPs Issued.....		132,000	
Transfers-in.....		—	
TOTAL OTHER FINANCING SOURCES (USES).....		132,000	
NET CHANGE IN FUND BALANCES.....		(98,486)	
BUDGETARY FUND BALANCES (DEFICITS), JULY 1.....		(78,912)	
Outstanding Encumbrances at Beginning of Fiscal Year.....		114,212	
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30.....		\$ (63,186)	

CAPITAL FACILITIES AND IMPROVEMENTS			HIGHWAY CAPITAL IMPROVEMENTS		
		VARIANCE WITH FINAL BUDGET			VARIANCE WITH FINAL BUDGET
BUDGET		POSITIVE/ (NEGATIVE)	BUDGET		POSITIVE/ (NEGATIVE)
FINAL	ACTUAL		FINAL	ACTUAL	
	\$ 1,252			\$ —	
	18,340			3,116	
	744			—	
	<u>20,336</u>			<u>3,116</u>	
\$ 3,054,808	1,657,982	\$ 1,396,826	\$ 304,338	234,767	\$ 69,571
<u>\$ 3,054,808</u>	<u>1,657,982</u>	<u>\$ 1,396,826</u>	<u>\$ 304,338</u>	<u>234,767</u>	<u>\$ 69,571</u>
	<u>(1,637,646)</u>			<u>(231,651)</u>	
	—			—	
	3			—	
	<u>3</u>			<u>—</u>	
	(1,637,643)			(231,651)	
	32,357			(11,848)	
	<u>845,384</u>			<u>101,134</u>	
<u>\$ (759,902)</u>			<u>\$ (142,365)</u>		

(continued)

STATE OF OHIO

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) NONMAJOR CAPITAL PROJECT FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

(dollars in thousands)

(continued)

	TOTAL		
	BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE/ (NEGATIVE)
	FINAL	ACTUAL	
REVENUES:			
Federal Government.....		\$ 1,252	
Investment Income.....		26,103	
Other.....		744	
TOTAL REVENUES.....		28,099	
BUDGETARY EXPENDITURES:			
CAPITAL OUTLAY.....	3,656,520	2,127,882	\$ 1,528,638
TOTAL BUDGETARY EXPENDITURES.....	\$ 3,656,520	2,127,882	\$ 1,528,638
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) BUDGETARY EXPENDITURES.....		(2,099,783)	
OTHER FINANCING SOURCES (USES):			
Bonds, Notes, and COPs Issued.....		132,000	
Transfers-in.....		3	
TOTAL OTHER FINANCING SOURCES (USES).....		132,003	
NET CHANGE IN FUND BALANCES.....		(1,967,780)	
BUDGETARY FUND BALANCES (DEFICITS), JULY 1.....		(58,403)	
Outstanding Encumbrances at Beginning of Fiscal Year..		1,060,730	
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30.....		\$ (965,453)	

NONMAJOR ENTERPRISE FUNDS

Enterprise Funds may be used to report any activity for which a fee is charged to external users for goods or services.

Tuition Trust Authority Fund

The Tuition Trust Authority Fund accounts for the operations of the Ohio Tuition Trust Authority, including the sale of tuition credits under its guaranteed return option program.

Office of Auditor of State Fund

The Office of Auditor of State Fund accounts for the operations of the Ohio Auditor of State's Office, which provides government audit and management advisory services to Ohio's public offices.

STATE OF OHIO

COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS -- ENTERPRISE
JUNE 30, 2025
(dollars in thousands)

	TUITION TRUST AUTHORITY	OFFICE OF AUDITOR OF STATE	TOTAL NONMAJOR PROPRIETARY FUNDS
ASSETS:			
CURRENT ASSETS:			
Cash Equity with Treasurer.....	\$ 1,133	\$ 26,287	\$ 27,420
Cash and Cash Equivalents.....	3,417	—	3,417
Collateral on Lent Securities.....	274	6,351	6,625
Restricted Assets:			
Investments.....	6,310	—	6,310
Intergovernmental Receivable.....	—	5,599	5,599
Interfund Receivable.....	—	1,766	1,766
Other Receivables.....	1,328	—	1,328
TOTAL CURRENT ASSETS.....	12,462	40,003	52,465
NONCURRENT ASSETS:			
Restricted Assets:			
Investments.....	118,525	—	118,525
Pension and OPEB, Net.....	250	8,126	8,376
Investments.....	22,132	—	22,132
Capital Assets Being Depreciated, Net.....	11	4,582	4,593
Capital Assets Not Being Depreciated.....	—	8,969	8,969
TOTAL NONCURRENT ASSETS.....	140,918	21,677	162,595
TOTAL ASSETS.....	153,380	61,680	215,060
DEFERRED OUTFLOWS OF RESOURCES.....	520	17,478	17,998
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES.....	153,900	79,158	233,058
LIABILITIES:			
CURRENT LIABILITIES:			
Accounts Payable.....	303	339	642
Accrued Liabilities.....	692	4,381	5,073
Obligations Under Securities Lending.....	274	6,351	6,625
Unearned Revenue.....	—	1,306	1,306
Benefits Payable.....	6,310	—	6,310
Refund and Other Liabilities.....	—	3,549	3,549
TOTAL CURRENT LIABILITIES.....	7,579	15,926	23,505
NONCURRENT LIABILITIES:			
Benefits Payable.....	30,090	—	30,090
Refund and Other Liabilities.....	2,395	100,401	102,796
TOTAL NONCURRENT LIABILITIES.....	32,485	100,401	132,886
TOTAL LIABILITIES.....	40,064	116,327	156,391
DEFERRED INFLOWS OF RESOURCES.....	93	2,458	2,551
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES.....	40,157	118,785	158,942
NET POSITION (DEFICITS):			
Net Investment in Capital Assets.....	11	10,927	10,938
Restricted for Pension, OPEB, and Other Benefits.....	250	10,745	10,995
Restricted for Tuition Trust Authority.....	88,685	—	88,685
Unrestricted.....	24,797	(61,299)	(36,502)
TOTAL NET POSITION (DEFICITS).....	\$ 113,743	\$ (39,627)	\$ 74,116

STATE OF OHIO

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION NONMAJOR PROPRIETARY FUNDS -- ENTERPRISE FOR THE FISCAL YEAR ENDED JUNE 30, 2025

(dollars in thousands)

	TUITION TRUST AUTHORITY	OFFICE OF AUDITOR OF STATE	TOTAL NONMAJOR PROPRIETARY FUNDS
OPERATING REVENUES:			
Charges for Sales and Services.....	\$ 7,287	\$ 47,899	\$ 55,186
Investment Income.....	9,499	—	9,499
Other.....	11,600	179	11,779
TOTAL OPERATING REVENUES.....	28,386	48,078	76,464
OPERATING EXPENSES:			
Costs of Sales and Services.....	—	99,518	99,518
Administration.....	10,380	6,889	17,269
Benefits and Claims.....	17,529	—	17,529
Depreciation.....	10	1,733	1,743
TOTAL OPERATING EXPENSES.....	27,919	108,140	136,059
OPERATING INCOME (LOSS).....	467	(60,062)	(59,595)
NONOPERATING REVENUES (EXPENSES):			
Investment Income.....	—	41	41
Interest Expense.....	—	(94)	(94)
TOTAL NONOPERATING REVENUES (EXPENSES).....	—	(53)	(53)
INCOME (LOSS) BEFORE GAIN (LOSS) AND TRANSFERS.....	467	(60,115)	(59,648)
Transfers-in.....	—	55,556	55,556
TOTAL GAIN (LOSS) AND TRANSFERS.....	—	55,556	55,556
NET INCOME (LOSS).....	467	(4,559)	(4,092)
NET POSITION (DEFICITS), JULY 1 (as restated).....	113,276	(35,068)	78,208
NET POSITION (DEFICITS), JUNE 30.....	\$ 113,743	\$ (39,627)	\$ 74,116

STATE OF OHIO

COMBINING STATEMENT OF CASH FLOWS NONMAJOR PROPRIETARY FUNDS -- ENTERPRISE FOR THE FISCAL YEAR ENDED JUNE 30, 2025 (dollars in thousands)

	TUITION TRUST AUTHORITY	OFFICE OF AUDITOR OF STATE	TOTAL NONMAJOR PROPRIETARY FUNDS
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received from Customers.....	\$ —	\$ 36,962	\$ 36,962
Cash Received from Interfund Services Provided.....	—	10,876	10,876
Other Operating Cash Receipts.....	7,003	179	7,182
Cash Payments to Suppliers for Goods and Services.....	(6,338)	(1,696)	(8,034)
Cash Payments to Employees for Services.....	(3,197)	(95,808)	(99,005)
Cash Payments for Interfund Services Used.....	(482)	(5,235)	(5,717)
Other Operating Cash Payments.....	(17,529)	(2,167)	(19,696)
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES.....	(20,543)	(56,889)	(77,432)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers-in	—	55,249	55,249
NET CASH FLOWS PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES.....	—	55,249	55,249
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Payments on Leases and Subscriptions.....	—	(1,139)	(1,139)
Interest Paid	—	(94)	(94)
Acquisition and Construction of Capital Assets	—	(4,895)	(4,895)
NET CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES.....	—	(6,128)	(6,128)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of Investments.....	(22,206)	—	(22,206)
Proceeds from the Sales and Maturities of Investments	39,242	—	39,242
Investment Income Received	1,920	41	1,961
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES.....	18,956	41	18,997
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS.....	(1,587)	(7,727)	(9,314)
CASH AND CASH EQUIVALENTS, JULY 1	6,137	34,014	40,151
CASH AND CASH EQUIVALENTS, JUNE 30	\$ 4,550	\$ 26,287	\$ 30,837

STATE OF OHIO

COMBINING STATEMENT OF CASH FLOWS NONMAJOR PROPRIETARY FUNDS -- ENTERPRISE FOR THE FISCAL YEAR ENDED JUNE 30, 2025 (dollars in thousands)

	TUITION TRUST AUTHORITY	OFFICE OF AUDITOR OF STATE	TOTAL NONMAJOR PROPRIETARY FUNDS
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating Income (Loss).....	\$ 467	\$ (60,062)	\$ (59,595)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Investment Income.....	(9,499)	—	(9,499)
Depreciation/Amortization.....	10	1,733	1,743
Decrease (Increase) in Assets:			
Intergovernmental Receivable.....	—	(143)	(143)
Interfund Receivable.....	—	(308)	(308)
Other Receivables	(283)	—	(283)
Pension/OPEB Assets.....	—	14,294	14,294
Increase (Decrease) in Liabilities:			
Accounts Payable	(22)	(57)	(79)
Accrued Liabilities.....	106	915	1,021
Unearned Revenue.....	—	83	83
Benefits Payable.....	(11,600)	—	(11,600)
Refund and Other Liabilities.....	278	(13,344)	(13,066)
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES.....	\$ (20,543)	\$ (56,889)	\$ (77,432)
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:			
Acquiring an Asset through Lease/Subscription/Financed Purchase.....	\$ —	\$ 2,106	\$ 2,106
Construction in Progress - Accounts Payable.....	—	(6)	(6)
Trade-In of Vehicles on New Vehicle Purchases.....	—	46	46

PRIVATE-PURPOSE TRUST FUNDS

Private-Purpose Trust Funds account for trust arrangements under which principal and income benefits participants in the plan/program.

Variable College Savings Plan

The Variable College Savings Plan accounts for assets held by the Tuition Trust Authority which are eventually made available to participants for college tuition and education related expenses.

STABLE Program

The STABLE Program accounts for assets held by the Treasurer of State which are eventually made available to participants for disability-related expenses.

STATE OF OHIO

COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS - PRIVATE-PURPOSE TRUST FUNDS
JUNE 30, 2025
(dollars in thousands)

	VARIABLE COLLEGE SAVINGS PLAN	STABLE PROGRAM	TOTAL
ASSETS:			
Cash and Cash Equivalents.....	\$ 451,699	\$ —	\$ 451,699
Investments (at fair value):			
Mutual Funds.....	19,061,346	584,683	19,646,029
Other Receivables.....	191,584	3,829	195,413
TOTAL ASSETS.....	19,704,629	588,512	20,293,141
LIABILITIES:			
Accrued Liabilities.....	3,490	452	3,942
Refund and Other Liabilities.....	187,243	1,997	189,240
TOTAL LIABILITIES.....	190,733	2,449	193,182
NET POSITION (DEFICITS):			
Restricted for:			
Individuals, Organizations and Other Governments.....	19,513,896	586,063	20,099,959
TOTAL NET POSITION (DEFICITS).....	\$ 19,513,896	\$ 586,063	\$ 20,099,959

STATE OF OHIO

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS - PRIVATE-PURPOSE TRUST FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2025 (dollars in thousands)

	VARIABLE COLLEGE SAVINGS PLAN	STABLE PROGRAM	TOTAL
ADDITIONS:			
Contributions from:			
Plan Participants.....	\$ 4,557,731	\$ 174,393	\$ 4,732,124
Total Contributions.....	4,557,731	174,393	4,732,124
Investment Income:			
Net Appreciation (Depreciation)			
in Fair Value of Investments.....	1,278,331	18,661	1,296,992
Interest, Dividends and Other.....	779,600	20,357	799,957
Total Investment Income.....	2,057,931	39,018	2,096,949
Less: Investment Expense.....	40,683	1,201	41,884
Net Investment Income.....	2,017,248	37,817	2,055,065
TOTAL ADDITIONS.....	6,574,979	212,210	6,787,189
DEDUCTIONS:			
Distributions to Shareholders, Plans, Participants.....	4,639,849	84,642	4,724,491
TOTAL DEDUCTIONS.....	4,639,849	84,642	4,724,491
CHANGE IN NET POSITION RESTRICTED FOR:			
Individuals, Organizations and Other Governments.....	1,935,130	127,568	2,062,698
TOTAL CHANGE IN NET POSITION.....	1,935,130	127,568	2,062,698
NET POSITION (DEFICITS), JULY 1.....	17,578,766	458,495	18,037,261
NET POSITION (DEFICITS), JUNE 30.....	\$ 19,513,896	\$ 586,063	\$ 20,099,959

CUSTODIAL FUNDS

Custodial Funds account for resources the State holds in a purely custodial capacity for individuals, private organizations, or other governments.

Local Government Tax Fund

The Local Government Tax Fund accounts for assets held by the state which are later distributed to local governments.

Child Support Fund

The Child Support fund accounts for assets temporarily held to be distributed to custodial parents.

Other Fund

The Other Fund accounts for assets held for others, which are not accounted for in another custodial fund.

STATE OF OHIO

COMBINING STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS - CUSTODIAL FUNDS

JUNE 30, 2025

(dollars in thousands)

	LOCAL GOVERNMENT TAX	CHILD SUPPORT	OTHER
ASSETS:			
Cash Equity with Treasurer.....	\$ 376,009	\$ 2,484	\$ 1,455
Cash and Cash Equivalents.....	—	61,843	42,431
Investments (at fair value):			
U.S. Government and Agency Obligations.....	—	—	21,028
Corporate Bonds and Notes.....	—	—	18,498
Municipal Obligations.....	—	—	32,704
Mutual Funds.....	—	—	158
State Treasury Asset Reserve of Ohio (STAR Ohio).....	—	7,003	14,195
Collateral on Lent Securities.....	90,959	601	237
TOTAL ASSETS.....	466,968	71,931	130,706
LIABILITIES:			
Obligations Under Securities Lending.....	90,959	601	237
Intergovernmental Payable.....	376,009	—	—
Refund and Other Liabilities.....	—	64,327	13,513
TOTAL LIABILITIES.....	466,968	64,928	13,750
NET POSITION (DEFICITS):			
Restricted for:			
Individuals, Organizations and Other Governments.....	—	7,003	116,956
TOTAL NET POSITION (DEFICITS).....	\$ —	\$ 7,003	\$ 116,956

<u>TOTAL</u>	
\$	379,948
	104,274
	21,028
	18,498
	32,704
	158
	21,198
	91,797
	<u>669,605</u>
	91,797
	376,009
	77,840
	<u>545,646</u>
	123,959
\$	<u><u>123,959</u></u>

STATE OF OHIO

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS - CUSTODIAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2025 (dollars in thousands)

	LOCAL GOVERNMENT TAX	CHILD SUPPORT	OTHER
ADDITIONS:			
Contributions from:			
Employees.....	\$ —	\$ —	\$ 1,936,495
Total Contributions.....	—	—	1,936,495
Investment Income:			
Interest, Dividends and Other.....	—	328	8,925
Total Investment Income.....	—	328	8,925
Capital Share and Individual Account Transactions:			
Shares Sold.....	—	—	78,946
Shares Redeemed.....	—	—	(88,320)
Net Capital Share and Individual Account Transactions.....	—	—	(9,374)
Tax Collections for Local Governments.....	4,930,475	—	—
Child Support Collections.....	—	1,664,165	—
Detainee / Resident Home Personal Accounts.....	—	—	102,065
Other Organizations' Accounts.....	—	—	168,067
Miscellaneous.....	—	—	355
TOTAL ADDITIONS.....	4,930,475	1,664,493	2,206,533
DEDUCTIONS:			
Distributions to Shareholders, Plans, Participants.....	—	—	1,936,495
Tax Distributions to Local Governments.....	4,930,475	—	—
Child Support Payments.....	—	1,664,165	—
Detainee / Resident Home Personal Accounts.....	—	—	98,431
Other Organizations' Accounts.....	—	—	165,602
Miscellaneous.....	—	2	1,745
TOTAL DEDUCTIONS.....	4,930,475	1,664,167	2,202,273
CHANGE IN NET POSITION RESTRICTED FOR:			
Individuals, Organizations and Other Governments.....	—	326	4,260
TOTAL CHANGE IN NET POSITION.....	—	326	4,260
NET POSITION (DEFICITS), JULY 1.....	—	6,677	112,696
NET POSITION (DEFICITS), JUNE 30.....	\$ —	\$ 7,003	\$ 116,956

TOTAL	
\$	1,936,495
	1,936,495
	9,253
	9,253
	78,946
	(88,320)
	(9,374)
	4,930,475
	1,664,165
	102,065
	168,067
	355
	8,801,501
	1,936,495
	4,930,475
	1,664,165
	98,431
	165,602
	1,747
	8,796,915
	4,586
	4,586
	119,373
\$	123,959

NONMAJOR DISCRETELY PRESENTED COMPONENT UNIT FUNDS

Nonmajor Discretely Presented Component Unit Funds account for the financial activities of the State of Ohio's component units, organizations that are legally separate from the State's primary government and for which the primary government is financially accountable.

