NEW ISSUE **BOOK-ENTRY FORM ONLY**

Ratings:
Programmatic Rating: Moody's: Aa2
(Ohio Community and Technical College Credit Enhancement Program)
Underlying Ratings: Moody's: A1
S&P: A+
See "RATINGS" and "STATE CREDIT ENHANCEMENT PROGRAM" herein

In the opinion of Bricker & Eckler LLP, Bond Counsel, under existing law (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Series 2018A Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, interest on the Series 2018A Bonds is included in the adjusted current earnings of corporations subject to the alternative minimum tax for tax years beginning prior to January 1, 2018, and (ii) interest on, and any profit made on the sale, exchange or other disposition of, the Series 2018A Bonds are exempt from all Ohio state and local taxation, except the estate tax, the domestic insurance company tax, the dealers in intangibles tax, the tax levied on the basis of the total equity capital of financial institutions, and the net worth base of the corporate franchise tax. Interest on the Series 2018A Bonds may be subject to certain federal taxes imposed only on certain corporations. For a more complete discussion of the tax aspects, see "TAX MATTERS" herein.

OFFICIAL STATEMENT

COLUMBUS STATE
COMMUNITY COLLEGE

$13,000,000
COLUMBUS STATE COMMUNITY COLLEGE
(A State Community College District of the State of Ohio)
General Receipts Bonds, Series 2018A

Dated: Date of Delivery **Due: June 1, as shown on the inside cover hereof**

The Series 2018A Bonds are special obligations of Columbus State Community College (the "College"), issued under the Trust Agreement dated as of July 1, 1990 between the College and The Huntington National Bank, as trustee (the "Trustee"), as supplemented and amended from time to time, and particularly as supplemented by the Seventh Supplemental Trust Agreement dated as of June 1, 2018, between the College and the Trustee, to pay the costs of College facilities as further described herein. See "THE PROJECT AND PLAN OF FINANCE" herein.

Principal and interest payable on the Series 2018A Bonds and on other parity General Receipts Bonds are payable solely from the General Receipts of the College and the pledged Special Funds, as defined in and subject to the provisions of the Trust Agreement. The Series 2018A Bonds are not obligations of the State of Ohio, are not general obligations of the College, and the full faith and credit of the College is not pledged to their payment. Bondholders have no right to have excises or taxes levied by the Ohio General Assembly for payment of principal of or interest on the Series 2018A Bonds.

The Series 2018A Bonds will be issued as fully registered bonds in denominations of $5,000 and any integral multiple thereof. The Series 2018A Bonds will be issuable under a book-entry system, and registered in the name of The Depository Trust Company ("DTC") or its nominee. There will be no physical delivery of Series 2018A Bonds to the ultimate purchasers. See "SUMMARY OF CERTAIN TERMS OF BONDS – Book-Entry System." Principal of the Series 2018A Bonds is payable at the designated corporate trust office of the Trustee in Columbus, Ohio. Interest on the Series 2018A Bonds is payable June 1 and December 1 of each year (the "Interest Payment Dates"), commencing on December 1, 2018. Interest will be transmitted by the Trustee on each Interest Payment Date to persons shown as the registered owners of the Series 2018A Bonds on the fifteenth day of the calendar month preceding such Interest Payment Date.

The Series 2018A Bonds will be subject to redemption prior to maturity as more fully described under "SUMMARY OF CERTAIN TERMS OF BONDS – Optional Redemption." The Series 2018A Bonds will mature on the dates, will bear interest at the rates per annum and will be sold at the offering prices as set forth on the inside cover hereof.

The Series 2018A Bonds are offered when, as and if issued, and accepted by KeyBanc Capital Markets Inc. (the "Underwriter"), subject to the opinion on certain legal matters relating to their issuance by Bricker & Eckler LLP, Bond Counsel. Certain legal matters will be passed upon for the Underwriter by Calfee, Halter & Griswold LLP. See "LEGAL MATTERS" herein. H.J. Umbaugh and Associates, Certified Public Accountants, LLP, has acted as Financial Advisor to the College in connection with the issuance of the Series 2018A Bonds. It is expected that delivery of the Series 2018A Bonds will be made to the initial registered owners on or about June 28, 2018.

This Official Statement has been prepared by the College in connection with its original offering for sale of the Series 2018A Bonds. This cover page includes certain information for quick reference only. It is not a summary of the provisions of the Series 2018A Bonds. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

KeyBanc Capital Markets

The date of this Official Statement is June 6, 2018, and the information herein speaks only as of that date.

$13,000,000
COLUMBUS STATE COMMUNITY COLLEGE
(A State Community College District of the State of Ohio)
General Receipts Bonds, Series 2018A

Maturity Date (June 1)	Principal Amount	Interest Rate	Price	Yield	CUSIP No.[1]
2019	$800,000	5.00%	102.995	1.720%	199547DC1
2027	775,000	5.00	118.218	2.690	199547DD9
2028	815,000	5.00	119.329	2.760	199547DE7
2029	855,000	5.00	118.660*	2.830*	199547DF4
2030	895,000	5.00	118.185*	2.880*	199547DG2
2031	940,000	5.00	117.713*	2.930*	199547DH0
2032	990,000	5.00	117.336*	2.970*	199547DJ6
2033	1,040,000	3.00	95.800	3.360	199547DK3
2034	1,070,000	5.00	116.402*	3.070*	199547DL1
2035	1,120,000	5.00	116.030*	3.110*	199547DM9
2036	1,180,000	5.00	115.753*	3.140*	199547DN7
2037	1,235,000	4.00	104.587*	3.450*	199547DP2
2038	1,285,000	5.00	115.384*	3.180*	199547DQ0

* Priced at the stated yield to the first optional call date of June 1, 2028.

[1] Copyright © 2018 CUSIP Global Services. The College is not responsible for the use of the CUSIP numbers referenced herein nor is any representation made by the College as to their correctness; such CUSIP numbers are included solely for the convenience of the readers of this Official Statement. (See "REGARDING USE OF THIS OFFICIAL STATEMENT" herein.)

SUMMARY OF THE ISSUE

This summary is subject in all respects to more complete information contained in this Official Statement and should not be considered a complete statement of the facts material to making an investment decision. The offering of the Series 2018A Bonds to potential investors is made only by means of the entire Official Statement, including the cover page, the inside cover pages, and the Appendices. Capitalized terms used in this summary and not otherwise defined in the front portion of this Official Statement have the meanings given to such terms elsewhere in this Official Statement.