Ohio Turnpike and Infrastructure Commission Fund

The Ohio Turnpike and Infrastructure Commission Fund accounts for the operations of the Ohio Turnpike and Infrastructure Commission, including its projects to construct, maintain and operate public roadways, express or limited excess highways, superhighways, or motorways necessary for safe movement of traffic including bridges, tunnels, overpasses, underpasses, interchanges, entrance plazas, approaches, and toll booths. The Commission's Financial Statements are presented for the fiscal year end December 31, 2024. The Commission is located in Berea, Ohio.

Ohio Air Quality Development Authority Fund

The Ohio Air Quality Development Authority Fund accounts for the Ohio Air Quality Development Authority's operations, including programs that assist Ohio's businesses, government agencies, and not-for-profit organizations with financing projects that increase energy efficiency and reduce air pollution. The Authority's financial statements are presented for the fiscal year ended December 31, 2024.

Ohio Capital Fund

The Ohio Capital Fund accounts for the operations of the State's venture capital program.

JobsOhio Fund

The JobsOhio Fund accounts for the operations of the nonprofit corporation, JobsOhio, including promoting economic development, job creation, job retention, job training, and the recruitment of business to the State of Ohio.

University of Cincinnati Fund

The University of Cincinnati Fund accounts for the operations of University of Cincinnati and The University of Cincinnati Foundation. The university is located in Cincinnati, Ohio.

Ohio University Fund

The Ohio University Fund accounts for the operations of Ohio University and the Ohio University Foundation. The university is located in Athens, Ohio.

Miami University Fund

The Miami University Fund accounts for the operations of Miami University and the Miami University Foundation. The university is located in Oxford, Ohio.

University of Akron Fund

The University of Akron Fund accounts for the operations of the University of Akron, the University of Akron Foundation, and the University of Akron Research Foundation.

Bowling Green State University Fund

The Bowling Green State University Fund accounts for the operations of Bowling Green State University and the Bowling Green State University Foundation.

Kent State University Fund

The Kent State University Fund accounts for the operations of Kent State University and the Kent State University Foundation.

University of Toledo Fund

The University of Toledo Fund accounts for the operations of the University of Toledo, the University of Toledo Foundation, and the University of Toledo Physicians, Clinical Faculty, Inc.

Cleveland State University Fund

The Cleveland State University Fund accounts for the operations of Cleveland State University, the Cleveland State University Foundation, and the Euclid Avenue Housing Corporation.

Youngstown State University Fund

The Youngstown State University Fund accounts for the operations of Youngstown State University and the Youngstown State University Foundation.

Wright State University Fund

The Wright State University Fund accounts for the operations of Wright State University and the Wright State University Foundation. The university is located in Dayton, Ohio.

Shawnee State University Fund

The Shawnee State University Fund accounts for the operations of Shawnee State University and the Shawnee State University Development Foundation. The university is located in Portsmouth, Ohio.

Northeast Ohio Medical University Fund

The Northeast Ohio Medical University Fund accounts for the operations of Northeast Ohio Medical University and NEOMED Foundation. The college is located in Rootstown, Ohio.

Central State University Fund

The Central State University Fund accounts for the operations of Central State University and the Central State University Foundation. The university is located in Wilberforce, Ohio with a branch campus in Dayton, Ohio. Central State University's financial information was not included as the most recent audited report available was for fiscal year 2022.

Terra State Community College Fund

The Terra State Community College Fund accounts for the operations of Terra State Community College and Terra College Foundation. The college is located in Fremont, Ohio.

Columbus State Community College Fund

The Columbus State Community College Fund accounts for the operations of Columbus State Community College and the Columbus State Community College Development Foundation, Inc.

Clark State College Fund

The Clark State College Fund accounts for the operations of Clark State Community College and the Clark State Community College Foundation. The college is located in Springfield, Ohio.

Edison State Community College Fund

The Edison State Community College Fund accounts for the operations of Edison State Community College and the Edison Foundation, Inc. The college is located in Piqua, Ohio.

Southern State Community College Fund

The Southern State Community College Fund accounts for the operations of Southern State Community College and the Southern State Community College Foundation. The college is located in Hillsboro, Ohio.

Washington State Community College Fund

The Washington State Community College Fund accounts for the operations of Washington State Community College and the Washington State Foundation. The college is located in Marietta, Ohio.

Cincinnati State Community College Fund

The Cincinnati State Community College Fund accounts for the operations of Cincinnati State Technical and Community College.

Northwest State Community College Fund

The Northwest State Community College Fund accounts for the operations of Northwest State Community College and the Northwest State Community College Foundation. The college is located in Archbold, Ohio.

Owens State Community College Fund

The Owens State Community College Fund accounts for the operations of Owens State Community College and the Owens State Community College Foundation. The college is located in Toledo, Ohio with a branch campus in Findlay, Ohio.

STATE OF OHIO

COMBINING STATEMENT OF NET POSITION NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS JUNE 30, 2025 (dollars in thousands)

	OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION (as of 12/31/24)	OHIO AIR QUALITY DEVELOPMENT AUTHORITY (as of 12/31/24)	OHIO CAPITAL FUND
ASSETS:			
CURRENT ASSETS:			
Cash Equity with Treasurer.....	\$ —	\$ 1,132	\$ —
Cash and Cash Equivalents.....	48,671	720	896
Investments.....	297,567	2,041	—
Restricted Assets:			
Cash and Cash Equivalents.....	19,942	54,471	—
Investments.....	69,715	—	—
Intergovernmental Receivable.....	—	—	—
Loans Receivable, Net.....	—	—	—
Receivable from Primary Government.....	—	960	—
Other Receivables.....	31,668	1,754	—
Inventories.....	6,221	—	—
Other Assets.....	7,088	23	—
TOTAL CURRENT ASSETS.....	480,872	61,101	896
NONCURRENT ASSETS:			
Restricted Assets:			
Cash and Cash Equivalents.....	—	—	—
Investments.....	171,656	—	—
Pension and OPEB Assets, Net.....	3,780	122	—
Investments.....	—	4,257	41,332
Loans Receivable, Net.....	—	—	—
Other Receivables.....	86,571	—	—
Other Assets.....	187	—	—
Capital Assets Being Depreciated, Net.....	1,742,826	194	—
Capital Assets Not Being Depreciated.....	141,190	—	—
TOTAL NONCURRENT ASSETS.....	2,146,210	4,573	41,332
TOTAL ASSETS.....	2,627,082	65,674	42,228
DEFERRED OUTFLOWS OF RESOURCES.....	63,385	298	—
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES.....	2,690,467	65,972	42,228
LIABILITIES:			
CURRENT LIABILITIES:			
Accounts Payable.....	20,765	1,220	—
Accrued Liabilities.....	35,473	40	19,282
Intergovernmental Payable.....	—	—	—
Unearned Revenue.....	—	—	—
Refund and Other Liabilities.....	48,971	41	—
Payable to Primary Government.....	21	—	—
Bonds and Notes Payable.....	50,740	—	15,686
TOTAL CURRENT LIABILITIES.....	155,970	1,301	34,968
NONCURRENT LIABILITIES:			
Intergovernmental Payable.....	—	—	—
Unearned Revenue.....	—	—	—
Refund and Other Liabilities.....	89,578	675	110,138
Bonds and Notes Payable.....	2,132,177	—	17,681
TOTAL NONCURRENT LIABILITIES.....	2,221,755	675	127,819
TOTAL LIABILITIES.....	2,377,725	1,976	162,787
DEFERRED INFLOWS OF RESOURCES.....	85,297	70	—
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES.....	2,463,022	2,046	162,787
NET POSITION (DEFICITS):			
Net Investment in Capital Assets.....	1,395,691	15	—
Restricted for:			
Transportation.....	205,321	—	—
Community and Economic Development.....	—	55,288	—
Pension and OPEB Assets, Net.....	3,780	122	—
Nonexpendable:			
Scholarships and Fellowships.....	—	—	—
Research.....	—	—	—
Endowments and Quasi-Endowments.....	—	—	—
Loans, Grants and Other College and University Purposes.....	—	—	—
Expendable:			
Scholarships and Fellowships.....	—	—	—
Research.....	—	—	—
Instructional Department Uses.....	—	—	—
Student and Public Services.....	—	—	—
Academic Support.....	—	—	—
Debt Service.....	—	—	—
Capital Purposes.....	—	—	—
Endowments and Quasi-Endowments.....	—	—	—
Current Operations.....	—	—	—
Loans, Grants and Other College and University Purposes.....	—	—	—
Unrestricted.....	(1,377,347)	8,501	(120,559)
TOTAL NET POSITION (DEFICITS).....	\$ 227,445	\$ 63,926	\$ (120,559)

JOB	UNIVERSITY OF CINCINNATI	OHIO UNIVERSITY	MIAMI UNIVERSITY	UNIVERSITY OF AKRON	BOWLING GREEN STATE UNIVERSITY
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
125,297	88,443	173,424	172,873	12,640	11,691
866,823	148,042	475,009	751,357	122,076	289,589
226,874	—	—	—	—	—
—	—	—	—	—	—
—	—	6,875	2,044	—	—
12,607	2,469	695	1,354	555	445
—	938	2,045	343	—	—
17,066	177,514	68,440	40,882	25,902	16,073
101,301	2,709	2,940	1,321	566	553
10,496	27,623	16,016	21,907	629	3,918
<u>1,360,464</u>	<u>447,738</u>	<u>745,444</u>	<u>992,081</u>	<u>162,368</u>	<u>322,269</u>
—	—	49,853	72,707	25	—
—	1,815,821	—	1,031,255	1,986	580
—	—	—	—	—	—
127,582	548,031	1,108,677	—	394,205	336,956
155,693	36,639	5,980	544	832	1,146
—	69,931	84,052	23,781	11,333	8,919
706,958	504,886	38,017	24,765	12,124	21,977
83,345	1,890,092	1,080,105	1,276,057	504,171	530,340
5,930	375,663	165,343	149,823	57,420	58,456
<u>1,079,508</u>	<u>5,241,063</u>	<u>2,532,027</u>	<u>2,578,932</u>	<u>982,096</u>	<u>958,374</u>
<u>2,439,972</u>	<u>5,688,801</u>	<u>3,277,471</u>	<u>3,571,013</u>	<u>1,144,464</u>	<u>1,280,643</u>
<u>587</u>	<u>159,704</u>	<u>71,225</u>	<u>55,467</u>	<u>61,269</u>	<u>38,510</u>
<u>2,440,559</u>	<u>5,848,505</u>	<u>3,348,696</u>	<u>3,626,480</u>	<u>1,205,733</u>	<u>1,319,153</u>
47,780	91,903	44,861	54,576	9,653	15,370
422,384	35,723	25,001	15,997	15,382	14,883
—	—	—	—	—	—
—	104,655	41,490	17,520	11,894	16,384
4,445	133,010	18,576	15,739	7,253	14,063
—	—	—	—	—	—
92,560	47,425	11,584	29,295	4,955	8,950
<u>567,169</u>	<u>412,716</u>	<u>141,512</u>	<u>133,127</u>	<u>49,137</u>	<u>69,650</u>
—	—	—	—	—	2,915
—	13,017	—	—	—	—
146,588	863,454	363,112	298,768	188,936	204,629
1,277,941	1,142,680	656,891	502,256	289,009	244,289
1,424,529	2,019,151	1,020,003	801,024	477,945	451,833
<u>1,991,698</u>	<u>2,431,867</u>	<u>1,161,515</u>	<u>934,151</u>	<u>527,082</u>	<u>521,483</u>
<u>—</u>	<u>145,014</u>	<u>61,609</u>	<u>66,972</u>	<u>126,015</u>	<u>23,843</u>
<u>1,991,698</u>	<u>2,576,881</u>	<u>1,223,124</u>	<u>1,001,123</u>	<u>653,097</u>	<u>545,326</u>
23,546	864,796	681,455	860,906	212,598	328,755
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	349,138	—	—	—	93,950
—	87,143	—	—	—	813
—	762,202	349,572	477,771	219,648	12,428
—	425,342	10,239	—	—	44,474
—	—	—	—	—	—
—	92,546	16,804	127,791	816	76,183
—	134,544	1,666	4,659	52,818	836
—	45,735	101,243	31,010	—	63,775
—	229,946	10,615	12,996	—	—
—	39,928	8,794	117,255	1,644	—
—	—	—	—	—	—
—	18,002	16,478	—	—	33,239
—	230,900	232,893	—	145,042	9,950
—	3,105	9,648	19,470	—	—
—	181,919	36,904	113,877	—	17,544
425,315	(193,622)	649,261	859,622	(79,930)	91,880
<u>\$ 448,861</u>	<u>\$ 3,271,624</u>	<u>\$ 2,125,572</u>	<u>\$ 2,625,357</u>	<u>\$ 552,636</u>	<u>\$ 773,827</u>

(continued)

STATE OF OHIO
COMBINING STATEMENT OF NET POSITION
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 2025
(dollars in thousands)
(continued)

	KENT STATE UNIVERSITY	UNIVERSITY OF TOLEDO	CLEVELAND STATE UNIVERSITY
ASSETS:			
CURRENT ASSETS:			
Cash Equity with Treasurer.....	\$ —	\$ —	\$ —
Cash and Cash Equivalents.....	79,944	90,449	13,222
Investments.....	217,990	—	225,131
Restricted Assets:			
Cash and Cash Equivalents.....	—	—	—
Investments.....	—	—	—
Intergovernmental Receivable.....	5,775	12,740	—
Loans Receivable, Net.....	—	88	5,160
Receivable from Primary Government.....	1,211	2,444	—
Other Receivables.....	35,750	142,984	29,495
Inventories.....	1,243	13,045	—
Other Assets.....	9,138	8,526	3,026
TOTAL CURRENT ASSETS.....	351,051	270,276	276,034
NONCURRENT ASSETS:			
Restricted Assets:			
Cash and Cash Equivalents.....	3,181	—	—
Investments.....	—	478,511	—
Pension and OPEB Assets, Net.....	—	—	—
Investments.....	348,977	343,542	157,183
Loans Receivable, Net.....	4,593	361	424
Other Receivables.....	25,414	7,144	13,149
Other Assets.....	38,286	46,341	15,725
Capital Assets Being Depreciated, Net.....	892,929	435,513	541,625
Capital Assets Not Being Depreciated.....	60,036	58,046	82,319
TOTAL NONCURRENT ASSETS.....	1,373,416	1,369,458	810,425
TOTAL ASSETS.....	1,724,467	1,639,734	1,086,459
DEFERRED OUTFLOWS OF RESOURCES.....	85,895	91,172	32,603
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES.....	1,810,362	1,730,906	1,119,062
LIABILITIES:			
CURRENT LIABILITIES:			
Accounts Payable.....	20,525	43,441	19,227
Accrued Liabilities.....	38,333	54,187	19,323
Intergovernmental Payable.....	—	1,686	—
Unearned Revenue.....	16,746	32,735	8,119
Refund and Other Liabilities.....	17,766	46,960	4,466
Payable to Primary Government.....	—	—	—
Bonds and Notes Payable.....	13,785	15,901	13,190
TOTAL CURRENT LIABILITIES.....	107,155	194,910	64,325
NONCURRENT LIABILITIES:			
Intergovernmental Payable.....	—	—	—
Unearned Revenue.....	—	—	1,501
Refund and Other Liabilities.....	410,831	467,804	208,696
Bonds and Notes Payable.....	314,494	194,825	357,600
TOTAL NONCURRENT LIABILITIES.....	725,325	662,629	567,797
TOTAL LIABILITIES.....	832,480	857,539	632,122
DEFERRED INFLOWS OF RESOURCES.....	57,155	110,342	25,616
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES.....	889,635	967,881	657,738
NET POSITION (DEFICITS):			
Net Investment in Capital Assets.....	588,252	240,327	193,998
Restricted for:			
Transportation.....	—	—	—
Community and Economic Development.....	—	—	—
Pension and OPEB Assets, Net.....	—	—	—
Nonexpendable:			
Scholarships and Fellowships.....	—	92,628	58,415
Research.....	—	16,989	903
Endowments and Quasi-Endowments.....	132,759	—	34,240
Loans, Grants and Other College and University Purposes.....	—	110,777	3,203
Expendable:			
Scholarships and Fellowships.....	—	136,477	54,986
Research.....	—	23,851	1,660
Instructional Department Uses.....	—	—	3,723
Student and Public Services.....	—	—	5,761
Academic Support.....	—	105,317	—
Debt Service.....	—	24,479	21,873
Capital Purposes.....	—	54,668	—
Endowments and Quasi-Endowments.....	—	—	—
Current Operations.....	—	—	—
Loans, Grants and Other College and University Purposes.....	182,843	18,815	53,811
Unrestricted.....	16,873	(61,303)	28,751
TOTAL NET POSITION (DEFICITS).....	\$ 920,727	\$ 763,025	\$ 461,324