Issuer:	Columbus State Community College (A State Community College District of the State of Ohio) (the "College")
Bonds Offered:	$13,000,000 Columbus State Community College General Receipts Bonds, Series 2018A
Series 2018 Project:	The Series 2018A Bonds are being issued for the purpose of paying (i) a portion of the costs of acquiring, constructing, furnishing and equipping an approximately 80,000 square-foot, three-story building to house the College's hospitality management and culinary arts program, including all related costs constituting "costs of facilities" as defined in Ohio Revised Code Section 3345.12(A)(10) (collectively, the "Series 2018 Project"), and (ii) the costs of issuance of the Series 2018A Bonds
Interest Payment Dates:	Interest on the Series 2018A Bonds is payable semiannually on each June 1 and December 1, commencing on December 1, 2018
Security and Sources of Payment:	The following is qualified in all respects by the information in this Official Statement under the caption "**SECURITY AND SOURCES OF PAYMENT**" and the documents referenced under such caption. Principal and interest payable on the Series 2018A Bonds are payable solely from the General Receipts of the College and the pledged Special Funds, as defined in and subject to the provisions of the Trust Agreement. **<u>Limited Obligations</u>** The Series 2018A Bonds are not obligations of the State of Ohio, are not general obligations of the College, and the full faith and credit of the College is not pledged to their payment. Bondholders have no right to have excises or taxes levied by the Ohio General Assembly for payment of principal of or interest on the Series 2018A Bonds.
Additional Bonds:	Additional Bonds, as they may from time to time be authorized by Series Resolutions, are issuable on a parity with then outstanding Bonds, without limitation as to amount except as provided in the General Bond Resolution or as may subsequently be provided by law. The College may provide for bond insurance or other credit support instrument, or a reserve fund or account, with respect to any one or more Bonds or series of Bonds and not with respect to any other Bonds or series of Bonds. **See "THE AGREEMENT – Additional Bonds" herein.**
Redemption:	The Series 2018A Bonds are subject to redemption prior to maturity, as described herein. **See "SUMMARY OF CERTAIN TERMS OF BONDS - Optional Redemption" herein.**
Authorized Denominations:	The Series 2018A Bonds will be issued as fully registered bonds in denominations of $5,000 and any integral multiple of $5,000 in excess thereof.

Form and Depository:	The Series 2018A Bonds will be issued as fully registered bonds without coupons in Authorized Denominations and registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("***DTC***"), which will act as securities depository for the Series 2018A Bonds. The Series 2018A Bonds will bear interest from their dated date, payable semiannually on each June 1 and December 1, commencing December 1, 2018. Individual purchases of beneficial ownership interests in the Series 2018A Bonds will be made in book-entry form only, and individual purchasers will not receive physical delivery of bond certificates. Payments of the principal of, and interest on, the Series 2018A Bonds will be made by the Trustee to Cede & Co., as nominee for DTC, for disbursement to DTC participants and subsequent disbursement to the beneficial owners of the Series 2018A Bonds. **See "SUMMARY OF CERTAIN TERMS OF BONDS - Book-Entry System" herein.**
Tax Status:	For information on the tax status of the Series 2018A Bonds, see the italicized language at the top of the cover page of this Official Statement and "**TAX MATTERS**" **herein.**
Ratings:	"Aa2" by Moody's, which rating is based on the College's participation in the State Credit Enhancement Program. The Series 2018A Bonds also have underlying ratings of "A1" and "A+" from Moody's and S&P, respectively. **See "RATINGS" herein.**

REGARDING USE OF THIS OFFICIAL STATEMENT

This Official Statement does not constitute an offering of any security other than the original offering of the Series 2018A Bonds specifically offered hereby and identified on the cover page hereof. No person has been authorized to give any information or to make any representations other than those contained in this Official Statement in connection with the offering made hereby, and if given or made, such information or representations must not be relied upon as having been authorized by the College or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2018A Bonds by any person, in any jurisdiction in which it is unlawful for such person to make an offer, solicitation or sale. The information set forth herein has been obtained from the College and other sources, which are believed to be reliable, but is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Underwriter. The delivery of this Official Statement at any time does not imply that the information herein is correct as of any time subsequent to its date.

The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

CUSIP data on the inside cover page hereof has been provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association ("ABA") by S&P Global Market Intelligence, a division of S&P Global Inc. CUSIP is a registered trademark of the ABA. The CUSIP data is being provided solely for the convenience of the owners of the Series 2018A Bonds and only at the time of issuance of the Series 2018A Bonds. The College, Bond Counsel, and the Underwriter are not responsible for the selection or use of these CUSIP numbers and make no representation with respect to such data or undertake any responsibility for its accuracy now or at any time in the future. CUSIP numbers are subject to being changed after the issuance of the Series 2018A Bonds as a result of subsequent actions and events.

UPON ISSUANCE, THE SERIES 2018A BONDS WILL NOT BE REGISTERED BY THE COLLEGE UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAW OF ANY STATE, AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. THE SERIES 2018A BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS ANY OTHER FEDERAL, STATE, MUNICIPAL OR OTHER GOVERNMENTAL ENTITY OR AGENCY, EXCEPT THE COLLEGE, PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT OR APPROVED THE SERIES 2018A BONDS FOR SALE.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2018A BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE SERIES 2018A BONDS TO CERTAIN DEALERS AND DEALER BANKS AND BANKS ACTING AS AGENT AT YIELDS HIGHER AND/OR PRICES LOWER THAN THE PUBLIC OFFERING PRICES OR YIELDS STATED ON THE INSIDE COVER PAGE HEREOF AND SAID PUBLIC OFFERING PRICES OR YIELDS MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

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INTRODUCTORY STATEMENT

This Official Statement has been prepared by the Columbus State Community College (the "College"), Ohio, in connection with its original issuance and sale of the General Receipts Bonds identified on the cover page hereof (the "Series 2018A Bonds"). Certain information concerning the authorization, purpose, terms, and security for and source of payment of the Series 2018A Bonds is provided in this Official Statement.

The College, a political subdivision of the State, owns and operates Columbus State Community College, a publicly owned and supported, and State-assisted, two-year community college with its main campus located in Franklin County, Ohio. The most recent headcount enrollment at the College was 27,626 (Autumn 2017). Information concerning the College is set forth in Appendix A.