YOUNGSTOWN STATE UNIVERSITY	WRIGHT STATE UNIVERSITY	SHAWNEE STATE UNIVERSITY	NORTHEAST OHIO MEDICAL UNIVERSITY	TERRA STATE COMMUNITY COLLEGE Audited FY2024	COLUMBUS STATE COMMUNITY COLLEGE
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
16,005	103,641	8,828	11,250	328	20,130
372,069	9,059	—	61,374	787	193,729
—	—	—	—	—	—
—	—	—	—	—	—
2,318	5,093	—	3,779	2,709	—
—	803	196	586	77	—
695	3,316	—	925	—	1,950
14,029	18,792	7,908	8,451	3,642	26,626
50	43	—	205	8	1,077
2,110	3,499	838	3,237	176	2,874
407,276	144,246	17,770	89,807	7,727	246,386
1,193	—	1,332	2,228	5,217	170
108,867	—	30,271	—	—	114,490
—	—	—	—	—	—
22,442	296,920	17,819	130,152	6,965	128,539
—	1,618	—	8,076	—	—
12,275	5,869	435	9,382	—	1,968
9,395	14,296	3,015	3,967	734	7,725
203,132	305,507	66,800	270,225	26,248	174,602
25,903	4,727	19,231	4,949	8,023	66,058
383,207	628,937	138,903	428,979	47,187	493,552
790,483	773,183	156,673	518,786	54,914	739,938
22,200	27,750	7,031	8,807	3,019	36,157
812,683	800,933	163,704	527,593	57,933	776,095
7,057	12,841	1,226	10,411	3,371	5,961
6,447	5,929	1,726	6,726	—	2,072
101	—	—	—	—	—
9,094	34,487	4,855	9,624	5,493	7,886
18,983	17,897	2,417	3,946	174	27,298
—	—	—	—	—	—
6,258	6,310	1,112	4,444	514	18,919
47,940	77,464	11,336	35,151	9,552	62,136
—	—	—	—	—	—
—	—	—	8,957	—	—
108,548	133,095	32,301	123,701	13,664	184,049
89,398	25,861	15,798	135,745	10,367	180,821
197,946	158,956	48,099	268,403	24,031	364,870
245,886	236,420	59,435	303,554	33,583	427,006
20,361	29,094	5,249	9,705	3,273	42,629
266,247	265,514	64,684	313,259	36,856	469,635
124,761	267,446	59,913	51,299	23,428	202,687
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	29,830	8,353	11,864	3,076	32,226
—	6,433	—	—	—	—
144,000	—	—	19,216	—	—
—	26,805	7,505	—	—	—
3,858	33,934	3,485	—	7,629	21,023
680	3,983	—	—	—	—
4,918	32,318	—	—	—	—
3,285	2,440	—	—	1,615	—
3,256	22,219	—	—	—	—
—	—	—	—	—	—
3,843	2,298	—	—	220	43,592
70,999	—	—	—	—	—
1,310	—	—	30,192	—	—
9,448	25,619	15,895	—	127	7,725
176,078	82,094	3,869	101,763	(15,018)	(793)
\$ 546,436	\$ 535,419	\$ 99,020	\$ 214,334	\$ 21,077	\$ 306,460

(continued)

STATE OF OHIO

COMBINING STATEMENT OF NET POSITION
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 2025
(dollars in thousands)
(continued)

	CLARK STATE COLLEGE	EDISON STATE COMMUNITY COLLEGE	SOUTHERN STATE COMMUNITY COLLEGE
ASSETS:			
CURRENT ASSETS:			
Cash Equity with Treasurer.....	\$ —	\$ —	\$ —
Cash and Cash Equivalents.....	8,318	5,919	11,149
Investments.....	33,781	2,106	—
Restricted Assets:			
Cash and Cash Equivalents.....	—	—	—
Investments.....	—	—	—
Intergovernmental Receivable.....	2,553	—	—
Loans Receivable, Net.....	5	—	—
Receivable from Primary Government.....	540	—	—
Other Receivables.....	4,383	2,870	3,307
Inventories.....	65	5	9
Other Assets.....	579	406	476
TOTAL CURRENT ASSETS.....	50,224	11,306	14,941
NONCURRENT ASSETS:			
Restricted Assets:			
Cash and Cash Equivalents.....	—	—	514
Investments.....	—	4,508	3,569
Pension and OPEB Assets, Net.....	—	—	—
Investments.....	—	2,107	—
Loans Receivable, Net.....	—	—	—
Other Receivables.....	—	—	—
Other Assets.....	1,270	1,392	976
Capital Assets Being Depreciated, Net.....	56,467	21,625	18,033
Capital Assets Not Being Depreciated.....	2,519	1,275	3,821
TOTAL NONCURRENT ASSETS.....	60,256	30,907	26,913
TOTAL ASSETS.....	110,480	42,213	41,854
DEFERRED OUTFLOWS OF RESOURCES.....	6,756	3,231	2,218
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES.....	117,236	45,444	44,072
LIABILITIES:			
CURRENT LIABILITIES:			
Accounts Payable.....	2,669	321	42
Accrued Liabilities.....	1,794	1,308	444
Intergovernmental Payable.....	63	—	—
Unearned Revenue.....	996	1,334	—
Refund and Other Liabilities.....	338	1,006	702
Payable to Primary Government.....	—	—	—
Bonds and Notes Payable.....	255	280	845
TOTAL CURRENT LIABILITIES.....	6,115	4,249	2,033
NONCURRENT LIABILITIES:			
Intergovernmental Payable.....	—	—	—
Unearned Revenue.....	—	—	—
Refund and Other Liabilities.....	30,132	16,221	11,133
Bonds and Notes Payable.....	2,118	302	5,700
TOTAL NONCURRENT LIABILITIES.....	32,250	16,523	16,833
TOTAL LIABILITIES.....	38,365	20,772	18,866
DEFERRED INFLOWS OF RESOURCES.....	8,078	1,820	2,402
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES.....	46,443	22,592	21,268
NET POSITION (DEFICITS):			
Net Investment in Capital Assets.....	55,673	20,434	15,310
Restricted for:			
Transportation.....	—	—	—
Community and Economic Development.....	—	—	—
Pension and OPEB Assets, Net.....	—	—	—
Nonexpendable:			
Scholarships and Fellowships.....	—	—	—
Research.....	—	—	—
Endowments and Quasi-Endowments.....	10,731	238	3,544
Loans, Grants and Other College and University Purposes.....	—	—	—
Expendable:			
Scholarships and Fellowships.....	20,199	—	610
Research.....	—	—	—
Instructional Department Uses.....	67	—	—
Student and Public Services.....	106	—	—
Academic Support.....	—	—	—
Debt Service.....	—	—	—
Capital Purposes.....	590	—	—
Endowments and Quasi-Endowments.....	—	2,616	—
Current Operations.....	—	—	—
Loans, Grants and Other College and University Purposes.....	—	1,392	691
Unrestricted.....	(16,573)	(1,828)	2,649
TOTAL NET POSITION (DEFICITS).....	\$ 70,793	\$ 22,852	\$ 22,804

WASHINGTON STATE COMMUNITY COLLEGE	CINCINNATI STATE COMMUNITY COLLEGE	NORTHWEST STATE COMMUNITY COLLEGE	OWENS STATE COMMUNITY COLLEGE	TOTAL NONMAJOR COMPONENT UNITS
\$ —	\$ —	\$ —	\$ —	\$ 1,132
17,601	8,676	599	10,320	1,041,034
—	38,655	78	21,241	4,128,504
—	—	—	—	301,287
—	—	—	—	69,715
3,690	9	58	92	47,735
—	—	—	—	25,040
20	930	894	142	17,353
2,334	7,601	9,051	3,935	700,457
—	94	995	—	132,450
181	1,352	2,697	2,447	129,262
23,826	57,317	14,372	38,177	6,593,969
—	3,944	62	—	140,426
2,522	—	—	—	3,764,036
—	—	—	—	3,902
—	16,315	7,189	29,795	4,068,985
—	—	—	—	215,906
—	—	—	—	360,223
597	2,834	938	2,210	1,458,615
15,067	77,704	13,238	109,968	10,335,813
3,085	6,181	10,977	10,086	1,321,061
21,271	106,978	32,404	152,059	21,668,967
45,097	164,295	46,776	190,236	28,262,936
2,712	12,692	4,487	11,047	808,222
47,809	176,987	51,263	201,283	29,071,158
1,231	2,054	1,074	1,720	419,299
822	4,459	924	4,658	733,317
78	—	—	—	1,928
2,175	6,329	1,036	3,451	336,303
750	1,352	780	4,969	391,902
—	—	—	—	21
—	3,298	—	—	346,306
5,056	17,492	3,814	14,798	2,229,076
—	—	—	—	2,915
—	—	—	—	23,475
9,982	47,583	20,133	73,978	4,157,729
—	9,477	—	—	7,605,430
9,982	57,060	20,133	73,978	11,789,549
15,038	74,552	23,947	88,776	14,018,625
2,618	14,138	4,539	14,731	860,570
17,656	88,690	28,486	103,507	14,879,195
18,152	71,232	21,542	86,335	6,408,551
—	—	—	—	205,321
—	—	—	—	55,288
—	—	—	—	3,902
697	—	1,695	2,512	684,384
—	—	—	—	112,281
—	9,373	—	—	2,175,722
—	—	—	469	628,814
1,706	—	5,831	2,531	606,409
—	—	—	—	224,697
—	—	28	—	282,817
—	—	—	—	266,764
—	—	—	—	298,413
—	2,851	—	1,120	50,323
608	—	471	540	174,549
—	7,652	—	371	700,423
—	—	48	—	63,773
1,547	2,834	88	1,026	672,105
7,443	(5,645)	(6,926)	2,872	577,427
\$ 30,153	\$ 88,297	\$ 22,777	\$ 97,776	\$ 14,191,963

STATE OF OHIO

COMBINING STATEMENT OF ACTIVITIES
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(dollars in thousands)

	OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION (as of 12/31/24)	OHIO AIR QUALITY DEVELOPMENT AUTHORITY (as of 12/31/24)	OHIO CAPITAL FUND
EXPENSES:			
Transportation.....	\$ 152,795	\$ —	\$ —
Community and Economic Development.....	—	8,761	735
Education and General:			
Instruction and Departmental Research.....	—	—	—
Separately Budgeted Research.....	—	—	—
Public Service.....	—	—	—
Academic Support.....	—	—	—
Student Services.....	—	—	—
Institutional Support.....	—	—	—
Operation and Maintenance of Plant.....	—	—	—
Scholarships and Fellowships.....	—	—	—
Auxiliary Enterprises.....	—	—	—
Hospitals.....	—	—	—
Interest on Long-Term Debt.....	89,400	—	4,383
Depreciation.....	101,359	50	—
Other.....	—	—	—
TOTAL EXPENSES.....	343,554	8,811	5,118
PROGRAM REVENUES:			
Charges for Services, Fees, Fines and Forfeitures.....	416,479	714	—
Operating Grants, Contributions and Restricted Investment Income.....	—	21,025	—
Capital Grants, Contributions and Restricted Investment Income.....	—	—	—
TOTAL PROGRAM REVENUES.....	416,479	21,739	—
NET PROGRAM (EXPENSE) REVENUE	72,925	12,928	(5,118)
GENERAL REVENUES:			
Unrestricted Investment Income.....	30,571	304	5,188
State Assistance.....	3,093	1,329	—
Other.....	—	—	—
TOTAL GENERAL REVENUES.....	33,664	1,633	5,188
ADDITIONS (DEDUCTIONS) TO ENDOWMENTS AND PERMANENT FUND PRINCIPAL.....	—	—	—
CHANGE IN NET POSITION.....	106,589	14,561	70
NET POSITION (DEFICITS), JULY 1 (as restated).....	120,856	49,365	(120,629)
NET POSITION (DEFICITS), JUNE 30.....	\$ 227,445	\$ 63,926	\$ (120,559)

JOBSOHIO	UNIVERSITY OF CINCINNATI	OHIO UNIVERSITY	MIAMI UNIVERSITY	UNIVERSITY OF AKRON	BOWLING GREEN STATE UNIVERSITY
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
1,646,380	—	—	—	—	—
—	414,734	243,893	191,916	98,188	170,873
—	261,975	55,006	18,827	13,649	11,416
—	176,336	38,327	6,605	9,153	6,035
—	185,627	76,714	57,510	22,608	27,869
—	87,879	72,197	34,905	11,797	22,063
—	190,248	78,520	89,888	35,524	45,474
—	78,959	62,522	33,894	24,137	27,359
—	20,524	27,672	11,328	22,796	9,985
—	162,168	94,157	122,208	39,278	83,364
—	—	—	—	—	—
52,788	54,561	28,247	18,372	11,612	8,910
4,486	190,790	72,946	82,618	56,941	44,529
—	1,326	(7,437)	3,331	1,966	31,383
1,703,654	1,825,127	842,764	671,402	347,649	489,260
1,719,650	1,241,071	302,368	494,323	141,838	251,298
—	590,827	73,343	77,311	44,863	104,752
—	7,607	9,528	2,891	472	8,027
1,719,650	1,839,505	385,239	574,525	187,173	364,077
15,996	14,378	(457,525)	(96,877)	(160,476)	(125,183)
89,304	61,673	201,967	221,298	60,281	56,656
—	329,322	195,170	141,688	86,017	112,783
7,363	1,650	240,843	—	30,587	8,455
96,667	392,645	637,980	362,986	176,885	177,894
—	471	24,905	27,923	169	8,716
112,663	407,494	205,360	294,032	16,578	61,427
336,198	2,864,130	1,920,212	2,331,325	536,058	712,400
\$ 448,861	\$ 3,271,624	\$ 2,125,572	\$ 2,625,357	\$ 552,636	\$ 773,827

(continued)

STATE OF OHIO

COMBINING STATEMENT OF ACTIVITIES NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

(dollars in thousands)

(continued)

	KENT STATE UNIVERSITY	UNIVERSITY OF TOLEDO	CLEVELAND STATE UNIVERSITY
EXPENSES:			
Transportation.....	\$ —	\$ —	\$ —
Community and Economic Development.....	—	—	—
Education and General:			
Instruction and Departmental Research.....	248,309	173,290	121,039
Separately Budgeted Research.....	23,230	62,688	23,680
Public Service.....	9,751	12,348	6,583
Academic Support.....	66,671	54,721	27,702
Student Services.....	47,413	25,016	17,638
Institutional Support.....	69,952	38,894	46,093
Operation and Maintenance of Plant.....	62,177	24,983	21,639
Scholarships and Fellowships.....	11,128	6,931	9,879
Auxiliary Enterprises.....	92,986	60,531	52,708
Hospitals.....	—	585,312	—
Interest on Long-Term Debt.....	12,873	11,619	5,358
Depreciation.....	64,229	58,589	37,596
Other.....	(19,082)	15,074	(5,532)
TOTAL EXPENSES.....	689,637	1,129,996	364,383
PROGRAM REVENUES:			
Charges for Services, Fees, Fines and Forfeitures.....	362,894	757,085	171,968
Operating Grants, Contributions and Restricted Investment Income.....	116,501	101,635	79,686
Capital Grants, Contributions and Restricted Investment Income.....	—	4,376	—
TOTAL PROGRAM REVENUES.....	479,395	863,096	251,654
NET PROGRAM (EXPENSE) REVENUE	(210,242)	(266,900)	(112,729)
GENERAL REVENUES:			
Unrestricted Investment Income.....	61,032	76,829	18,205
State Assistance.....	169,926	135,402	90,239
Other.....	23,376	135,552	18,799
TOTAL GENERAL REVENUES.....	254,334	347,783	127,243
ADDITIONS (DEDUCTIONS) TO ENDOWMENTS AND PERMANENT FUND PRINCIPAL.....	—	(3)	—
CHANGE IN NET POSITION.....	44,092	80,880	14,514
NET POSITION (DEFICITS), JULY 1 (as restated).....	876,635	682,145	446,810
NET POSITION (DEFICITS), JUNE 30.....	\$ 920,727	\$ 763,025	\$ 461,324

YOUNGSTOWN STATE UNIVERSITY	WRIGHT STATE UNIVERSITY	SHAWNEE STATE UNIVERSITY	NORTHEAST OHIO MEDICAL UNIVERSITY	TERRA STATE COMMUNITY COLLEGE Audited FY2024	COLUMBUS STATE COMMUNITY COLLEGE
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
—	—	—	—	—	—
54,832	87,415	15,572	25,692	6,049	80,822
3,908	11,845	—	9,663	—	—
6,293	11,505	6,750	35,318	802	19,287
19,482	26,848	2,481	14,578	783	8,585
14,766	20,616	4,817	2,865	1,515	18,298
20,715	39,909	15,818	12,634	4,923	45,492
19,811	18,773	4,806	9,433	1,440	16,459
31,445	17,510	5,115	649	173	5,492
30,864	24,827	8,302	8,538	505	9,249
—	—	—	—	—	—
2,276	656	466	8,944	398	5,016
19,066	21,359	5,323	14,944	1,659	12,121
—	1,320	—	66	416	632
223,458	282,583	69,450	143,324	18,663	221,453
110,677	152,033	22,142	49,713	4,188	107,708
63,147	64,925	10,566	25,815	1,798	42,883
8,297	2,217	—	—	—	20,000
182,121	219,175	32,708	75,528	5,986	170,591
(41,337)	(63,408)	(36,742)	(67,796)	(12,677)	(50,862)
36,656	10,684	4,845	17,296	956	21,773
53,855	94,812	23,495	31,777	7,156	86,911
918	19,716	17,126	50,408	4,637	15,052
91,429	125,212	45,466	99,481	12,749	123,736
(70)	—	—	1,849	—	—
50,022	61,804	8,724	33,534	72	72,874
496,414	473,615	90,296	180,800	21,005	233,586
\$ 546,436	\$ 535,419	\$ 99,020	\$ 214,334	\$ 21,077	\$ 306,460