The Series 2018A Bonds are being issued pursuant to Sections 3345.12 and 3354.121 of the Ohio Revised Code (the "Act"), a resolution adopted by the Board of Trustees of the College (the "Board") on March 22, 2018, a Trust Agreement dated as of July 1, 1990 (the "Trust Agreement"), as supplemented by the Seventh Supplemental Trust Agreement dated as of June 1, 2018 (the "Series 2018A Supplement" and, together with the Trust Agreement, the "Agreement"), each between the College and The Huntington National Bank, Columbus, Ohio, as trustee (the "Trustee").

Pursuant to the Act, the College is authorized to construct "facilities" as defined in the Act, and to pay all or part of the costs of those facilities, and to refund, fund or retire prior obligations issued for that purpose, by the issuance of obligations payable from General Receipts of the College. The Trust Agreement authorizes the issuance of obligations in the form of bonds secured by a pledge of the College's General Receipts (referred to herein alternatively as the "Bonds" or the "General Receipts Bonds") to finance costs of those authorized facilities (referred to in the Agreement as "College Facilities") and to refund outstanding Bonds. The Series 2018A Supplement specifically authorizes the issuance of the Series 2018A Bonds.

All financial and other information in this Official Statement has been provided by the College from its records, except for information expressly attributed to other sources and certain underwriting information. The presentation of information, including tables of receipts, is intended to show recent historical information, and is not intended to indicate future or continuing trends in the financial position or other affairs of the College. No representation is made that past experience, as is shown by that financial and other information, will necessarily continue or be repeated in the future.

This Official Statement should be considered in its entirety and no one subject considered less important than another by reason of location in the text. Reference should be made to laws, reports or documents referred to for more complete information regarding their contents.

References to provisions of Ohio law or of the Ohio Constitution are references to those current provisions. Those provisions may be amended, repealed or supplemented.

As used in this Official Statement, "debt service" and "Bond Service Charges" means principal and interest payable on the obligations being referred to, "County" means Franklin County, Ohio, "State" or "Ohio" means the State of Ohio, and "Fiscal Year" means the 12-month period from July 1 to June 30. Reference to a particular Fiscal Year (such as "Fiscal Year 2017") means the fiscal year that ends on June 30 in the indicated year.

The General Receipts Bonds

The General Receipts Bonds represent a type of financing of facilities by state community college districts of Ohio authorized by an amendment to the Ohio Constitution as implemented by the Act. Significant elements of this financing are the broad scope and gross pledge character of the security afforded to the Bonds, and the simplicity and flexibility provided by permitting all authorized types of College facilities to be financed under one open-end trust agreement.

Security provisions include the pledge to the Bonds, on a gross pledge and first lien basis, of the College's General Receipts. General Receipts include the full amount of every type and character of receipts, excepting only those specifically excluded (such as State appropriations). In Fiscal Year 2017 the pledged General Receipts of the College amounted to approximately $77,475,000. (See "SECURITY AND SOURCES OF PAYMENT – General Receipts Pledged to the Bonds".)

The Bond proceedings provide for the College's mandatory budgeting of its General Receipts in an amount sufficient to pay Bond Service Charges when due in each Fiscal Year. Payments are to be made by the College to the Trustee, not later than one business day preceding each Interest Payment Date for the Bonds, for deposit into the Bond Service Account of the Bond Service Fund, a special trust fund held in the custody of the Trustee. Amounts in the Bond Service Account are to be applied by the Trustee to pay Bond Service Charges when due. (See "THE AGREEMENT – Bond Service Account".)

In addition, the College has covenanted to fix, make, adjust and collect items of General Receipts to produce at all times General Receipts at least sufficient to pay Bond Service Charges when due and satisfy other requirements with respect to the Bonds and, together with other moneys available, to pay all other costs and expenses necessary for the proper maintenance and successful and continuous operation of the College. (See "SECURITY AND SOURCES OF PAYMENT – Covenant as to Sufficiency of General Receipts".)

The Trust Agreement is the basic document pertaining to all General Receipts Bonds and prescribes the conditions for the issuance of additional parity Bonds ("Additional Bonds"). For each issue of Additional Bonds, a Supplemental Trust Agreement is to be delivered, setting forth detailed provisions for that issue. For coverage requirements relating to the issuance of Additional Bonds, see "THE AGREEMENT – Additional Bonds."

The proceeds of all General Receipts Bonds are to be applied solely to pay costs of College Facilities, and to refund, fund or retire obligations issued for that purpose, as specifically provided and allocated in the applicable resolution.

College Facilities are defined in the General Bond Resolution as buildings, structures and other improvements, and equipment, real estate and interests in real estate therefor, all or any part of the costs of which are at any time authorized by the Act to be financed by the issuance of obligations. The Act currently authorizes the financing of "facilities," defined to include "auxiliary facilities" (hospitals, infirmaries and other medical and health facilities, student activity or student service facilities, dining halls or other food service and preparation facilities, vehicular parking facilities, bookstores, athletic and recreational facilities, faculty centers, auditoriums, assembly and exhibition halls, research and continuing education facilities), and "educational facilities" (classrooms, or other instructional facilities, libraries, administrative and office facilities, and other facilities, other than auxiliary facilities, to be used directly or indirectly for or in connection with the conduct of the institution of higher education), and any one, part of or any combination of those facilities.

Constitutional and Statutory Authorization

The Bonds are authorized pursuant to the Act, enacted under authority of Section 2i of Article VIII of the Ohio Constitution which provides that the General Assembly may authorize the issuance of revenue obligations and other obligations for capital improvements for State supported and State assisted institutions of higher education, which obligations may be secured by a pledge under law of all or such portion of receipts of those institutions as the General Assembly authorizes. Section 2i further provides that **the owners or holders of those obligations, such as the Bonds, are not given the right to have excises or taxes levied by the General Assembly for the payment of principal or interest**.

The Act authorizes the issuance by the College of the Bonds to pay all or part of the cost of "facilities" (referred to as "College Facilities" in the Agreement) and to refund, fund or retire obligations previously issued for the purpose; authorizes the pledge to the Bonds of all or such part of the "available receipts" of the College as the College determines in the Bond proceedings (being the "General Receipts"); and provides that the pledge of and lien on General Receipts may, as provided for in the Agreement, be made prior to all other expenses, claims or payments.