(continued)

STATE OF OHIO

COMBINING STATEMENT OF ACTIVITIES NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS FOR THE FISCAL YEAR ENDED JUNE 30, 2025

(dollars in thousands)

(continued)

	CLARK STATE COLLEGE	EDISON STATE COMMUNITY COLLEGE	SOUTHERN STATE COMMUNITY COLLEGE
EXPENSES:			
Transportation.....	\$ —	\$ —	\$ —
Community and Economic Development.....	—	—	—
Education and General:			
Instruction and Departmental Research.....	16,349	7,446	4,966
Separately Budgeted Research.....	—	—	—
Public Service.....	2,454	586	1,294
Academic Support.....	1,221	1,171	2,166
Student Services.....	5,064	2,676	1,606
Institutional Support.....	6,996	7,158	1,972
Operation and Maintenance of Plant.....	3,327	1,750	1,104
Scholarships and Fellowships.....	3,710	549	2,098
Auxiliary Enterprises.....	1,374	—	1,133
Hospitals.....	—	—	—
Interest on Long-Term Debt.....	97	153	247
Depreciation.....	3,082	2,296	1,026
Other.....	—	54	—
TOTAL EXPENSES.....	43,674	23,839	17,612
PROGRAM REVENUES:			
Charges for Services, Fees, Fines and Forfeitures.....	8,140	6,339	5,744
Operating Grants, Contributions and Restricted Investment Income.....	15,643	2,331	2,500
Capital Grants, Contributions and Restricted Investment Income.....	6	—	—
TOTAL PROGRAM REVENUES.....	23,789	8,670	8,244
NET PROGRAM (EXPENSE) REVENUE	(19,885)	(15,169)	(9,368)
GENERAL REVENUES:			
Unrestricted Investment Income.....	3,996	214	862
State Assistance.....	18,847	14,803	7,850
Other.....	15	3,642	2,748
TOTAL GENERAL REVENUES.....	22,858	18,659	11,460
ADDITIONS (DEDUCTIONS) TO ENDOWMENTS AND PERMANENT FUND PRINCIPAL.....	234	—	—
CHANGE IN NET POSITION.....	3,207	3,490	2,092
NET POSITION (DEFICITS), JULY 1 (as restated).....	67,586	19,362	20,712
NET POSITION (DEFICITS), JUNE 30.....	\$ 70,793	\$ 22,852	\$ 22,804

WASHINGTON STATE COMMUNITY COLLEGE	CINCINNATI STATE COMMUNITY COLLEGE	NORTHWEST STATE COMMUNITY COLLEGE	OWENS STATE COMMUNITY COLLEGE	TOTAL NONMAJOR COMPONENT UNITS
\$ —	\$ —	\$ —	\$ —	\$ 152,795
—	—	—	—	1,655,876
5,669	29,065	26,606	28,313	2,051,038
—	—	—	300	496,187
—	2,362	28	1,990	353,807
2,319	6,607	1,354	2,628	609,645
1,321	5,848	3,485	7,484	409,269
4,083	14,749	7,690	10,885	787,617
1,787	7,620	1,349	7,150	430,479
2,054	1,877	3,411	1,955	196,281
—	888	1,362	576	795,018
—	—	—	—	585,312
—	458	—	1,366	318,200
1,299	4,982	1,438	7,470	810,198
—	1,398	—	133	25,048
18,532	75,854	46,723	70,250	9,676,770
3,821	17,708	28,207	27,713	6,403,821
7,470	12,843	3,582	4,787	1,468,233
—	—	—	—	63,421
11,291	30,551	31,789	32,500	7,935,475
(7,241)	(45,303)	(14,934)	(37,750)	(1,741,295)
898	3,854	906	3,632	989,880
9,868	36,011	21,082	29,354	1,700,790
256	20,259	—	12,229	613,631
11,022	60,124	21,988	45,215	3,304,301
15	—	—	27	64,236
3,796	14,821	7,054	7,492	1,627,242
26,357	73,476	15,723	90,284	12,564,721
\$ 30,153	\$ 88,297	\$ 22,777	\$ 97,776	\$ 14,191,963

STATE OF OHIO

BALANCE SHEET

OHIO FACILITIES CONSTRUCTION COMMISSION

DISCRETELY PRESENTED COMPONENT UNIT

JUNE 30, 2025

(dollars in thousands)

	OHIO FACILITIES CONSTRUCTION COMMISSION
ASSETS:	
Cash Equity with Treasurer.....	\$ 439,614
Investments.....	10,794
Collateral on Lent Securities.....	106,213
TOTAL ASSETS.....	\$ 556,621
LIABILITIES:	
Accounts Payable.....	\$ 155
Accrued Liabilities.....	609
Obligations Under Securities Lending.....	106,213
Intergovernmental Payable.....	877,907
Refund and Other Liabilities.....	10,794
TOTAL LIABILITIES.....	995,678
DEFERRED INFLOWS OF RESOURCES.....	2,731,122
FUND BALANCES (DEFICITS):	
Restricted for:	
Community and Economic Development.....	36,247
Unassigned.....	(3,206,426)
TOTAL FUND BALANCES (DEFICITS).....	(3,170,179)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 556,621

STATE OF OHIO

RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
OHIO FACILITIES CONSTRUCTION COMMISSION
DISCRETELY PRESENTED COMPONENT UNIT
JUNE 30, 2025
(dollars in thousands)

OHIO FACILITIES
CONSTRUCTION
COMMISSION

Total Fund Balances (Deficits)..... **\$ (3,170,179)**

Total net position reported for governmental activities in the Statement of Net Position is different because:

The following liabilities are not due and payable in the current period, and therefore, are not reported in the funds:

Refund and Other Liabilities-Compensated Absences..... *(1,785)*

Total Net Position (Deficits)..... **\$ (3,171,964)**

STATE OF OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OHIO FACILITIES CONSTRUCTION COMMISSION DISCRETELY PRESENTED COMPONENT UNIT FOR THE FISCAL YEAR ENDED JUNE 30, 2025 (dollars in thousands)

	OHIO FACILITIES CONSTRUCTION COMMISSION
REVENUES:	
State Assistance.....	\$ 497,154
Licenses, Permits and Fees.....	4
Investment Income.....	10,696
Other.....	13,751
TOTAL REVENUES.....	521,605
EXPENDITURES:	
CURRENT OPERATING:	
Primary, Secondary and Other Education.....	409,384
Community and Economic Development.....	51,703
TOTAL EXPENDITURES.....	461,087
NET CHANGE IN FUND BALANCES.....	60,518
FUND BALANCES (DEFICITS), JULY 1.....	(3,230,697)
FUND BALANCES (DEFICITS), JUNE 30.....	\$ (3,170,179)

STATE OF OHIO

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
OHIO FACILITIES CONSTRUCTION COMMISSION
DISCRETELY PRESENTED COMPONENT UNIT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(dollars in thousands)

	OHIO FACILITIES CONSTRUCTION COMMISSION
Net Change in Fund Balances.....	\$ 60,518
The change in net position reported for governmental activities in the Statement of Activities is different because:	
Expenses for compensated absences reported in the Statement of Activities are not reported as expenditures in the governmental funds.	50
Change in Net Position.....	\$ 60,568



McCracken Fen State Nature Preserve - Bellefontaine, Ohio

Statistical Section

STATISTICAL SECTION

This section of the State of Ohio's Annual Comprehensive Financial Report presents detailed information as a context for understanding the information in the financial statements, note disclosures, and required supplementary information.

	<u>Pages</u>
Financial Trends	258-271
These schedules contain trend information to assist the reader in understanding how the State's financial performance and condition have changed over time.	
Revenue Capacity	272-285
These schedules contain information to assist the reader in assessing the State's two most significant own-source revenues: income taxes and sales taxes.	
Debt Capacity	286-293
These schedules present information to assist the reader in assessing the affordability of the State's current levels of outstanding debt and its ability to issue additional debt in the future.	
Economic and Demographic Information	294-297
These schedules offer economic and demographic indicators to assist the reader in understanding the environment within which the State's financial activities take place.	
Operating Information	298-305
These schedules contain service and infrastructure data to assist the reader in understanding how the information in the State's financial report relates to the services the State provides and to the activities it performs.	

Source: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

STATE OF OHIO
NET POSITION BY COMPONENT
FOR THE LAST TEN FISCAL YEARS
(accrual basis of accounting)
(dollars in thousands)

	2025	2024	2023	2022
GOVERNMENTAL ACTIVITIES:				
Net Investment in Capital Assets.....	\$ 28,458,336	\$ 27,671,314	\$ 27,135,969	\$ 26,177,771
Restricted for:				
Primary, Secondary and Other Education.....	992,633	772,833	391,876	86,776
Higher Education Support.....	1,004,058	785,309	576,009	339,108
Public Assistance and Medicaid.....	703,084	600,290	475,017	494,579
Health and Human Services.....	265,602	319,037	310,377	320,599
Justice and Public Protection.....	144,235	315,537	91,667	95,377
Environmental Protection and Natural Resources.....	506,581	632,935	733,646	622,140
Transportation.....	3,686,213	3,620,969	3,558,877	3,180,287
General Government.....	165,048	274,143	136,718	217,773
Community and Economic Development.....	2,236,520	1,972,613	1,708,954	1,337,910
Pension and OPEB.....	450,814	238,823	-	-
Total Restricted Net Position.....	10,154,788	9,532,489	7,983,141	6,694,549
Unrestricted.....	60,096	2,458,636	5,065,921	864,459
TOTAL GOVERNMENTAL ACTIVITIES NET POSITION.....	\$ 38,673,220	\$ 39,662,439	\$ 40,185,031	\$ 33,736,779
BUSINESS-TYPE ACTIVITIES:				
Net Investment in Capital Assets.....	\$ 56,354	\$ 67,986	\$ 78,735	\$ 77,842
Restricted for:				
Pension and OPEB.....	34,542	21,261	-	-
Workers' Compensation.....	9,272,897	8,104,954	7,714,809	7,426,828
Lottery Prizes.....	-	-	-	84,147
Unemployment Compensation.....	2,229,090	2,207,344	1,853,853	1,298,737
Tuition Trust Authority.....	88,685	87,336	107,763	107,391
Total Restricted Net Position.....	11,625,214	10,420,895	9,676,425	8,917,103
Unrestricted.....	349,580	369,121	389,004	240,306
TOTAL BUSINESS-TYPE ACTIVITIES NET POSITION.....	\$ 12,031,148	\$ 10,858,002	\$ 10,144,164	\$ 9,235,251
PRIMARY GOVERNMENT:				
Net Investment in Capital Assets.....	\$ 28,514,690	\$ 27,739,300	\$ 27,214,704	\$ 26,255,613
Restricted.....	21,780,002	19,953,384	17,659,566	15,611,652
Unrestricted.....	409,676	2,827,757	5,454,925	1,104,765
TOTAL PRIMARY GOVERNMENT NET POSITION.....	\$ 50,704,368	\$ 50,520,441	\$ 50,329,195	\$ 42,972,030

Source:
Ohio Office of Budget and Management

Note:

When practical or material, net position reported on the above table has been restated for prior period adjustments, corrections, and reclassifications. However, restatements do not include changes in reporting entity. For comparative purposes, however, the effects of such adjustments and corrections on the revenue and expense activity reported for the applicable fiscal years on the "Changes in Net Position" table may not have been determined for presentation on that table.

2021	2020	2019	2018	2017	2016
\$ 25,297,331	\$ 24,838,706	\$ 24,458,022	\$ 24,363,007	\$ 24,140,366	\$ 23,925,328
135,713	101,891	133,130	139,583	95,110	148,740
76,044	7,710	14,444	23,579	25,999	26,255
442,377	419,930	459,789	500,747	736,002	810,132
487,403	192,898	126,724	116,726	143,264	103,534
166,156	99,642	38,126	159,884	160,990	132,257
417,404	339,004	359,593	275,626	191,591	199,490
2,849,466	2,421,542	1,919,480	2,534,052	3,369,425	3,191,913
280,968	245,143	218,522	277,782	266,681	169,286
1,049,749	855,297	659,085	529,084	424,992	329,909
-	-	-	-	-	-
5,905,280	4,683,057	3,928,893	4,557,063	5,414,054	5,111,516
(5,376,159)	(10,968,244)	(11,132,056)	(12,787,140)	(10,571,925)	(9,089,117)
\$ 25,826,452	\$ 18,553,519	\$ 17,254,859	\$ 16,132,930	\$ 18,982,495	\$ 19,947,727
\$ 91,810	\$ 111,342	\$ 134,728	\$ 162,367	\$ 176,237	\$ 186,037
-	-	-	-	-	-
9,275,737	11,466,770	11,178,867	9,791,094	9,603,996	8,596,001
91,013	99,467	57,181	27,954	46,998	77,464
-	-	1,303,856	974,990	644,872	315,980
114,227	108,561	105,906	97,366	97,985	74,559
9,480,977	11,674,798	12,645,810	10,891,404	10,393,851	9,064,004
(774,386)	(146,253)	78,530	64,432	154,915	131,660
\$ 8,798,401	\$ 11,639,887	\$ 12,859,068	\$ 11,118,203	\$ 10,725,003	\$ 9,381,701
\$ 25,389,141	\$ 24,950,048	\$ 24,592,750	\$ 24,525,374	\$ 24,316,603	\$ 24,111,365
15,386,257	16,357,855	16,574,703	15,448,467	15,807,905	14,175,520
(6,150,545)	(11,114,497)	(11,053,526)	(12,722,708)	(10,417,010)	(8,957,457)
\$ 34,624,853	\$ 30,193,406	\$ 30,113,927	\$ 27,251,133	\$ 29,707,498	\$ 29,329,428

STATE OF OHIO
CHANGES IN NET POSITION
FOR THE LAST TEN FISCAL YEARS
(accrual basis of accounting)
(dollars in thousands)

	2025	2024	2023
EXPENSES:			
GOVERNMENTAL ACTIVITIES:			
Primary, Secondary and Other Education.....	\$ 17,296,917	\$ 18,261,598	\$ 17,000,395
Higher Education Support.....	3,195,791	2,998,656	2,802,275
Public Assistance and Medicaid.....	48,729,135	44,163,398	43,665,114
Health and Human Services.....	2,700,983	2,800,790	2,411,658
Justice and Public Protection.....	5,076,233	4,985,242	4,531,559
Environmental Protection and Natural Resources.....	1,050,895	947,033	793,528
Transportation.....	3,160,183	3,820,735	2,483,326
General Government.....	2,648,336	2,731,049	1,981,880
Community and Economic Development.....	5,429,126	5,432,464	4,956,127
Interest on Long-Term Debt (excludes interest charged as program expense).....	64,988	97,335	76,937
TOTAL GOVERNMENTAL ACTIVITIES EXPENSES.....	89,352,587	86,238,300	80,702,799
BUSINESS-TYPE ACTIVITIES:			
Workers' Compensation.....	1,725,690	1,870,014	1,693,103
Lottery Commission.....	4,368,855	4,445,266	4,292,276
Unemployment Compensation.....	1,163,164	950,417	710,732
Tuition Trust Authority.....	27,919	23,629	26,374
Office of Auditor of State.....	108,234	93,620	93,965
TOTAL BUSINESS-TYPE ACTIVITIES EXPENSES.....	7,393,862	7,382,946	6,816,450
TOTAL PRIMARY GOVERNMENT EXPENSES.....	\$ 96,746,449	\$ 93,621,246	\$ 87,519,249
PROGRAM REVENUES:			
GOVERNMENTAL ACTIVITIES:			
Charges for Services, Fees, Fines and Forfeitures:			
Public Assistance and Medicaid.....	\$ 4,360,997	\$ 4,083,521	\$ 3,633,909
Justice and Public Protection.....	1,270,557	1,246,161	1,219,054
General Government.....	888,202	751,428	763,835
Community and Economic Development.....	564,250	587,875	531,373
Other Activities.....	637,330	687,027	637,476
Operating Grants, Contributions and Restricted Investment Income/(Loss).....	42,163,947	41,069,481	42,606,974
Capital Grants, Contributions and Restricted Investment Income/(Loss).....	2,039,511	1,917,902	1,615,242
TOTAL GOVERNMENTAL ACTIVITIES			
PROGRAM REVENUES.....	51,924,794	50,343,395	51,007,863
BUSINESS-TYPE ACTIVITIES:			
Charges for Services, Fees, Fines and Forfeitures:			
Workers' Compensation.....	1,162,303	1,249,921	1,400,621
Lottery Commission.....	5,776,632	5,906,608	5,815,879
Unemployment Compensation.....	1,133,416	1,265,947	1,240,120
Other Activities.....	55,365	52,974	52,949
Operating Grants, Contributions and Restricted Investment Income/(Loss).....	1,857,757	1,109,003	662,859
TOTAL BUSINESS-TYPE ACTIVITIES			
PROGRAM REVENUES.....	9,985,473	9,584,453	9,172,428
TOTAL PRIMARY GOVERNMENT			
PROGRAM REVENUES.....	\$ 61,910,267	\$ 59,927,848	\$ 60,180,291