THE PROJECT AND PLAN OF FINANCE

The Series 2018A Bonds are being issued for the purpose of paying (i) a portion of the costs of acquiring, constructing, furnishing and equipping an approximately 80,000 square-foot, three-story building to house the College's hospitality management and culinary arts program, including all related costs constituting "costs of facilities" as defined in Ohio Revised Code Section 3345.12(A)(10) (collectively, the "Series 2018 Project"), and (ii) the costs of issuance of the Series 2018A Bonds.

The lawfully authorized sources of payment for all Bonds outstanding are not limited to the revenues associated with any particular projects financed. All of the General Receipts of the College are pledged to the payment of Bond Service Charges on all the Bonds, including the Series 2018A Bonds. (See "SECURITY AND SOURCES OF PAYMENT" herein.)

In addition to the Series 2018A Bonds, the College expects to issue approximately $9 million in maximum authorized principal amount of General Receipts Bonds, Series 2018B (Federally Taxable) (the "Series 2018B Bonds") to pay a portion of the costs of the Series 2018 Project, on or about July 17, 2018.

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ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds are shown in the table below:

Sources of Funds	
Par Amount	$13,000,000.00
Net Original Issue Premium	1,734,684.85
Total Sources of Funds	$14,734,684.85
Uses of Funds	
Deposit to the Project Fund	$13,000,000.00
Deposit to the Bond Service Account	1,550,836.85
Costs of Issuance*	183,848.00
Total Uses of Funds	$14,734,684.85

* Includes Underwriter's compensation, printing costs, rating fees, registrar fees, legal fees, and miscellaneous expenses.

SECURITY AND SOURCES OF PAYMENT

The Series 2018A Bonds are special obligations of the College. Debt service on the Series 2018A Bonds is to be paid from the proceeds of the pledged General Receipts. The Series 2018A Bonds are being issued pursuant to, and will be secured by, the Agreement. All outstanding Bonds, including the Series 2018A Bonds and any Additional Bonds, are and will be payable from and secured by a first pledge of and lien on the General Receipts of the College, subject to bankruptcy law and other laws affecting creditors' rights and to the exercise of judicial discretion.

The Series 2018A Bonds are not obligations of the State of Ohio, are not general obligations of the College, and the full faith and credit of the College is not pledged to their payment. Expressly excluded from General Receipts are State appropriations. Bondholders have no right to have excises or taxes levied by the Ohio General Assembly for payment of principal or interest on the Series 2018A Bonds.

The College covenants in the Agreement to include in its budget for each Fiscal Year amounts from its General Receipts at least sufficient to pay the Bond Service Charges on the Bonds when due and satisfy other requirements with respect to the Bonds (see "THE AGREEMENT – College Budgeting Requirements").

The General Bond Resolution establishes the Bond Service Fund, a special fund held by the Trustee, for the payment of Bond Service Charges on the Bonds. The College is to make payments from General Receipts to the Bond Service Account in the Bond Service Fund not later than one business day prior to each date Bond Service Charges are payable.

The College may provide for bond insurance or other credit support instrument, or a reserve fund or account, with respect to any one or more series of Bonds and not with respect to any other Bonds or series of Bonds. There is no reserve applicable to the Series 2018A Bonds.

General Receipts Pledged to the Bonds

General Receipts pledged to the security and payment of the Bonds include all the receipts of the College, excepting only receipts expressly excluded by the Agreement. Significantly, among receipts expressly excluded are State appropriations, which for Fiscal Year 2017 amounted to approximately $67,247,388, accounting for approximately 46.8% of the College's total operating revenues.

As General Receipts are defined in the General Bond Resolution, they consist of all moneys received by the College including but not limited to all gross fees, deposits, charges, receipts and income from all or any part of the students of the College, whether designated as tuition, instructional fees, tuition surcharges, general fees, activity fees, health fees or other special purpose fees or otherwise designated; all gross income, revenues and receipts from the operation, ownership, or control of College Facilities; all grants, gifts, donations and pledges and receipts therefrom; and the proceeds of the sale of obligations, including proceeds of obligations issued to refund obligations previously issued, to the extent and as allocated to the payment of Bond Service Charges under the proceedings authorizing those obligations.

The exclusions from the General Receipts consist of: moneys raised by taxation and State appropriations until and unless their pledge to Bond Service Charges is authorized by law (not anticipated to occur) and is made by a Supplemental Trust Agreement; any grants, gifts, donations and pledges, and receipts therefrom, which under restrictions imposed in the grant or promise or as a condition of the receipt are not available for payment of Bond Service Charges; and any special fee charged pursuant to Section 154.21(D) of the Ohio Revised Code and receipts therefrom (that fee, relating to bonds of the State issued by the Ohio Public Facilities Commission, has never been required to be imposed and is not anticipated to be required to be imposed).

Pursuant to the Act, upon their receipt by the College the General Receipts are immediately subject to the lien of the pledge made by the Agreement, and the lien of that pledge is valid against all parties having claims of any kind, regardless of notice, and creates a perfected security interest without necessity for prior separation, physical delivery, filing or recording or further act by the College.

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The following table summarizes General Receipts for the five Fiscal Years ended June 30, 2017, which is derived from the College's audited financial statements.

GENERAL RECEIPTS
($ in 000's; Fiscal Years ended June 30)

	2013	2014	2015	2016	2017
Student Tuition and Fees, net	$63,683	$60,983	$60,203	$60,033	$62,255
Private Grants and Contracts	659	738	2,362	2,365	1,816
Sales and Services of Educational Departments	72	60	33	51	35
Auxiliary Enterprises					
Bookstore	14,815	14,547	13,118	12,882	12,925
Other	1,488	396	402	391	293
Other Operating Revenues	352	478	441	139	151
Total General Receipts	$81,069	$77,202	$76,559	$75,861	$77,475

The College is not aware of any factors that would result in the amount of General Receipts in any future Fiscal Year being materially less than those for Fiscal Year 2017, or that would impair its ability to pay Bond Service Charges on the Bonds.