2022	2021	2020	2019	2018	2017	2016
\$ 16,400,029	\$ 14,679,666	\$ 13,500,953	\$ 13,115,806	\$ 13,244,868	\$ 13,227,781	\$ 12,728,780
2,788,935	3,008,618	2,696,257	2,731,166	2,771,493	2,760,035	2,603,480
42,082,978	37,646,142	32,728,623	30,187,506	30,454,468	29,873,408	29,103,304
2,546,325	1,898,068	1,922,794	1,926,151	1,744,243	1,636,753	1,656,750
3,790,026	3,303,035	4,213,200	4,383,344	3,670,780	3,883,836	3,587,845
540,237	457,657	505,950	557,249	567,788	571,532	586,001
2,221,820	2,565,694	2,661,529	2,715,640	2,598,688	2,860,338	2,602,708
1,668,268	2,085,214	1,331,397	1,223,453	951,063	946,923	948,796
4,747,009	4,003,838	3,498,595	3,386,936	3,458,487	3,256,655	3,353,699
85,327	91,499	98,824	102,143	97,799	94,290	99,819
76,870,954	69,739,431	63,158,122	60,329,394	59,559,677	59,111,551	57,271,182
1,541,747	6,845,396	2,772,348	2,113,612	2,227,977	2,419,185	3,322,700
4,121,684	4,091,517	3,209,778	3,242,547	3,022,690	2,882,887	2,866,920
1,756,889	14,539,576	9,765,240	841,040	929,460	985,624	1,021,152
34,934	31,902	44,813	50,778	57,115	63,711	67,385
65,508	41,946	95,221	102,347	81,574	91,100	78,917
7,520,762	25,550,337	15,887,400	6,350,324	6,318,816	6,442,507	7,357,074
\$ 84,391,716	\$ 95,289,768	\$ 79,045,522	\$ 66,679,718	\$ 65,878,493	\$ 65,554,058	\$ 64,628,256
\$ 3,650,826	\$ 3,516,188	\$ 2,887,667	\$ 2,663,006	\$ 2,680,920	\$ 1,746,969	\$ 1,946,102
1,257,009	1,197,262	1,091,454	1,125,871	1,129,008	1,135,411	1,103,131
773,768	662,303	438,463	500,983	460,910	532,489	557,775
382,070	465,365	447,166	402,064	343,546	500,766	571,317
767,487	668,264	639,319	591,294	615,324	641,013	749,346
43,901,582	36,859,973	28,234,460	25,555,901	25,162,423	25,070,684	24,721,794
1,391,676	1,485,791	1,509,920	1,481,791	1,424,697	1,442,906	1,430,936
52,124,418	44,855,146	35,248,449	32,320,910	31,816,828	31,070,238	31,080,401
1,253,126	1,176,954	1,257,429	1,299,895	1,172,347	1,554,566	1,451,585
5,624,131	5,515,487	4,294,220	4,423,668	4,153,363	3,933,361	3,987,235
1,327,301	1,264,495	1,162,361	1,154,235	1,253,015	1,311,094	1,178,304
53,820	51,552	52,382	51,387	54,954	55,109	57,035
(385,607)	16,042,228	9,011,299	2,303,277	1,402,895	1,959,320	1,444,535
7,872,771	24,050,716	15,777,691	9,232,462	8,036,574	8,813,450	8,118,694
\$ 59,997,189	\$ 68,905,862	\$ 51,026,140	\$ 41,553,372	\$ 39,853,402	\$ 39,883,688	\$ 39,199,095

(continued)

STATE OF OHIO
CHANGES IN NET POSITION
FOR THE LAST TEN FISCAL YEARS
(accrual basis of accounting)
(dollars in thousands)
(continued)

	2025	2024	2023
NET (EXPENSE) REVENUE:			
Governmental Activities.....	\$ (37,427,793)	\$ (35,894,905)	\$ (29,694,936)
Business-Type Activities.....	2,591,611	2,201,507	2,355,978
TOTAL PRIMARY GOVERNMENT NET (EXPENSE).....	\$ (34,836,182)	\$ (33,693,398)	\$ (27,338,958)
GENERAL REVENUES AND			
OTHER CHANGES IN NET POSITION:			
GOVERNMENTAL ACTIVITIES:			
TAXES:			
Income.....	\$ 10,764,189	\$ 9,938,946	\$ 11,355,352
Sales.....	14,333,629	13,990,858	13,762,859
Corporate and Public Utility.....	3,429,371	3,493,888	3,757,184
Cigarette.....	712,150	750,573	826,786
Other.....	1,599,768	1,478,858	1,372,015
Restricted for Transportation Purposes:			
Motor Vehicle Fuel Taxes.....	2,752,680	2,741,108	2,651,100
TOTAL TAXES.....	33,591,787	32,394,231	33,725,296
Tobacco Settlement.....	304,076	321,021	413,591
Escheat Property.....	456,598	299,042	291,051
Unrestricted Investment Income.....	674,622	866,439	262,470
Other.....	14	127	41
Gain (Loss) on Extinguishment of Debt.....	1,901	3,748	3,922
Transfers-Internal Activities.....	1,416,218	1,487,705	1,446,817
TOTAL GOVERNMENTAL ACTIVITIES.....	36,445,216	35,372,313	36,143,188
BUSINESS-TYPE ACTIVITIES:			
Unrestricted Investment Income.....	41	36	20
Other.....	-	-	—
Gain on Extinguishment of Debt.....	-	-	—
Transfers-Internal Activities.....	(1,416,218)	(1,487,705)	(1,446,817)
TOTAL BUSINESS-TYPE ACTIVITIES.....	(1,416,177)	(1,487,669)	(1,446,797)
TOTAL PRIMARY GOVERNMENT.....	\$ 35,029,039	\$ 33,884,644	\$ 34,696,391
CHANGE IN NET POSITION:			
Governmental Activities.....	\$ (982,577)	\$ (522,592)	\$ 6,448,252
Business-Type Activities.....	1,175,434	713,838	909,181
TOTAL PRIMARY GOVERNMENT	\$ 192,857	\$ 191,246	\$ 7,357,433

Source:

Ohio Office of Budget and Management

Note:

Balances have been restated for prior period adjustments, corrections, and reclassifications, when practical or material.

2022	2021	2020	2019	2018	2017	2016
\$ (24,746,536)	\$ (24,884,285)	\$ (27,909,673)	\$ (28,008,484)	\$ (27,742,849)	\$ (28,041,313)	\$ (26,190,781)
352,009	(1,499,621)	(109,709)	2,882,138	1,717,758	2,370,943	761,620
\$ (24,394,527)	\$ (26,383,906)	\$ (28,019,382)	\$ (25,126,346)	\$ (26,025,091)	\$ (25,670,370)	\$ (25,429,161)

\$ 11,235,422	\$ 9,852,014	\$ 8,793,396	\$ 9,532,285	\$ 8,474,637	\$ 8,021,202	\$ 7,984,708
13,249,466	12,338,794	11,000,053	10,791,460	10,358,501	10,804,340	10,548,038
3,498,582	3,137,355	2,964,107	3,072,683	2,843,017	2,754,290	2,737,316
883,080	928,637	913,712	917,278	939,953	979,973	1,008,677
1,203,927	1,165,968	1,104,710	1,074,712	1,024,397	1,019,058	1,006,342
2,669,589	2,547,613	2,593,158	1,874,409	1,891,116	1,952,512	1,798,483
32,740,066	29,970,381	27,369,136	27,262,827	25,531,621	25,531,375	25,083,564

337,502	362,378	324,269	343,125	352,355	350,378	341,130
234,764	230,265	194,814	147,736	158,770	159,585	161,904
(569,669)	(22,994)	210,539	235,370	24,741	2,975	70,897
756	723	67	20	17	30	1,683
(500)	—	—	—	—	—	—
(85,997)	1,342,535	1,109,508	1,141,335	1,168,236	1,031,738	1,160,878
32,656,922	31,883,288	29,208,333	29,130,413	27,235,740	27,076,081	26,820,056

5	7	21	24	15	12	8
—	552	15	38	—	—	—
25	111	—	—	—	4,085	502,586
85,997	(1,342,535)	(1,109,508)	(1,141,335)	(1,168,236)	(1,031,738)	(1,160,878)
86,027	(1,341,865)	(1,109,472)	(1,141,273)	(1,168,221)	(1,027,641)	(658,284)
\$ 32,742,949	\$ 30,541,423	\$ 28,098,861	\$ 27,989,140	\$ 26,067,519	\$ 26,048,440	\$ 26,161,772

\$ 7,910,386	\$ 6,999,003	\$ 1,298,660	\$ 1,121,929	\$ (507,109)	\$ (965,232)	\$ 629,275
438,036	(2,841,486)	(1,219,181)	1,740,865	549,537	1,343,302	103,336
\$ 8,348,422	\$ 4,157,517	\$ 79,479	\$ 2,862,794	\$ 42,428	\$ 378,070	\$ 732,611

STATE OF OHIO

CHANGES IN FUND BALANCES FOR GOVERNMENTAL FUNDS FOR THE LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

(dollars in thousands)

	2025	2024	2023	2022	2021
REVENUES:					
Income Taxes.....	\$ 10,755,068	\$ 9,946,039	\$ 11,437,657	\$ 11,204,590	\$ 9,843,394
Sales Taxes.....	14,333,627	13,990,858	13,762,859	13,249,466	12,338,794
Corporate and Public Utility Taxes.....	3,429,370	3,493,888	3,757,184	3,498,582	3,137,355
Motor Vehicle Fuel Taxes.....	2,752,680	2,741,107	2,651,100	2,669,589	2,547,613
Cigarette Taxes.....	712,150	750,573	826,786	883,080	928,637
Other Taxes.....	1,599,769	1,478,716	1,372,015	1,203,927	1,165,968
Licenses, Permits and Fees.....	5,752,241	5,586,480	5,398,475	5,208,166	4,800,553
Sales, Services and Charges.....	258,571	197,456	172,381	166,969	125,181
Federal Government.....	43,032,403	41,171,344	43,328,675	44,873,771	38,148,796
Tobacco Settlement.....	222,891	232,244	321,475	309,831	308,689
Escheat Property.....	456,597	299,041	291,051	234,764	230,265
Investment Income.....	1,848,884	1,942,873	818,136	(532,631)	65,799
Other	1,924,420	1,756,060	1,379,810	1,771,575	1,706,045
TOTAL REVENUES.....	87,078,671	83,586,679	85,517,604	84,741,679	75,347,089
EXPENDITURES:					
Current Operating:					
Primary, Secondary and					
Other Education.....	17,073,280	18,031,579	16,755,812	16,172,847	14,454,715
Higher Education Support.....	3,110,895	2,903,817	2,701,699	2,681,337	2,898,468
Public Assistance and Medicaid.....	48,723,808	44,108,149	43,590,179	42,293,202	37,835,781
Health and Human Services.....	2,603,668	2,693,545	2,283,027	2,555,958	2,420,162
Justice and Public Protection.....	4,976,611	4,737,995	4,410,093	4,240,484	4,141,065
Environmental Protection and					
Natural Resources.....	881,727	757,691	616,375	581,518	504,780
Transportation.....	3,869,310	3,650,003	3,218,155	2,846,847	2,845,423
General Government.....	2,663,389	2,297,246	1,866,936	1,888,269	2,409,469
Community and Economic					
Development.....	5,367,360	5,362,818	4,880,156	4,688,811	3,956,794
Capital Outlay.....	687,911	654,751	568,073	499,463	512,291
Debt service:					
Principal.....	1,339,890	1,240,090	1,358,590	1,349,810	1,010,970
Interest.....	653,628	671,711	802,855	747,419	744,103
TOTAL EXPENDITURES.....	91,951,477	87,109,395	83,051,950	80,545,965	73,734,021
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(4,872,806)	(3,522,716)	2,465,654	4,195,714	1,613,068

2020	2019	2018	2017	2016
\$ 8,777,091	\$ 9,503,674	\$ 8,463,731	\$ 8,035,064	\$ 7,996,349
11,000,053	10,791,460	10,358,501	10,804,340	10,548,038
2,964,107	3,072,683	2,843,017	2,754,290	2,737,316
2,593,159	1,874,409	1,891,116	1,952,512	1,798,483
913,712	917,278	939,953	979,973	1,008,677
1,104,710	1,074,712	1,024,397	1,019,058	1,006,342
4,302,210	4,043,779	4,004,408	3,281,235	3,498,903
146,829	154,222	152,991	149,800	145,147
29,335,110	26,813,932	26,294,572	26,258,500	26,281,700
289,064	298,121	331,911	270,680	300,051
194,814	147,736	158,770	159,585	161,904
423,991	485,415	157,172	74,314	113,375
1,173,435	1,206,735	1,194,775	1,219,676	1,392,958
63,218,285	60,384,156	57,815,314	56,959,027	56,989,243

13,186,680	12,689,272	12,881,773	12,836,664	12,383,787
2,568,093	2,585,035	2,627,892	2,620,509	2,467,060
32,682,274	30,105,826	30,327,824	29,666,058	28,937,506
1,770,136	1,689,843	1,643,314	1,528,658	1,560,412
3,866,732	3,659,939	3,495,950	3,444,724	3,324,692
448,235	420,258	442,004	420,190	411,046
2,708,547	2,627,115	2,518,937	2,689,150	2,841,556
1,211,884	1,007,616	898,737	827,684	875,371
3,402,872	3,268,371	3,344,971	3,156,209	3,226,354
740,143	820,209	771,797	673,399	678,594
1,381,785	1,249,145	1,196,470	1,209,865	1,199,620
1,027,375	843,917	806,468	796,699	802,556
64,994,756	60,966,546	60,956,137	59,869,809	58,708,554

(1,776,471)	(582,390)	(3,140,823)	(2,910,782)	(1,719,311)

(continued)

STATE OF OHIO

CHANGES IN FUND BALANCES FOR GOVERNMENTAL FUNDS FOR THE LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

(dollars in thousands)

(continued)

	2025	2024	2023	2022	2021
OTHER FINANCING SOURCES (USES):					
Bonds, Notes and COPs Issued.....	\$ 1,221,900	\$ 314,000	\$ 344,015	\$ 491,090	\$ 1,282,480
Refunding Bonds and COPs Issued.....	553,470	435,080	200,335	158,455	318,995
Payment to Refunded Bond and COPs					
Escrow Agents.....	(611,738)	(494,274)	(218,319)	(199,411)	(479,744)
Premiums.....	180,576	103,437	60,207	132,821	344,496
Capital Leases.....	-	-	-	-	1,634
Leases, Subscriptions and Financed Purchases.....	92,302	28,600	45,065	24,365	-
Transfers-in.....	3,994,684	5,236,061	4,730,604	4,340,543	3,744,154
Transfers-out.....	(2,578,466)	(3,748,356)	(3,283,787)	(4,426,540)	(2,401,619)
TOTAL OTHER FINANCING SOURCES (USES).....	2,852,728	1,874,548	1,878,120	521,323	2,810,396
NET CHANGE IN FUND BALANCES.....	\$ (2,020,078)	\$ (1,648,168)	\$ 4,343,774	\$ 4,717,037	\$ 4,423,464
Debt Service as a Percentage of Noncapital Expenditures.....	2.2%	2.2%	2.6%	2.6%	2.4%
Additional Information:					
Increase (Decrease) for					
Changes in Inventories.....	\$ (25,294)	\$ (14,207)	\$ (4,990)	\$ (73,887)	\$ 90,087

Source:

Ohio Office of Budget and Management

Note:

Revenues, expenditures, and other financing sources (uses) have been restated for prior period adjustments, corrections, and reclassifications, when practical or material.

2020	2019	2018	2017	2016
\$ 1,192,590	\$ 1,001,327	\$ 1,937,489	\$ 1,391,350	\$ 1,070,000
6,372,546	—	748,540	—	473,270
(6,655,367)	—	(925,161)	—	(584,504)
821,820	156,207	454,339	220,157	273,422
1,042	792	198	540	—
—	—	—	—	—
3,802,681	4,036,526	4,055,349	3,579,105	3,751,704
(2,693,173)	(2,895,191)	(2,887,113)	(2,547,367)	(2,590,826)
2,842,139	2,299,661	3,383,641	2,643,785	2,393,066
<u>\$ 1,065,668</u>	<u>\$ 1,717,271</u>	<u>\$ 242,818</u>	<u>\$ (266,997)</u>	<u>\$ 673,755</u>
3.7%	3.5%	3.3%	3.4%	3.5%
\$ 55,914	\$ 14,738	\$ (16,831)	\$ (19,689)	\$ 26,495

STATE OF OHIO

FUND BALANCES OF GOVERNMENTAL FUNDS FOR THE LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

(dollars in thousands)

	2025	2024	2023	2022	2021
GENERAL FUND:					
Nonspendable.....	\$ 60,281	\$ 31,642	\$ 46,877	\$ 37,680	\$ 47,018
Restricted.....	1,619,331	1,568,909	1,484,188	1,410,363	1,605,009
Committed.....	912,899	859,005	892,569	863,606	837,568
Assigned.....	10,952,817	12,163,307	7,012,549	6,437,294	3,856,376
Unassigned.....	3,608,614	3,156,549	10,285,174	6,893,958	5,717,927
TOTAL GENERAL FUND.....	17,153,942	17,779,412	19,721,357	15,642,901	12,063,898
ALL OTHER GOVERNMENTAL FUNDS:					
Nonspendable, reported in:					
Special Revenue Funds.....	109,973	137,859	259,537	213,068	324,566
Restricted, reported in:					
Special Revenue Funds.....	3,973,977	4,070,032	3,834,096	3,579,893	3,096,738
Debt Service Funds.....	3,699,503	3,817,068	3,933,148	4,060,197	4,191,849
Capital Projects Funds.....	495,977	985,954	438,183	515,408	700,159
Committed, reported in:					
Special Revenue Funds.....	1,585,559	2,238,862	2,509,562	2,341,755	1,339,378
Assigned.....	139	147	148	155	—
Unassigned, reported in:					
Special Revenue Funds.....	(35,330)	(222)	(4,544)	(674)	(6,674)
Capital Projects Funds.....	-	—	—	—	—
TOTAL ALL OTHER GOVERNMENTAL FUNDS.....	9,829,798	11,249,700	10,970,130	10,709,802	9,646,016
TOTAL GOVERNMENTAL FUNDS.....	\$ 26,983,740	\$ 29,029,112	\$ 30,691,487	\$ 26,352,703	\$ 21,709,914

Source:

Ohio Office of Budget and Management

Note:

When practical or material, fund balances reported on the above table have been restated for prior period adjustments, corrections, and reclassifications; however, restatements do not include changes in reporting entity. For comparative purposes, however, the effects of such adjustments and corrections on the revenue and expenditure activity reported for the applicable fiscal years on the "Changes in Fund Balances for Governmental Funds" table and the "Condensed Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund" table may not have been determined for presentation on each of the two respective tables.

2020	2019	2018	2017	2016
\$ 60,524	\$ 55,497	\$ 52,267	\$ 43,576	\$ 45,953
1,410,994	1,592,716	1,465,460	1,370,010	1,270,315
764,322	728,698	772,528	739,749	820,878
3,207,189	2,885,896	2,539,407	2,995,792	2,653,290
2,924,183	2,455,345	667,887	239,478	863,925
8,367,212	7,718,152	5,497,549	5,388,605	5,654,361
139,742	92,572	84,330	94,241	109,665
2,715,280	2,257,872	2,277,693	2,348,843	2,326,231
4,315,820	4,435,344	4,524,129	4,634,898	4,764,200
539,100	564,484	910,048	512,771	528,827
845,279	738,669	777,030	864,815	746,685
—	—	—	—	—
—	(1,079)	(1,937)	(1,318)	(428)
—	(5,163)	—	—	—
8,555,221	8,082,699	8,571,293	8,454,250	8,475,180
\$ 16,922,433	\$ 15,800,851	\$ 14,068,842	\$ 13,842,855	\$ 14,129,541

STATE OF OHIO

CONDENSED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE GENERAL FUND FOR THE LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

(dollars in thousands)

	2025	2024	2023	2022	2021
REVENUES:					
Income Taxes.....	\$ 10,755,068	\$ 9,946,039	\$ 11,437,657	\$ 11,204,590	\$ 9,843,394
Sales Taxes.....	14,333,627	13,990,858	13,762,859	13,249,466	12,338,794
Corporate and Public Utility Taxes	3,339,668	3,385,365	3,634,259	3,414,271	3,092,343
Motor Vehicle Fuel Tax.....	1,509,172	1,533,855	1,460,933	1,484,728	1,429,435
Cigarette Taxes	712,138	750,573	826,786	883,080	928,637
Other Taxes	1,016,611	922,624	921,318	806,270	794,540
Licenses, Permits and Fees	1,417,716	1,375,251	1,408,437	1,384,825	1,329,822
Sales, Services and Charges	199,639	147,539	130,094	137,033	98,976
Federal Government	13,395,916	11,263,232	12,459,415	11,592,484	12,272,448
Tobacco Settlement.....	332	449	42,096	1,896	252
Escheat Property	456,597	299,041	291,051	234,764	230,265
Investment Income	1,526,400	1,602,866	622,129	(570,453)	31,450
Other	680,343	535,024	287,555	500,382	560,049
TOTAL REVENUES	49,343,227	45,752,716	47,284,589	44,323,336	42,950,405
EXPENDITURES:					
Current Operating	49,447,470	45,119,484	41,172,479	38,810,884	38,782,210
Capital Outlay	-	-	-	-	-
Debt Service	5	10	-	-	-
TOTAL EXPENDITURES	49,447,475	45,119,494	41,172,479	38,810,884	38,782,210
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(104,248)	633,222	6,112,110	5,512,452	4,168,195
OTHER FINANCING SOURCES (USES):					
Bonds, Notes and COPs Issued.....	962,260	173,970	176,790	237,945	737,411
Premiums	60,225	26,030	23,210	57,055	188,996
Capital Leases.....	-	-	-	-	1,634
Leases, Subscriptions and Financed Purchases	92,302	28,600	45,065	24,365	-
Transfers-in	369,811	320,888	350,317	232,722	281,440
Transfers-out	(2,004,676)	(3,128,684)	(2,630,603)	(2,488,874)	(1,908,638)
TOTAL OTHER FINANCING SOURCES (USES).....	(520,078)	(2,579,196)	(2,035,221)	(1,936,787)	(699,157)
NET CHANGE IN FUND BALANCES.....	(624,326)	(1,945,974)	4,076,889	3,575,665	3,469,038
FUND BALANCES, JULY 1 (as restated).....	17,779,412	19,721,357	15,642,901	12,067,376	8,600,905
Increase (Decrease) for Changes in Inventories	(1,144)	4,029	1,567	(140)	(6,045)
FUND BALANCES, JUNE 30	\$ 17,153,942	\$ 17,779,412	\$ 19,721,357	\$ 15,642,901	\$ 12,063,898

Source:

Ohio Office of Budget and Management

Note:

The July 1 fund balances have been restated for prior period adjustments, corrections, and reclassifications, when practical or material.

2020	2019	2018	2017	2016
\$ 8,777,052	\$ 9,503,588	\$ 8,463,620	\$ 8,034,901	\$ 7,995,959
11,000,053	10,791,460	10,358,501	10,804,340	10,547,926
2,895,596	2,984,810	2,776,908	2,697,003	2,670,854
1,391,745	1,153,540	1,139,218	1,175,285	1,109,241
913,712	917,278	939,953	979,973	1,008,677
756,390	722,801	694,845	706,841	691,250
1,175,303	1,200,753	1,186,458	748,344	706,064
112,172	115,337	121,708	93,120	85,579
10,064,078	9,404,643	9,239,529	11,593,813	11,309,010
214	386	117	449	2,953
194,814	147,736	158,770	159,585	161,904
351,873	416,878	111,458	41,986	93,014
258,146	294,125	309,746	270,734	354,151
37,891,148	37,653,335	35,500,831	37,306,374	36,736,582
36,005,625	34,554,711	34,908,401	36,730,447	34,842,685
-	-	-	-	-
-	-	-	-	-
36,005,625	34,554,711	34,908,401	36,730,447	34,842,685
1,885,523	3,098,624	592,430	575,927	1,893,897
497,000	617,435	855,000	849,941	530,000
115,596	89,878	93,912	71,161	56,696
1,042	792	198	540	-
-	-	-	-	-
312,304	531,759	629,232	292,078	286,624
(2,165,522)	(2,119,050)	(2,062,561)	(2,054,788)	(2,116,780)
(1,239,580)	(879,186)	(484,219)	(841,068)	(1,243,460)
645,943	2,219,438	108,211	(265,141)	650,437
7,718,152	5,497,549	5,388,605	5,654,361	5,004,435
3,117	1,165	733	(615)	(511)
\$ 8,367,212	\$ 7,718,152	\$ 5,497,549	\$ 5,388,605	\$ 5,654,361

STATE OF OHIO

TAX REVENUES OF GOVERNMENTAL FUNDS BY MAJOR SOURCE AND EFFECTIVE STATE INCOME TAX RATE FOR THE LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

(dollars in millions)

INCOME TAX	2025	2024	2023	2022	2021
Personal Income Tax Revenue.....	\$10,755	\$9,946	\$11,438	\$11,205	\$9,843
Personal Income(A).....	\$766,046	\$724,779	\$679,233	\$665,374	\$627,231
Average Effective State Income Tax Rate.....	1.40%	1.37%	1.68%	1.68%	1.57%

SALES TAX	2025	2024	2023	2022	2021
State Sales Tax Revenue.....	\$14,334	\$13,991	\$13,763	\$13,249	\$12,339

Source:

U.S. Department of Commerce, Bureau of Economic Analysis
Ohio Office of Budget and Management

Note:

(A) Data presented is as of December 31 of the given fiscal year.

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$8,777	\$9,504	\$8,464	\$8,035	\$7,996
<u>\$586,784</u>	<u>\$569,727</u>	<u>\$544,828</u>	<u>\$517,918</u>	<u>\$505,950</u>
<u>1.50%</u>	<u>1.67%</u>	<u>1.55%</u>	<u>1.55%</u>	<u>1.58%</u>

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$11,000	\$10,791	\$10,359	\$10,804	\$10,548

STATE OF OHIO

PERSONAL INCOME BY INDUSTRY, EFFECTIVE TAX RATE, EXEMPTIONS, AND INCOME TAX RATES FOR THE LAST TEN CALENDAR YEARS

STATE PERSONAL INCOME BY INDUSTRY

(dollars in millions)	2024	2023	2022	2021	2020
Services.....	\$ 216,602	\$ 204,996	\$ 194,859	\$ 181,664	\$ 167,823
Manufacturing.....	68,982	65,758	63,596	60,267	57,126
Government.....	73,422	69,024	65,878	63,228	62,376
Wholesale and Retail Trade.....	57,470	55,738	53,898	50,310	46,399
Finance, Insurance, and Real Estate.....	39,209	35,865	34,166	34,856	33,565
Construction.....	33,372	30,229	28,148	28,402	26,000
Transportation and Public Utilities.....	27,361	26,041	25,453	25,677	23,637
Other	249,628	237,128	213,234	220,970	210,305
Total Personal Income.....	<u>\$ 766,046</u>	<u>\$ 724,779</u>	<u>\$ 679,232</u>	<u>\$ 665,374</u>	<u>\$ 627,231</u>
Average Effective State Income Tax Rate.....	<u>1.40%</u>	<u>1.37%</u>	<u>1.68%</u>	<u>1.68%</u>	<u>1.57%</u>

EXEMPTIONS BY CALENDAR YEAR

Exemptions	2024	2023	2022	2021	2020
Personal/Dependent Exemption:					
\$0-\$40,000.....	2,400	2,400	2,400	2,400	2,400
\$40,001-80,000.....	2,150	2,150	2,150	2,150	2,150
\$80,001 and above.....	1,900	1,900	1,900	1,900	1,900
Exemption Credit per Taxpayer, Spouse, and Dependent (A).....	20	20	20	20	20

Source:

U.S. Department of Commerce, Bureau of Economic Analysis
Ohio Office of Budget and Management
Ohio Department of Taxation

Note:

(A) The \$20 personal and dependent exemption credit is only available to taxpayers with Ohio taxable income of less than \$30,000.

2019	2018	2017	2016	2015
\$ 168,726	\$ 162,998	\$ 157,563	\$ 149,264	\$ 147,288
59,254	58,528	55,478	54,677	54,536
61,287	59,721	58,272	57,702	56,281
45,863	44,369	43,680	42,530	42,141
32,430	31,650	30,219	27,024	26,349
24,984	24,072	23,727	20,997	19,967
22,642	20,990	19,090	19,605	17,363
171,598	167,399	156,799	146,119	142,025
<u>\$ 586,784</u>	<u>\$ 569,727</u>	<u>\$ 544,828</u>	<u>\$ 517,918</u>	<u>\$ 505,950</u>
<u>1.50%</u>	<u>1.67%</u>	<u>1.55%</u>	<u>1.55%</u>	<u>1.58%</u>

2019	2018	2017	2016	2015
2,350	2,350	2,300	2,250	2,200
2,100	2,100	2,050	2,000	1,950
1,850	1,850	1,800	1,750	1,700
20	20	20	20	20

(continued)

STATE OF OHIO

PERSONAL INCOME BY INDUSTRY, EFFECTIVE TAX RATE,
EXEMPTIONS, AND INCOME TAX RATES
FOR THE LAST TEN CALENDAR YEARS
(continued)

INCREMENTAL TAX RATES BY CALENDAR YEAR

Ohio Income Tax Brackets (A)	2024 (B)	2023	2022	2021	2020
Tax Bracket 1.....	0.000%	0.000%	0.000%	0.000%	0.000%
Tax Bracket 2.....	2.750%	2.750%	2.765%	2.765%	2.850%
Tax Bracket 3.....	3.500%	3.688%	3.226%	3.226%	3.326%
Tax Bracket 4.....	(G)	3.750%	3.688%	3.688%	3.802%
Tax Bracket 5.....		(F)	3.990%	3.990%	4.413%
Tax Bracket 6.....			(E)	(E)	4.797%
Tax Bracket 7.....					(D)
Tax Bracket 8.....					
Tax Bracket 9.....					

TAX BRACKETS BY CALENDAR YEAR

Ohio Income Tax Brackets (A)	2024 (B)	2023	2022	2021	2020
Tax Bracket 1.....	\$0-\$26,050	\$0-\$26,050	\$0-\$26,050	\$0- \$25,000	\$0- \$22,150
Tax Bracket 2.....	26,051-100,000	26,051-100,000	26,051-46,100	25,001- 44,250	22,151- 44,250
Tax Bracket 3.....	100,001 & above	100,001-115,300	46,100-92,150	44,250- 88,450	44,250- 88,450
Tax Bracket 4.....	(G)	115,301 & above	92,150-115,300	88,450-110,650	88,450-110,650
Tax Bracket 5.....		(F)	115,300 & above	110,650 & above	110,650- 221,300
Tax Bracket 6.....			(E)	(E)	221,300 & above
Tax Bracket 7.....					(D)
Tax Bracket 8.....					
Tax Bracket 9.....					

Source:

Ohio Department of Taxation

Note:

(A) O.R.C. 5747.02 (A) directs that the Tax Commission will adjust the income brackets for inflation.

(B) Calendar year 2024 is most recent year for which data available.

(C) Starting in calendar year 2017, there are only eight tax brackets.

(D) Starting in calendar year 2019, there are only six tax brackets.

(E) Starting in calendar year 2021, there are only five tax brackets.

(F) Starting in calendar year 2023, there are only four tax brackets.

(G) Starting in calendar year 2024, there are only three tax brackets.

2019	2018	2017	2016	2015
0.000%	0.000%	0.000%	0.495%	0.495%
2.850%	1.980%	1.980%	0.990%	0.990%
3.326%	2.476%	2.476%	1.980%	1.980%
3.802%	2.969%	2.969%	2.476%	2.476%
4.413%	3.465%	3.465%	2.969%	2.969%
4.797%	3.960%	3.960%	3.465%	3.465%
(D)	4.597%	4.597%	3.960%	3.960%
	4.997%	4.997%	4.597%	4.597%
	(C)	(C)	4.997%	4.997%

2019	2018	2017	2016	2015
\$0- \$21,750	\$0- \$10,850	\$0- \$10,650	\$0- \$5,250	\$0- \$5,200
21,751- 43,450	10,851- 16,300	10,651- 16,000	5,250- 10,500	5,200- 10,400
43,450- 86,900	16,300- 21,750	16,000- 21,350	10,500- 15,800	10,400- 15,650
86,900-108,700	21,750- 43,450	21,350- 42,650	15,800- 21,100	15,650- 20,900
108,700- 217,400	43,450- 86,900	42,650- 85,300	21,100- 42,100	20,900- 41,700
217,400 & above	86,900- 108,700	85,300- 106,650	42,100- 84,200	41,700- 83,350
(D)	108,700- 217,400	106,650- 213,350	84,200- 105,300	83,350- 104,250
	217,400 & above	213,350 & above	105,300- 210,600	104,250- 208,500
	(C)	(C)	210,600 & above	208,500 & above

STATE OF OHIO

STATE INDIVIDUAL INCOME TAX RETURNS AND LIABILITY BY INCOME LEVEL FOR TAX YEAR 2023 WITH COMPARATIVES FOR TAX YEAR 2014 (NINE YEARS PRIOR)

2023 TAX YEAR (most recent information available)			
Income Level	Federal Adjusted Gross Income (in thousands)	Ohio Tax Returns	
		Number	Percentage of Total Returns
\$200,001 & Above	\$331,389,282	411,991	7.20%
100,001-200,000	131,849,253	967,552	16.90%
80,001-100,000	41,092,042	459,342	8.02%
40,001-80,000	93,836,123	1,631,847	28.51%
20,001-40,000	34,060,877	1,130,885	19.76%
15,001-20,000	5,102,544	292,118	5.10%
10,001-15,000	3,789,480	302,899	5.29%
5,001-10,000	2,115,170	280,630	4.90%
5,000 & Under	612,311	247,048	4.32%
	<u>\$643,847,082</u>	<u>5,724,312</u>	<u>100.00%</u>

2014 TAX YEAR			
Income Level	Federal Adjusted Gross Income (in thousands)	Ohio Tax Returns	
		Number	Percentage of Total Returns
\$200,001 & Above	\$168,214,072	195,349	3.67%
100,001-200,000	76,331,084	576,525	10.83%
80,001-100,000	33,699,854	377,050	7.08%
40,001-80,000	78,492,317	1,372,129	25.79%
20,001-40,000	36,655,673	1,245,510	23.39%
15,001-20,000	6,669,446	382,298	7.18%
10,001-15,000	5,208,302	416,315	7.82%
5,001-10,000	3,028,086	402,028	7.55%
5,000 & Under	968,327	357,626	6.71%
	<u>\$409,267,161</u>	<u>5,324,830</u>	<u>100.02%</u>

Source:

Ohio Department of Taxation

Note:

(A) The effective tax rate is calculated by dividing Ohio income tax receipts by federal adjusted gross income.