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Estimated Annual Bond Service Charges and Coverage

The following table sets forth the Annual Fiscal Year Bond Service Charges payable on all outstanding Bonds of the College, including the Series 2012 Bonds (as described in Appendix A under the caption "INDEBTEDNESS"), the Series 2018A Bonds and the Series 2018B Bonds (collectively, the "Outstanding Bonds"), assuming the issuance of the Series 2018A Bonds and the Series 2018B Bonds:

Fiscal Year ended June 30	Series 2018A Bonds Principal	Series 2018A Bonds Interest	Series 2018A Bonds Total Debt Service	Series 2018B Bonds* Principal	Series 2018B Bonds* Interest	Series 2018B Bonds* Total Debt Service	Total Debt Service on Outstanding Series 2012 Bonds	Aggregate Annual Debt Service*
2018	-	-	-	-	-	-	$942,780	$ 942,780
2019	$800,000	$570,586	$1,370,586	-	-	-	938,672	2,309,258
2020		576,850	576,850	$1,050,000	$826,402	$1,876,402	939,400	3,392,652
2021		576,850	576,850	1,505,000	379,215	1,884,215	939,880	3,400,945
2022		576,850	576,850	1,170,000	307,426	1,477,426	935,113	2,989,389
2023		576,850	576,850	1,235,000	251,618	1,486,618	935,180	2,998,648
2024		576,850	576,850	1,285,000	192,708	1,477,708	-	2,054,558
2025		576,850	576,850	1,345,000	131,414	1,476,414	-	2,053,264
2026		576,850	576,850	1,410,000	67,257	1,477,257	-	2,054,107
2027	775,000	576,850	1,351,850	-	-	-	-	1,351,850
2028	815,000	538,100	1,353,100	-	-	-	-	1,353,100
2029	855,000	497,350	1,352,350	-	-	-	-	1,352,350
2030	895,000	454,600	1,349,600	-	-	-	-	1,349,600
2031	940,000	409,850	1,349,850	-	-	-	-	1,349,850
2032	990,000	362,850	1,352,850	-	-	-	-	1,352,850
2033	1,040,000	313,350	1,353,350	-	-	-	-	1,353,350
2034	1,070,000	282,150	1,352,150	-	-	-	-	1,352,150
2035	1,120,000	228,650	1,348,650	-	-	-	-	1,348,650
2036	1,180,000	172,650	1,352,650	-	-	-	-	1,352,650
2037	1,235,000	113,650	1,348,650	-	-	-	-	1,348,650
2038	1,285,000	64,250	1,349,250	-	-	-	-	1,349,250
Total	**$13,000,000**	**$8,622,836**	**$21,622,836**	**$9,000,000**	**$2,156,040**	**$11,156,040**	**$5,631,025**	**$38,409,901**

* Debt service estimates for the Series 2018B Bonds are preliminary, subject to change.

Covenant as to Sufficiency of General Receipts

The Bonds are further secured by the College's covenant in the Trust Agreement that the College will fix, make, adjust and collect fees, rates, rentals and charges and other items of General Receipts as will produce at all times General Receipts at least sufficient to pay Bond Service Charges when due, to establish and maintain any required reserve so long as required (none applying to the Series 2018A Bonds), and, together with other moneys lawfully available, to pay all costs and expenses required to be paid under the Bond proceedings and all other costs and expenses for the proper maintenance and successful and continuous operation of the College. (See discussion of fees and charges in Appendix A under "THE COLLEGE" and "ENROLLMENT - Student Fees and Charges".)

SUMMARY OF CERTAIN TERMS OF BONDS

General

The Series 2018A Bonds will be dated, will be payable in the amounts and on the dates, will bear interest (computed on the basis of a 360-day year and a 30-day month) at the rates and payable on the dates, and will be payable at the place and in the manner, described on the cover and inside cove page hereof.

The Trustee will keep all books and records necessary for registration, exchange and transfer of the Series 2018A Bonds. As a condition to exchange or transfer, the College or the Trustee may charge the Holder for any tax or excise required to be paid with respect to the exchange or transfer. Exchange or transfer of then redeemable Bonds is not required to be made (i) between the 15th day preceding the mailing of notice of Bonds to be redeemed and the date of that mailing, or (ii) of a particular Bond selected for redemption (in whole or in part).

Discussion of the Series 2018A Bonds being issued only under the book-entry system is provided below. Details regarding the procedures for and manner of payment, issuance, exchange, redemption and transfer of the Series 2018A Bonds if ever issued in certificated form are also stated below.

Book-Entry System

The information in this section concerning DTC and DTC's book-entry only system has been obtained from DTC and the College takes no responsibility for the completeness or accuracy thereof. The College cannot and does not give any assurances that DTC, Direct Participants or Indirect Participants will distribute to the Beneficial Owners (each hereinafter defined) (a) payments of interest, principal, or premium, if any, with respect to the Series 2018A Bonds, (b) certificates representing ownership interest in or other confirmation of ownership interest in the Series 2018A Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its partnership nominee, as the registered owner of the Series 2018A Bonds, or that they will do so on a timely basis or that DTC, Direct Participants or Indirect Participants will act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2018A Bonds. The Series 2018A Bonds will be issued as fully-registered Series 2018A Bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2018A Bond certificate will be issued for each maturity of the Series 2018A Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants", and together with the Direct Participants, the "Participants"). DTC has an S&P rating of AA+. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at **www.dtcc.com** and **www.dtc.org**.

Purchases of Series 2018A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2018A Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2018A Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2018A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2018A Bonds, except in the event that use of the book-entry system for the Series 2018A Bonds is discontinued.

To facilitate subsequent transfers, all Series 2018A Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2018A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2018A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2018A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2018A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2018A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2018A Bonds. For example, Beneficial Owners of Series 2018A Bonds may wish to ascertain that the nominee holding the Series 2018A Bonds for their benefit has agreed to obtain and transmit notices to

Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2018A Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2018A Bonds unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the College as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2018A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions and dividend payments on the Series 2018A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the College or the Bond Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC, the Bond Registrar, or the College, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the College or the Bond Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

Revision of Book-Entry Only System; Replacement Bonds

The Series 2018A Bond proceedings provide for issuance of fully registered Series 2018A Bonds (the "Replacement Bonds") directly to owners other than DTC or its nominee only if DTC determines not to continue to act as security depository of the Series 2018A Bonds. In such event, the College may in its discretion establish a securities depository/book-entry relationship with another qualified securities depository. If the College does not or is unable to do so, and after appropriate notice to DTC, the College's Bond Registrar will authenticate and deliver fully registered Replacement Bonds, in the denominations of $5,000 or any multiple thereof, to or at the direction of and, if the event is not the result of College action or inaction, at the expense (including printing costs) of, any persons requesting such issuance. Replacement Bonds may be transferred, registered and assigned only in the registration books of the College's Bond Registrar.

Debt service on Replacement Bonds will be payable when due without deduction for the services of the Bond Registrar as paying agent. Principal and any premium will be payable to the registered owner upon presentation and surrender at the principal corporate trust office of the Bond Registrar. Interest will be payable on the Interest Payment Date by the Trustee by check, mailed to the registered owner of record on the Bond Register as of the 15th day of the month preceding the Interest Payment Date.