Ohio Income Tax Liability		
Tax Receipts (in thousands)	Percentage of Total Taxes	Effective Tax Rate (A)
\$4,135,045	45.45%	1.25%
2,656,718	29.20%	2.01%
710,968	7.81%	1.73%
1,403,707	15.43%	1.50%
190,181	2.09%	0.56%
445	0.00%	0.01%
329	0.00%	0.01%
253	0.00%	0.01%
312	0.00%	0.05%
<u>\$9,097,958</u>	<u>99.98%</u>	1.41%

Ohio Income Tax Liability		
Tax Receipts (in thousands)	Percentage of Total Taxes	Effective Tax Rate (A)
\$3,085,226	38.95%	1.83%
2,062,025	26.02%	2.70%
786,431	9.93%	2.33%
1,533,008	19.35%	1.95%
412,145	5.20%	1.12%
32,005	0.40%	0.48%
12,216	0.15%	0.23%
99	0.00%	0.00%
98	0.00%	0.01%
<u>\$7,923,253</u>	<u>100.00%</u>	1.94%

STATE OF OHIO

SALES TAX REVENUE BY TYPE, TAX REVENUES OF GOVERNMENTAL FUNDS FOR THE LAST TEN FISCAL YEARS

(cash basis of accounting)

(dollars in thousands)

	2025	2024	2023	2022
Vendors' Sales.....	\$ 12,365,297	\$ 11,964,186	\$ 11,793,236	\$ 11,250,652
Motor Vehicles and Watercraft.....	2,016,398	1,947,129	2,027,498	1,983,014
Alcoholic Beverages.....	95,915	98,430	97,644	96,791
Delinquencies and Assessments.....	56,924	59,429	71,931	82,913
Permissive Taxes:				
County Levies.....	28,361	28,065	27,801	26,507
Transit Authorities.....	8,141	8,143	8,074	7,294
Total Sales Tax Revenue.....	<u>\$ 14,571,036</u>	<u>\$ 14,105,382</u>	<u>\$ 14,026,184</u>	<u>\$ 13,447,171</u>
Base State Sales Tax Rates.....	<u>5.75%</u>	<u>5.75%</u>	<u>5.75%</u>	<u>5.75%</u>

Source:

Ohio Department of Taxation

Ohio Office of Budget and Management

2021	2020	2019	2018	2017	2016
\$ 10,514,664	\$ 9,365,035	\$ 9,234,581	\$ 8,865,860	\$ 9,370,739	\$ 9,128,017
1,893,763	1,526,635	1,524,842	1,461,660	1,413,448	1,363,324
99,804	81,022	67,565	61,751	58,688	55,005
42,891	45,807	60,900	64,119	65,500	90,158
23,806	22,437	21,554	20,862	21,288	20,848
5,736	4,806	4,686	4,592	4,789	4,691
<u>\$ 12,580,664</u>	<u>\$ 11,045,742</u>	<u>\$ 10,914,128</u>	<u>\$ 10,478,844</u>	<u>\$ 10,934,452</u>	<u>\$ 10,662,043</u>
5.75%	5.75%	5.75%	5.75%	5.75%	5.75%

STATE OF OHIO

WORKERS' COMPENSATION ENTERPRISE FUND ACTIVE EMPLOYERS, PREMIUM AND ASSESSMENT INCOME AND ACTUAL AVERAGE COLLECTED PREMIUM RATE FOR THE LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021
Active Employers by Type					
Private.....	240,748	253,975	253,128	251,816	248,256
Public (Local).....	3,798	3,811	3,805	3,807	3,805
Public (State).....	117	117	113	114	114
Self-Insured.....	1,033	1,129	1,072	1,089	1,110
Black Lung.....	19	19	19	19	20
Marine Fund.....	118	122	126	125	131
Total.....	<u>245,833</u>	<u>259,173</u>	<u>258,263</u>	<u>256,970</u>	<u>253,436</u>
Premium & Assessment Income <i>(dollars in thousands)</i>					
Premium & Assessment Income.....	\$ 1,211,073	\$ 1,282,421	\$ 1,427,518	\$ 1,268,024	\$ 1,198,066
Provision for Uncollectibles.....	<u>(61,291)</u>	<u>(43,573)</u>	<u>(35,755)</u>	<u>(22,563)</u>	<u>(28,471)</u>
Total Premium & Assessment Income.....	<u>\$ 1,149,782</u>	<u>\$ 1,238,848</u>	<u>\$ 1,391,763</u>	<u>\$ 1,245,461</u>	<u>\$ 1,169,595</u>
Average Published Rate per \$100 of Payroll:					
Private Employers.....	\$0.56	\$0.47	\$0.51	\$0.57	\$0.67
Public Employers-Taxing Districts.....	0.73	0.58	0.58	0.59	0.69

Source:

Ohio Bureau of Workers' Compensation Year-End Statistics Report

2020	2019	2018	2017	2016
245,040	244,247	236,591	237,249	239,331
3,802	3,796	3,784	3,796	3,796
114	115	115	121	121
1,139	1,160	1,173	1,166	1,178
26	26	28	28	31
129	128	121	114	138
<u>250,250</u>	<u>249,472</u>	<u>241,812</u>	<u>242,474</u>	<u>244,595</u>

\$ 1,263,961	\$ 1,322,274	\$ 1,202,517	\$ 1,574,212	\$ 1,456,855
<u>(15,202)</u>	<u>(31,775)</u>	<u>(39,577)</u>	<u>(29,662)</u>	<u>(17,712)</u>
<u>\$ 1,248,759</u>	<u>\$ 1,290,499</u>	<u>\$ 1,162,940</u>	<u>\$ 1,544,550</u>	<u>\$ 1,439,143</u>

\$0.76	\$0.95	\$0.95	\$1.10	\$1.07
0.77	0.85	0.97	1.03	1.03

STATE OF OHIO

LOTTERY COMMISSION ENTERPRISE FUND TICKET SALES BY MAJOR GAME TYPE FOR THE LAST TEN FISCAL YEARS (dollars in millions)

	2025	2024	2023	2022	2021
Online Games:					
Pick 3.....	\$ 409.8	\$ 418.6	\$ 410.9	\$ 438.2	\$ 485.9
Pick 4.....	265.1	272.7	257.5	267.7	284.0
Pick 5	72.9	70.1	63.8	64.5	66.1
Rolling Cash 5.....	50.0	49.7	49.6	51.2	57.0
Classic Lotto/Kicker(A).....	28.1	27.9	32.1	36.6	28.0
Raffle.....	-	-	-	-	-
Kicker(A).....	-	-	-	-	-
Mega Millions(A).....	140.1	186.4	210.6	99.9	152.7
EZPLAY.....	102.4	103.1	105.4	110.7	112.2
Keno.....	626.2	628.9	640.4	621.6	577.4
Power Ball/Power Play.....	109.6	257.4	202.7	151.2	120.1
EZPLAY TAP(B).....	23.8	26.9	36.3	59.6	44.8
EZPLAY Touch & Win(C)(D)	35.1	36.0	39.1	38.4	35.2
Lucky for Life(C).....	44.5	44.7	40.3	37.6	22.2
The Lucky One(E).....	39.4	37.9	36.2	32.6	28.7
Total Online Games.....	1,947.0	2,160.3	2,124.9	2,009.8	2,014.3
Instant Games.....	2,429.6	2,383.7	2,338.8	2,287.9	1,873.8
Total Ticket Sales.....	<u>\$ 4,376.6</u>	<u>\$ 4,544.0</u>	<u>\$ 4,463.7</u>	<u>\$ 4,297.7</u>	<u>\$ 3,888.1</u>

Source:

Ohio Lottery Commission

Note:

(A) In fiscal year 2011, the Kicker was retired and the Megaplier was added.

Kicker was reintroduced in 2012 as an add-on to Classic Lotto.

In fiscal year 2025, Megaplier name was removed.

(B) In fiscal year 2015, the EZPLAY TAP game was introduced.

(C) In fiscal year 2016, the EZPLAY QUICKENO and Lucky for Life was introduced.

(D) In fiscal year 2018, EZPLAY QUICKENO was rebranded to EZPLAY Touch & Win.

(E) In fiscal year 2018, the Lucky One was introduced.

2020	2019	2018	2017	2016
\$ 400.6	\$ 354.0	\$ 340.1	\$ 340.0	\$ 343.0
240.5	216.9	205.1	201.0	200.3
51.2	44.5	40.8	38.1	36.4
51.7	52.1	53.0	55.5	60.3
28.8	31.4	34.4	30.9	35.8
-	-	-	3.6	-
-	-	-	-	-
102.0	192.7	120.1	93.3	102.2
88.4	100.4	113.2	120.2	115.2
439.4	453.9	421.1	396.3	365.9
85.2	143.3	148.1	129.8	193.5
38.9	40.8	31.8	30.0	31.5
31.4	30.4	19.5	16.0	0.7
19.5	20.4	20.7	19.9	14.1
20.1	16.9	11.6	-	-
1,597.7	1,697.7	1,559.5	1,474.6	1,498.9
1,873.8	1,663.0	1,600.6	1,527.1	1,560.7
<u>\$ 3,471.5</u>	<u>\$ 3,360.7</u>	<u>\$ 3,160.1</u>	<u>\$ 3,001.7</u>	<u>\$ 3,059.6</u>

STATE OF OHIO

RATIOS OF OUTSTANDING DEBT BY TYPE FOR THE LAST TEN FISCAL YEARS

(dollars in thousands)

Governmental Activities								
As of June 30,	General Obligation Bonds	Revenue Bonds and Notes	Special Obligation Bonds	Certificates of Participation	Financed Purchases	Capital Leases	Lease Liability	Subscription Liability
2025	\$ 7,149,011	\$ 6,143,652	\$ 1,865,156	\$ 165,039	\$ 81,338		\$ 84,732	\$ 49,952
2024	7,099,670	6,172,965	2,072,986	207,230	22,483		113,220	50,858
2023	7,770,189	6,344,735	2,337,492	222,396	15,367	-	138,659	59,249
2022	8,690,205	6,418,245	2,598,423	263,151	18,116	-	132,420	-
2021	9,442,030	6,627,043	2,628,132	273,100	-	27,394	-	-
2020	9,418,099	6,743,423	2,278,884	281,757	-	24,278	-	-
2019	9,570,682	6,570,318	2,213,180	277,452	-	21,044	-	-
2018	9,734,361	6,689,337	2,237,096	204,620	-	19,632	-	-
2017	9,297,641	6,394,647	2,016,991	241,627	-	17,361	-	-
2016	9,283,156	6,261,882	1,930,592	194,899	-	8,806	-	-

Source:

U.S. Department of Commerce, Bureau of Economic Analysis
Ohio Office of Budget and Management

Note:

Balances have been restated for prior period adjustments, corrections, and reclassifications, when practical.

(dollars in thousands)

Business-Type Activities

Capital Leases	Lease Liability	Subscription Liability	Total Primary Government	Percentage of Personal Income	Per Capita
	\$ 8,576	\$ 2,305	15,549,761	2.03%	1,309
	12,847	2,253	15,754,512	2.17%	1,337
-	13,803	4,388	16,906,278	2.49%	1,438
-	13,642	-	18,134,202	2.73%	1,539
14,917	-	-	19,012,616	3.03%	1,626
2,911	-	-	18,749,352	3.20%	1,604
4,654	-	-	18,657,330	3.27%	1,596
3,164	-	-	18,888,210	3.47%	1,620
6,277	-	-	17,974,544	3.47%	1,548
10,077	-	-	17,689,412	3.50%	1,523

STATE OF OHIO

RATIOS OF GENERAL AND SPECIAL OBLIGATION BONDED DEBT OUTSTANDING FOR THE LAST TEN FISCAL YEARS

Bonded Debt (dollars in thousands)					
As of June 30,	General Obligation Bonds	Special Obligation Bonds	Total Bonded Debt	Percentage of Personal Income	Per Capita Total Bonded Debt
2025	\$ 7,149,011	\$ 1,865,156	9,014,167	1.18%	759
2024	7,099,670	2,072,986	9,172,656	1.27%	778
2023	7,770,189	2,337,492	10,107,681	1.49%	860
2022	8,690,205	2,598,423	11,288,628	1.70%	958
2021	9,442,030	2,628,132	12,070,162	1.92%	1,032
2020	9,418,099	2,278,884	11,696,983	1.99%	1,001
2019	9,570,682	2,213,180	11,783,862	2.07%	1,008
2018	9,734,361	2,237,096	11,971,457	2.20%	1,027
2017	9,297,641	2,016,991	11,314,632	2.18%	974
2016	9,283,156	1,930,592	11,213,748	2.22%	966

Source:

U.S. Department of Commerce, Bureau of Economic Analysis
Ohio Office of Budget and Management

Note:

This table includes general and special obligation bonds for which debt service payments have been made from the following combining funds in the Debt Service Funds. Balances have been restated for prior period adjustments, corrections, and reclassifications, when practical.

In fiscal year 2018, the table was restated to reflect Total Bonded Debt rather than Net Bonded Debt for the ten year period. The Total Bonded Debt, Percentage of Personal Income, and Per Capita Total Bonded Debt were restated accordingly.

Debt Service Fund:

Coal Research/Development General Obligations
Local Infrastructure Improvements General Obligations
State Projects General Obligations
Highway Capital Improvements General Obligations
Higher Education Capital Facilities General Obligations
Common Schools Capital Facilities General Obligations
Conservation Projects General Obligations
Third Frontier Research/Development General Obligations
Job Ready Site Development General Obligations
Persian Golf Conflict Compensation General Obligations
Lease Rental Special Obligations

STATE OF OHIO

ANNUAL LIMITATION ON DEBT SERVICE EXPENDITURES (BUDGETARY BASIS) FOR THE LAST TEN FISCAL YEARS (dollars in thousands)

	2025	2024	2023	2022
Debt Service Expenditures.....	\$ 1,245,140	\$ 1,260,787	\$ 1,503,566	\$ 1,435,175
General Revenue Fund (GRF)				
Revenues and Transfers from the Lottery Enterprise Fund.....	\$ 45,642,859	\$ 42,847,032	\$ 43,778,291	\$ 41,894,141
Calculation of Annual 5% Debt Service Cap.....	\$ 2,282,143	\$ 2,142,352	\$ 2,188,915	\$ 2,094,707
Amount Under the Debt Service Expenditure Cap.....	\$ 1,037,003	\$ 881,565	\$ 685,349	\$ 659,532
Ratio of Debt Service Expenditures to Total GRF Revenues and Lottery Transfers.....	2.73%	2.94%	3.43%	3.43%

Limitations on Debt

A 1999 amendment to the Ohio Constitution provides an annual debt service "cap" on general obligation bonds and other direct obligations payable from the General Revenue Fund (GRF) or net state lottery proceeds. Generally, such bonds may not be issued if the future fiscal year debt service on the new bonds and previously issued bonds exceeds five percent of total estimated GRF revenues plus net state lottery proceeds during the fiscal year of issuance. Application of the cap may be waived in a particular instance by a three-fifths vote of each house of the General Assembly and may be changed by future constitutional amendments. Direct obligations of the State include, for example, special obligation bonds issued by the Ohio Building Authority and the Treasurer of State that are paid from GRF appropriations, but exclude bonds such as highway bonds that are paid from highway user receipts.

Source:

Ohio Office of Budget and Management

Note:

(A) Debt Service Expenditures reflect the restructuring of net debt service payments into later fiscal years.

2021(A)	2020	2019	2018	2017	2016
\$ 1,061,721	\$ 1,414,867	\$ 1,402,757	\$ 1,338,396	\$ 1,328,277	\$ 1,314,513
\$ 40,723,295	\$ 34,551,772	\$ 34,921,508	\$ 33,642,813	\$ 35,218,700	\$ 34,997,700
\$ 2,036,165	\$ 1,727,589	\$ 1,746,075	\$ 1,682,141	\$ 1,760,935	\$ 1,749,885
\$ 974,444	\$ 312,722	\$ 343,318	\$ 343,745	\$ 432,658	\$ 435,372
2.61%	4.09%	4.02%	3.98%	3.77%	3.76%

STATE OF OHIO
REVENUE BOND AND NOTE COVERAGE
FOR THE LAST TEN FISCAL YEARS
(dollars in thousands)

Buckeye Tobacco Settlement Financing Authority Revenue Bonds

Buckeye Tobacco Settlement Financing Authority Revenue Bonds Fund				Debt Service Requirements			
Fiscal Year	Gross Revenues (A)	Direct Operating Expenses Exclusive of Depreciation	Net Revenue Available For Debt Service	Principal	Interest	Total	Coverage
2025	\$239,164	N/A	239,164	\$42,810	\$212,398	255,208	0.94
2024	251,053	N/A	251,053	49,550	213,304	262,854	0.96
2023	294,322	N/A	294,322	82,400	216,058	298,458	0.99
2022	308,729	N/A	308,729	93,945	219,549	313,494	0.98
2021	307,187	N/A	307,187	85,010	221,480	306,490	1.00
2020 (B)	294,613	N/A	294,613	395,807	197,905	593,712	0.50
2019	307,169	N/A	307,169	11,890	288,351	300,241	1.02
2018	337,774	N/A	337,774	44,590	290,659	335,249	1.01
2017	282,512	N/A	282,512	38,995	292,609	331,604	0.85
2016	299,239	N/A	299,239	35,000	294,359	329,359	0.91

Infrastructure Bank Revenue Bonds

Issuer: Treasurer of State

Highway Operating Fund				Debt Service Requirements			
Fiscal Year	Gross Revenues (C)	Direct Operating Expenses	Net Revenue Available For Debt Service	Principal	Interest	Total	Coverage
2025	\$140,288	N/A	\$140,288	\$113,315	\$35,126	\$148,441	0.95
2024	142,801	N/A	142,801	109,385	34,952	144,337	0.99
2023	132,355	N/A	132,355	98,900	36,514	135,414	0.98
2022	132,597	N/A	132,597	95,800	37,907	133,707	0.99
2021	166,730	N/A	166,730	182,174	45,672	227,846	0.73
2020	179,823	N/A	179,823	144,495	38,797	183,292	0.98
2019	185,013	N/A	185,013	139,380	48,461	187,841	0.98
2018	149,213	N/A	149,213	117,555	34,154	151,709	0.98
2017	151,170	N/A	151,170	124,280	38,571	162,851	0.93
2016	176,933	N/A	176,933	144,405	35,414	179,819	0.98

Notes:

- (A) The Buckeye Tobacco Settlement Financing Authority revenue bonds were first issued in fiscal year 2008. Gross revenues consist of tobacco settlement receipts (TSRs) and investment income.
- (B) In March 2020, BTSFA refunded its outstanding bonds and issued Series 2020 Senior Bonds. Because of the refunding, fiscal year 2020 principal amount also includes bond issuance costs and the advance refunding payment to escrow.
- (C) The gross revenue for Infrastructure Bank Revenue Bonds includes GARVEE receipts, which stands for Grant Anticipation Revenue Vehicles, and other revenue. GARVEE receipts are capital market borrowings repaid by federal transportation funds deposited in the State's Highway Operating Fund.

STATE OF OHIO

DEMOGRAPHIC AND ECONOMIC STATISTICS FOR THE LAST TEN CALENDAR YEARS

Calendar Year	Population (in thousands)				Per Capita Personal Income		
	U.S.	Change from Prior Period	Ohio	Change from Prior Period	U.S.	Ohio	Ohio as a Percentage of U.S.
2024	340,111	5,196	11,883	97	\$73,204	\$64,464	88.1%
2023	334,915	1,627	11,786	30	69,810	61,495	88.1%
2022	333,288	1,394	11,756	(24)	65,470	57,777	88.2%
2021	331,894	2,410	11,780	87	63,444	56,483	89.0%
2020	329,484	1,244	11,693	4	59,510	53,641	90.1%
2019	328,240	1,073	11,689	0	56,490	50,199	88.9%
2018	327,167	1,448	11,689	30	54,446	48,739	89.5%
2017	325,719	2,591	11,659	45	51,640	46,732	90.5%
2016	323,128	1,709	11,614	1	49,246	44,593	90.6%
2015	321,419	2,562	11,613	19	48,112	43,566	90.6%

Sources:

U.S. Department of Commerce, Bureau of Economic Analysis for Population, Income, and Employment (Population numbers estimated)

Ohio Department of Job and Family Services for unemployment rates

Ohio Department of Education for school enrollment

Ohio Department of Public Safety for motor vehicle registrations

Civilian Labor Force (in thousands)			
Ohioans Employed	Ohio's Unemployment Rate	Public School Enrollment in Ohio (in thousands)	Motor Vehicles Registered in Ohio (in thousands)
7,434	4.3%	1,751	12,286
7,396	3.5%	1,737	12,285
7,305	4.0%	1,742	12,253
7,010	5.1%	1,743	12,883
6,706	8.1%	1,727	12,374
7,142	4.1%	1,776	13,285
7,093	4.6%	1,783	13,232
6,995	5.0%	1,791	13,127
6,958	4.9%	1,790	13,157
6,886	4.9%	1,784	13,039

STATE OF OHIO
PRINCIPAL EMPLOYERS
FOR CALENDAR YEARS 2024 AND 2015

Employer	2024			2015		
	Employees	Rank	Percentage of Total State Employment	Employees	Rank	Percentage of Total State Employment
United States Government	83,200	1	1.12%	76,607	1	1.12%
Cleveland Clinic	58,433	2	0.79%	41,400	4	0.60%
Wal-Mart	56,010	3	0.75%	46,975	3	0.69%
State of Ohio	47,332	4	0.64%	48,400	2	0.71%
Amazon.com, Inc	45,000	5	0.61%			
Kroger Company	42,926	6	0.58%	40,250	5	0.60%
The Ohio State University	37,863	7	0.51%	29,950	7	0.44%
OhioHealth	35,000	8	0.47%			
University Hospitals Health System	32,165	9	0.43%	25,000	8	0.37%
Bon Secours Mercy Health	28,285	10	0.38%	31,200	6	0.46%
JP Morgan Chase & Co				21,000	9	0.32%
Giant Eagle				20,000	10	0.29%

Source:

U.S. Department of Commerce, Bureau of Economic Analysis
Ohio Development Services Agency, Office of Strategic Research
State of Ohio Comprehensive Annual Financial Report Fiscal Year 2015

STATE OF OHIO

FULL-TIME AND PART-TIME PERMANENT STATE EMPLOYEES
DURING THE MONTH OF JUNE BY FUNCTION/PROGRAM
FOR THE LAST TEN FISCAL YEARS

Function/Program	Number of Employees			
	2025	2024	2023	2022
Primary, Secondary and Other Education.....	1,657	1,648	1,082	1,056
Higher Education Support.....	79	78	72	64
Public Assistance and Medicaid.....	1,899	1,885	2,340	1,881
Health and Human Services.....	8,192	8,060	7,835	7,725
Justice and Public Protection.....	19,472	19,130	18,637	18,544
Environmental Protection and Natural Resources.....	2,874	2,751	2,717	2,617
Transportation.....	4,840	4,912	4,823	4,790
General Government.....	4,560	4,490	4,373	4,330
Community and Economic Development.....	1,059	1,057	1,028	864
Workers' Compensation.....	1,525	1,566	1,559	1,531
Lottery Commission.....	376	385	374	376
Unemployment Compensation.....	530	562	599	873
Other.....	834	808	789	806
Total.....	47,897	47,332	46,228	45,457

Source:

Ohio Department of Administrative Services
Ohio Department of Job and Family Services

2021	2020	2019	2018	2017	2016
1,011	998	998	982	997	1,014
63	66	67	68	69	72
1,112	2,032	2,176	2,209	2,229	2,202
8,053	8,279	8,244	8,195	8,273	8,303
19,031	20,026	20,102	20,189	20,285	20,194
2,529	2,640	2,620	2,630	2,662	2,606
4,780	4,860	4,925	4,874	4,917	4,873
4,453	4,568	4,643	4,635	4,705	4,705
795	854	866	861	990	870
1,615	1,718	1,721	1,721	1,744	1,778
371	377	387	375	378	378
1,525	654	581	636	703	744
801	811	808	821	817	818
46,139	47,883	48,138	48,196	48,769	48,557

STATE OF OHIO
OPERATING INDICATORS BY FUNCTION/PROGRAM
FOR THE LAST TEN FISCAL YEARS

Function/Program	2025	2024	2023	2022	2021
<i>Primary, Secondary and Other Education</i>					
Ohio Department of Education:					
Fall Student Enrollment (Public Schools).....	1,750,779	1,737,012	1,742,376	1,743,143	1,727,048
Public School Districts (A).....	609	609	609	609	609
Community School Districts (A).....	334	335	334	324	315
Vocational School Districts.....	49	49	49	49	49
High School Graduation Rate (by School year).....	*	88.3%	87.9%	87.3%	87.0%
<i>Higher Education Support</i>					
Ohio Department of Higher Education (G):					
Student Enrollment at State-Assisted Institutions.....	453,806	429,310	422,918	491,323	492,702
State-Assisted Institutions.....	36	37	37	37	37
Ohio College Opportunity Grant Recipients.....	65,700	53,898	45,464	54,353	51,823
<i>Public Assistance and Medicaid</i>					
Ohio Department of Job and Family Services:					
Individuals Receiving Cash Assistance (OWF).....	37,252	70,515	72,982	75,336	91,920
Ohio Department of Medicaid:					
Individuals with Medicaid Coverage.....	3,029,056	3,242,070	3,513,461	3,328,899	3,109,148
Individuals on Medicaid Waiver.....	7,298	7,424	7,526	7,241	7,225
Ohio Department of Aging:					
Individuals on PASSPORT Waiver (H).....	24,031	23,236	22,994	23,056	24,404
Ohio Department of Developmental Disabilities:					
Individuals on DDD Waiver.....	44,671	43,865	43,220	42,299	41,972
<i>Health and Human Services</i>					
Ohio Department of Aging:					
Clients Served-PASSPORT (F).....	26,255	29,800	32,234	24,406	27,463
Clients Served-Congregate Meals (D).....	42,613	42,237	38,289	27,001	19,034
Clients Served-Home Delivered Meals.....	45,449	47,047	46,827	43,178	64,665
Clients Served-Transportation Provided.....	18,175	18,152	15,840	14,624	12,287
Ohio Department of Health:					
Average Monthly Caseload-Women, Infants, & Children.....	180,233	179,017	169,553	158,979	168,884
Ohio Department of Mental Health & Addiction Services:					
Clients Served (Addiction Services) (E).....	79,284	84,980	111,153	128,492	123,802
Facilities' Admissions.....	2,224	2,540	2,845	2,982	3,317
Facilities' Average Daily Residence Population.....	1,102	1,100	1,064	975	930
Individuals Served-Community Facilities (C).....	322,527	333,168	477,913	402,905	403,918
Ohio Department of Developmental Disabilities:					
Individuals Served-Community Facilities (C).....	110,996	108,819	105,767	98,626	95,431
Facilities' Average Daily Residence Population.....	600	602	618	629	617
<i>Justice and Public Protection</i>					
Ohio Department of Public Safety:					
Crashes Investigated.....	53,891	51,900	54,670	57,660	58,092
Total Arrests.....	415,565	408,278	396,103	406,156	457,378
Ohio Department of Rehabilitation and Correction:					
Inmate Population.....	45,491	45,152	44,376	43,511	43,046
<i>Environmental Protection and Natural Resources</i>					
Ohio Department of Natural Resources:					
Licenses and Registrations (B).....	2,095,089	2,187,942	2,205,909	2,125,454	2,255,360

2020	2019	2018	2017	2016
1,779,475	1,782,974	1,791,218	1,790,089	1,784,397
610	610	610	610	611
313	320	340	362	372
49	49	49	49	49
87.2%	85.9%	85.3%	84.1%	83.5%
492,424	490,082	490,243	491,402	492,555
37	37	37	37	37
56,482	60,756	69,454	68,495	76,171
93,904	90,247	101,602	103,900	108,262
2,830,520	2,866,000	3,007,745	3,083,568	3,024,213
6,590	5,854	5,819	5,503	5,630
24,209	24,014	25,083	23,111	23,106
41,293	40,349	39,627	38,487	36,627
32,982	28,007	28,215	28,048	28,064
43,422	44,263	45,085	45,435	46,473
50,302	40,269	39,546	38,781	38,130
14,182	20,004	18,968	19,691	20,818
186,526	195,897	212,420	224,816	237,987
137,999	127,641	139,464	154,870	112,777
4,733	5,932	5,948	6,542	6,933
1,027	1,070	1,068	1,050	1,028
375,219	448,391	535,022	415,639	417,963
94,885	94,768	92,980	93,892	94,056
618	640	661	701	806
57,710	63,773	66,485	65,726	66,027
420,955	570,520	634,084	578,579	642,268
46,657	49,031	49,379	50,174	51,001
2,308,423	2,232,201	2,299,572	2,308,438	2,346,769

(continued)

STATE OF OHIO
OPERATING INDICATORS BY FUNCTION/PROGRAM
FOR THE LAST TEN FISCAL YEARS
(continued)

Function/Program	2025	2024	2023	2022	2021
<i>Transportation</i>					
Ohio Department of Transportation:					
Pavement Resurfacing (in miles):					
Two-Lane.....	2,697	2,472	3,227	2,194	2,223
Greater than Two-Lane.....	1,134	1,782	1,332	1,135	1,003
Interstate.....	846	1,022	812	1,024	913
<i>Workers' Compensation</i>					
Ohio Bureau of Workers' Compensation:					
Claims Filed.....	78,081	77,109	78,215	80,681	75,834
Open Claims.....	492,026	506,821	529,926	555,931	579,101
<i>Lottery</i>					
Ohio Lottery Commission:					
Prize Awards Paid (in billions).....	\$ 2.94	\$ 3.01	\$ 2.89	\$ 2.79	\$ 2.84
Bonuses and Commissions Paid (in millions).....	\$ 289.7	\$ 305.8	\$ 292.7	\$ 282.1	\$ 296.3
Transfers to					
Lottery Profits Education Fund (in millions).....	\$ 989.9	\$ 1,068.3	\$ 1,022.0	\$ 968.9	\$ 958.6
<i>Unemployment Compensation</i>					
Ohio Department of Job and Family Services:					
Initial Claims.....	331,524	454,192	525,751	537,511	1,862,245
Continuing Claims.....	2,672,296	2,266,558	2,113,054	2,307,420	9,632,997

Source:

Various state agencies, as noted above.

Note:

- (A) The number of school districts include only those with enrollment.
- (B) Data includes hunting licenses, fishing licenses, permits, and boating licenses.
- (C) Prior to fiscal year 2016, the clients served by both the Department of Mental Health & Addiction Services and Department of Developmental Disabilities were reported as one total.
- (D) Department of Aging began using a new reporting system in fiscal year 2012, resulting in lower count for Congregate Meals served.
- (E) Beginning in fiscal year 2014, the Department of Mental Health and the Department of Alcohol & Drug Addiction Services merged to form the Department of Mental Health & Addiction Services (MHAS).
- (F) In fiscal year 2015, a number of clients transferred from the PASSPORT program to the MyCare Ohio program.
- (G) In fiscal year 2016, the Ohio Board of Regents was renamed the Ohio Department of Higher Education.
- (H) Average total.
- * Data for the year indicated was not readily available. Graduation Rate is calculated by school year which does not end until the following spring.

2020	2019	2018	2017	2016
2,478	2,854	3,103	4,029	3,347
942	625	1,236	1,112	1,018
1,164	1,014	980	1,145	1,147
81,863	96,604	97,185	97,931	99,082
609,965	646,379	672,188	704,756	752,312
\$ 2.26	\$ 2.14	\$ 2.00	\$ 1.91	\$ 1.93
\$ 233.6	\$ 223.4	\$ 206.1	\$ 185.7	\$ 188.6
\$ 846.3	\$ 810.1	\$ 794.7	\$ 739.4	\$ 784.1
1,641,914	354,259	384,578	414,766	440,484
9,738,755	2,715,458	3,009,916	3,250,737	3,400,000

STATE OF OHIO

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM FOR THE LAST TEN FISCAL YEARS

Function/Program	2025	2024	2023	2022	2021
<i>Primary, Secondary and Other Education</i>					
Historical Sites Owned by the State.....	38	33	33	38	38
Historical Sites Jointly Owned by the State and the Ohio Historical Society.....	7	12	12	8	8
<i>Health and Human Services</i>					
Developmental Disabilities Institutions.....	8	8	8	8	8
Mental Health Institutions.....	6	6	6	6	6
<i>Justice and Public Protection</i>					
Rehabilitation and Correction Institutions.....	28	28	28	25	25
Youth Services Institutions.....	3	3	3	3	3
State Highway Patrol Structures.....	89	90	91	82	77
Number of Readiness Centers.....	43	39	49	49	49
<i>Environmental Protection and Natural Resources</i>					
Number of State Parks.....	76	75	75	75	75
Area of State Parks, Natural & Wildlife Lands (in acres).....	403,902	402,670	399,914	398,910	381,927
Area of State Forest Lands (in acres).....	204,042	203,719	203,469	203,398	202,114
<i>Transportation</i>					
Buildings.....	1,018	896	897	875	857
Number of Rest Stops.....	83	83	83	83	83
Licensed Vehicles.....	5,804	5,567	5,322	5,269	5,129
Infrastructure Assets(A):					
Pavement (in lane-miles):					
Priority Subsystem.....	13,964	13,899	13,827	13,827	13,829
General Subsystem.....	29,537	29,538	29,606	29,605	29,604
Bridges:					
Number of Bridges.....	14,179	14,179	14,232	14,185	14,265
Deck Area (in thousand square feet).....	108,320	108,182	112,292	108,644	109,007
<i>General Government</i>					
State Office Buildings (B).....	10	10	8	8	9
<i>Community and Economic Development</i>					
Permanent Agricultural Easement Land (in acres).....	110,293	107,038	104,715	101,630	95,916

Source:

Ohio Department of Developmental Disabilities
Ohio Department of Mental Health and Addiction Services
Ohio Department of Rehabilitation and Correction
Ohio Department of Youth Services
Ohio Department of Natural Resources
Ohio Department of Transportation
Ohio Department of Agriculture
Ohio Department of Administrative Services
Ohio Department of Public Safety
Ohio Historical Society
Ohio Adjutant General's Department

Note:

- (A) The Priority Subsystem includes the interstate highways, freeways, and multi-lane portions of the National Highway System. The General Subsystem consists of two-lane routes outside of cities.
(B) Prior to fiscal year 2018, State Office Buildings consisted of state owned office towers.
Starting in fiscal year 2018, State Office Building includes state owned office towers and buildings.

2020	2019	2018	2017	2016
38	38	38	33	32
8	9	9	12	12
8	8	10	10	10
6	6	6	6	6
25	25	25	25	25
3	3	3	3	3
77	75	75	75	75
57	48	48	48	48
75	75	74	74	74
351,581	345,539	342,795	333,727	333,525
201,695	200,690	200,183	200,185	199,344
838	836	805	819	809
84	85	88	89	91
5,308	5,107	4,987	4,265	4,247
13,803	13,724	13,849	13,720	13,748
29,619	29,637	29,487	29,473	29,470
14,352	14,344	14,305	14,276	14,266
108,401	108,195	107,372	107,489	106,580
9	9	10	5	5
83,549	75,996	71,420	65,860	62,942



Office of Budget and Management



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Rural Ohio Road in Fall

OHIO AUDITOR OF STATE KEITH FABER



STATE OF OHIO

FRANKLIN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 3/26/2026

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

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