Replacement Bonds will be exchangeable for Replacement Bonds of authorized denominations, and transferable, at the office of the Trustee without charge (except taxes or governmental fees). Exchange or transfer of then redeemable Replacement Bonds is not required to be made (i) between the

15th day preceding the mailing of notice of redemption of Replacement Bonds and the date of that mailing, or (ii) of a particular Replacement Bond selected for redemption (in whole or part).

Optional Redemption

The Series 2018A Bonds maturing on and after June 1, 2029 are subject to redemption at the option of the College, either in whole or in part, in such order as the College shall determine, on any date on or after June 1, 2028 at a redemption price equal to the par amount of the principal amount redeemed plus, in each case, accrued interest to the date fixed for redemption.

Selection of Bonds and Book-Entry Interests to be Redeemed

If fewer than all outstanding Series 2018A Bonds are called for redemption at one time, the Series 2018A Bonds to be called will be called as selected by, and selected in a manner as determined by, the College.

If less than all of an outstanding Series 2018A Bond of one maturity under a book-entry system is to be called for redemption (in the amount of $5,000 or any integral multiple), the Trustee will give notice of redemption only to DTC as registered owner. The selection of the book-entry interests in that Series 2018A Bond to be redeemed is discussed below under "Notice of Call for Redemption; Effect".

If bond certificates are issued to the ultimate owners, and if fewer than all of the Series 2018A Bonds of a single maturity are to be redeemed, the selection of Series 2018A Bonds (or portions of Series 2018A Bonds in amounts of $5,000 or any integral multiples) to be redeemed will be made by lot in a manner determined by the Trustee.

In the case of a partial redemption by lot when Series 2018A Bonds of denominations greater than $5,000 are then outstanding, each $5,000 unit of principal will be treated as if it were a separate Series 2018A Bond of the denomination of $5,000.

Notice of Call for Redemption; Effect

The Trustee is to cause notice of the call for redemption, identifying the Series 2018A Bonds or portions of Series 2018A Bonds to be redeemed, to be sent by first class mail, at least 30 days prior to the redemption date, to the registered owner (initially, DTC) of each Series 2018A Bond to be redeemed at the address shown on the Register on the 15th day preceding that mailing. Any defect in the notice as to any Series 2018A Bond will not affect the validity of the proceedings for the redemption of any other Series 2018A Bonds, and any failure to receive notice duly mailed will not affect the validity of the proceedings for the redemption of any Series 2018A Bonds.

On the date designated for redemption, Series 2018A Bonds or portions of Series 2018A Bonds called for redemption shall become due and payable. If the Trustee then holds sufficient moneys for payment of debt service payable on that redemption date, interest on each Series 2018A Bond (or portion of a Series 2018A Bond) so called for redemption will cease to accrue on that date.

So long as all Series 2018A Bonds are held under a book-entry system by a securities depository (such as DTC), call notice is sent by the Trustee only to the depository or its nominee. Selection of book-entry interests in the Series 2018A Bonds called, and giving notice of the call to the owners of those interests called, is the sole responsibility of the depository and of its Direct Participants and Indirect Participants. Any failure of the depository to advise any Participant, or of any Direct Participant or any Indirect Participant to notify the book-entry interest owners, of any such notice and in its content or effect will not affect the validity of any proceedings for the redemption of any Series 2018A Bonds or portions of Series 2018A Bonds. See “Book-Entry System” above.

THE AGREEMENT

The following is a summary of certain provisions of the Trust Agreement, as supplemented by the Series 2018A Supplement (together, the “Agreement”) and does not purport to be complete.

The Trust Agreement contains provisions as to special funds; Bond authentication, registration, transfer, exchange and replacement; redemption; events of default and remedies; duties of the Trustee (and any successor); Supplemental Trust Agreements; and defeasance, among others. The Series 2018A Supplement contains the specific terms of the Series 2018A Bonds. Certain provisions of the Trust Agreement, as supplemented by the Series 2018A Supplement, as to College budgeting requirements, special funds, College covenants, events of default and remedies, enforcement by mandamus, defeasance, nonpresentment of Series 2018A Bonds, Supplemental Trust Agreements, Additional Bonds, annual reports and records, and the Trustee, are summarized below.

So long as the Series 2018A Bonds are immobilized in a book-entry system with a securities depository, that depository or its nominee for all purposes of the Agreement will be considered by the College and the Trustee to be the owner or holder of the Series 2018A Bonds, and (except as otherwise provided in the Continuing Disclosure Certificate hereinafter described) the owners of book-entry interests will not be considered owners or holders and have no rights as holders or owners under the Agreement.

College Budgeting Requirements

In the Agreement the College has covenanted that it will include in its budget for each Fiscal Year amounts at least sufficient to pay Bond Service Charges and satisfy other requirements with respect to the Bonds. The budgeted amounts from various sources of General Receipts must, in the aggregate, at all times be sufficient in amounts and times of collection to meet all payments required to be made into the Bond Service Fund in that Fiscal Year. Those budgets can and must be revised from time to time during a Fiscal Year to reflect any changes necessary to meet those requirements.

Funds and Accounts

Bond Service Fund

The Bond Service Fund is held by the Trustee, and the moneys and investments in it are pledged to and are to be applied exclusively to the payment of Bond Service Charges. The Trust Agreement establishes the Bond Service Account, the Bond Service Reserve Account, and the Bond Redemption and Purchase Account, as accounts of the Bond Service Fund, and permits other accounts to be established (none has to date been established) as special accounts in the Bond Service Fund as may be provided in any Supplemental Trust Agreement in connection with the issuance of Additional Bonds and in certain other circumstances.

From General Receipts the College will pay into the Bond Service Account, not later than one business day prior to each Bond Service Charge payment date, an amount that will be sufficient (together with any other moneys available therefor in the Bond Service Account) to pay the Bond Service Charges payable from that Account on that date. In addition, the College is to pay, from the same sources, to the Bond Service Reserve Account so long as it is required any amounts, and at the times, required to be paid thereto in accordance with the applicable Supplemental Trust Agreement.

Bond Service Account. The Bond Service Account is pledged to, and will be used solely for, the payment of Bond Service Charges as they fall due upon stated maturity or by operation of a redemption. Not later than one business day prior to any date upon which any Bond Service Charges fall due, the College is to pay to the Trustee from its General Receipts amounts to the credit of the Bond Service Account which, together with other available moneys in that Account or in other Special Funds, are sufficient to pay the Bond Service Charges then coming due.

Bond Service Reserve Account. The Bond Service Reserve Account is pledged to, and will be used solely for, the payment of Bond Service Charges on any series of Bonds for which such a reserve is established. No reserve is being established for the Series 2018A Bonds.

Bond Redemption and Purchase Account. This Account will hold the proceeds of any refunding Bonds including the Series 2018A Bonds; any surplus over any required reserve transferred to it from the Bond Service Reserve Account; and any other amounts made available by the College for the purpose of this Account. Moneys in this Account, not committed to payment of Bond Service Charges on specified Bonds, may be used to purchase for cancellation or to redeem Bonds. Moneys not required for its purposes may be transferred, at the College's direction, to the Bond Service Account or to the Bond Service Reserve Account.

Series 2018A Cost of Issuance Subaccount. A portion of the proceeds of the Series 2018A Bonds will deposited into the Series 2018A Cost of Issuance Account in the Bond Service Fund, and such proceeds will be used to pay the costs of issuance in connection with the Series 2018A Bonds.

Eligible Investments

Under the Agreement, amounts in the Bond Service Account may be invested, to the extent lawful, in Eligible Investments. Eligible Investments are defined in the Trust Agreement, to the extent permitted by law, as including the following:

(a) Direct obligations of the United States of America.

(b) Obligations of any of the following federal agencies, which obligations represent full faith and credit of the United States of America: the Export-Import Bank, certificates of beneficial ownership of the Rural Economic Community Development Administration (formerly the Farmers Home Administration), General Services Administration, U.S. Maritime Administration, U.S. Department of Housing & Urban Development (PHA's) and Federal Housing Administration.

(c) Bonds, notes or other evidences of indebtedness rated on the date of purchase "AAA" by S&P Global Ratings ("S&P"), a division of S&P Global Inc., and "Aaa" by Moody's Investors Services, Inc. ("Moody's"), issued by the Federal National Mortgage Association (FNMA), the Federal Home Loan Bank, the Federal Home Loan Mortgage Corporation (FHLMC) or the Student Loan Marketing Association with remaining maturities not exceeding three years.

(d) U.S. dollar denominated deposit accounts fully insured by Federal Deposit Insurance Corporation ("FDIC"), federal funds and banker's acceptances with domestic commercial banks that have a rating on their short term certificates of deposit on the date of purchase of "A-1" or "A" or higher by S&P and "Prime- 1" or "A3" or higher by Moody's and maturing no more than 360 days after the date of purchase (rating on holding companies are not considered as the rating of the bank).

(e) Investments in money market funds that are registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and that are rated on the date of purchase “AAAm” or “AAAm-G” or better by S&P and Aaa, Aal or Aa2 if rated by Moody’s, including those of the Trustee for which the Trustee or an affiliate of the Trustee receives a fee.

(f) Certificates of deposit, demand deposits or time deposits of the Trustee or any commercial bank, savings and loan association or mutual savings bank that is a member of the FDIC and has a rating by S&P at the time of purchase of “A” or higher (including any investment in pools of those certificates of deposit, demand deposits or time deposits owned by the bank or trust company), provided that such certificates of deposit, to the extent not insured by the FDIC, are secured at all times by Eligible Investments described in paragraphs (a) or (b) above having a market value (exclusive of accrued interest other than accrued interest paid upon the purchase thereof) at all times at least equal to the uninsured amount of such deposit, and that shall be placed in the custody of the Trustee (except in case of a certificate of deposit of the Trustee) or a depository satisfactory to the Trustee by such bank or association together with its undertaking, in form satisfactory to the Trustee, that the aggregate market value of the securities securing such certificates of deposit will at all times be an amount that meets the requirements of this paragraph and that the Bondholders have a perfected first security interest in the collateral.

(g) Investment agreements (which term does not include repurchase agreements), and with a bank or bank holding company or other financial institution rated on the date of purchase “AA” (or its equivalent) or higher by Moody’s and S&P.

(h) Any repurchase agreement with a bank or a trust company that is a member of the FDIC or other financial institution, which bank, trust company or other financial institution is rated on the date of purchase “A” or higher by Moody’s and S&P and which trust company or other financial institution is a primary dealer on the Federal Reserve reporting dealer list, that is fully collateralized by obligations described in paragraphs (a) or (b) above having a market value (determined daily) at least equal to 104% (105% if securities used as collateral are FNMA or FHLMC) of the amount invested in the repurchase agreement plus accrued interest provided that (i) the collateral is in the possession of the Trustee or its agent, or the College or its agent, as the case may be, and free and clear of all liens or rights of any third party, and in which the Trustee or the College, as the case may be, has a first perfected security interest, (ii) the repurchase agreement shall be for a term not longer than 30 days, and (iii) the College shall receive a legal opinion that the repurchase agreement complies with State law. If the market value of the securities held as collateral falls below 104% (105% of securities used as collateral are FNMA or FHLMC) of the amount invested in the repurchase agreement, then additional cash and/or acceptable securities must be transferred.

(i) General obligations of any state or municipality with a maturity of one year or less and rated on the date of purchase one of the two highest ratings by Moody’s and S&P, the interest on which is excluded from gross income for federal tax purposes and is not treated as an item of tax preference for purposes of the alternate minimum tax. Eligible Investments do not include general obligations of the College.

(j) Investments in the Ohio subdivisions fund created and maintained pursuant to Section 135.45 of the Ohio Revised Code or any successor or similar fund, such fund being an investment pool established in the custody of the State Treasurer subject to the same limitations on investment of State money, except that such pooled investment funds may not be invested in certain linked deposits (e.g. agriculture and small business) otherwise permitted for investment of State funds under Ohio law.

(k) Such other investments as may be permitted under State and federal law, provided that such investments will be made only for the purpose of preventing any Bonds from becoming “arbitrage bonds” under Section 148 of the Code, and provided further that prior to such investment, the Trustee or the College, as the case may be, has obtained both the written opinion of nationally recognized bond counsel that such investment will not affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

For purposes of the General Bond Resolution, investments of the Bond Service Fund are valued at the lesser of face amount or market value.

Covenant as to Sufficiency of General Receipts

In the Agreement, the College covenants, among other things:

- To pay, or cause to be paid, the Bond Service Charges on each and all Bonds on the dates, at the places and in the manner provided in the Agreement.

- Not to make any pledge or assignment of or create or suffer any lien or encumbrance upon the Bond Service Fund or General Receipts prior to or on a parity with the pledge under the Agreement.

- To faithfully observe and perform all agreements, covenants, undertakings, stipulations and provisions contained in the Agreement and in every Bond executed, authenticated and delivered under the Agreement.

See also the discussion under "SECURITY AND SOURCES OF PAYMENT – Covenant as to Sufficiency of General Receipts."

Events of Default and Remedies

So long as the Series 2018A Bonds are held under a book-entry system with DTC (or any successor securities depository), that depository or its nominee is for all purposes of the Agreement considered the owner or holder of the Series 2018A Bonds, and the owners of book-entry interests will not be considered owners or holders and have no rights as holders or owners under the Agreement to receive notices relating to Events of Default, to enforce remedies or to take other steps to protect or enforce the rights of Bondholders.

Under the Agreement, each of the following is an "Event of Default" thereunder:

- Failure to pay any interest on any Bond when and as due and payable.

- Failure to pay the principal on any Bond, when and as due and payable, whether at maturity or by acceleration.

- Failure to perform or observe duly or punctually any other covenant, condition or agreement contained in the Bonds and in the Agreement and to be performed by the College, continued for a period of 30 days after written notice specifying the default and requiring the default to be remedied given to the College by the Trustee or by the holders of not less than 25% in aggregate principal amount of the Bonds then outstanding.

- The commencement by the College of a proceeding under any federal bankruptcy, insolvency, reorganization or similar law or the appointment of a receiver or trustee for the College or for the whole or any substantial part of its property.

The Agreement does not require the furnishing of periodic evidence to the Trustee as to the absence of defaults or Events of Default under, or compliance with, the terms of the Agreement. Waivers are authorized in connection with Events of Default.

Upon the happening and continuance of any "other failure" described in the third bulleted paragraph above, the Trustee may, upon being properly indemnified, take appropriate actions, including mandamus, to enforce all the rights of the Bondholders, bring suit on the Bonds and enjoin any unlawful activities or activities in violation of the Bondholders' rights.

In the case of an Event of Default in the payment of Bond Service Charges, the Trustee must take those appropriate actions and, in addition, may by notice in writing delivered to the College declare the principal of and interest (and any accreted amount) accrued on all then outstanding Bonds immediately due and payable. That declaration may be rescinded upon the payment or provision for payment of all amounts due.

If, at any time after principal and interest shall have been declared due and payable as described above, and prior to the entry of judgment in a court of law or equity for enforcement or the appointment of a receiver, all sums payable under the Agreement, except the principal of and interest accruing after the next preceding interest payment date on the Bonds which have not reached their stated maturity dates and which are due and payable solely by reason of that declaration, plus interest (to the extent permitted by law) on any overdue installments of interest at the rate borne by the Bonds in respect of which the Event of Default occurred, shall have been duly paid or provided for and all existing defaults have been made good, then and in every such case that payment or provision for payment shall constitute a waiver of the Event of Default and its consequences and an automatic rescission and annulment of the declaration described above.

The holders of a majority in principal amount of Bonds then outstanding may, by writing delivered to the Trustee, direct the method and place of conducting any and all remedial proceedings under the Agreement. The direction must be in accordance with the provisions of law and of the Agreement, and the Trustee indemnified to its satisfaction.

No remedy conferred upon or reserved to the Trustee or holders of the Bonds is intended to be exclusive of any other remedy, but each and every remedy is cumulative and is in addition to any other remedy given to the Trustee or the holders of the Bonds.

Before taking remedial action, the Trustee may require that a satisfactory indemnity bond be provided for the reimbursement of all expenses to which it may be put and to protect it against all liability (except liability adjudicated to result from its negligence or willful default by reason of any action so taken). The Trustee may act without this indemnity. In that case its expenses are reimbursable by the College.

Except as otherwise provided in the Agreement or in the Continuing Disclosure Certificate, the registered owners of the Bonds are not entitled to enforce the provisions of the Agreement or to institute, appear in or defend any suit, action or proceeding to enforce any rights, remedies or covenants granted or contained in the Agreement, or to take any action with respect to any Event of Default.

Enforcement by Mandamus

Pursuant to the Act and the General Bond Resolution, the duties under the bond proceedings of the College and the Board and their members, officers and employees, are enforceable by mandamus.

Defeasance

If all Bond Service Charges due or to become due on the outstanding Bonds are paid or caused to be paid and provision is made for paying all other sums payable under the Agreement by the College, then the Agreement (with certain exceptions) shall cease, terminate and become null and void, and the College's covenants, agreements and other obligations under it will be discharged and satisfied. Thereupon the Trustee is to assign and deliver to the College any funds at the time subject to the lien of the Agreement which may then be in its possession except for funds for the payment of Bond Service Charges (subject to the provisions for unclaimed moneys described below).

Bonds will be deemed to have been paid or caused to be paid for the purpose of defeasance (and for the purpose of particular Bonds being refunded and no longer deemed outstanding under the Agreement) if there is held by the Trustee in trust for and irrevocably committed to the purpose either or a combination of the following:

(a) Moneys,

(b) Federal Securities certified by a firm of independent public accountants of national reputation to be of such maturities and interest payment dates and to bear such interest as will be, without further investment or reinvestment of either the principal or the investment earnings therefrom (likewise to be held in trust and committed, except as described below), sufficient, together with any moneys referred to in (a) above for the payment, when due, of all Bond Service Charges to the date or respective dates of maturity or redemption, as the case may be; ; provided that if any Bonds are to be redeemed prior to their maturity, notice of that redemption must have been duly given or irrevocable provision satisfactory to the Trustee must have been made for the giving of that notice.

Any moneys held in cash may be invested only in Federal Securities of which the maturities or redemption dates (at the option of the holder) will coincide as nearly as practicable with, but must not be later than, the date or dates at which those moneys will be required for the aforesaid purposes.

Any income or interest earned by, or increment to, those investments, to the extent not required for the applicable purposes, will be transferred to the College from time to time at its request, free of any trust or lien.

"Federal Securities" is defined in the Agreement to mean (i) direct obligations of, or obligations the full and timely payment of the principal of and interest on which is unconditionally guaranteed by, the United States of America, (ii) any certificates or other evidences of ownership interest in obligations of the character described in (i) or in specified portions thereof, including without limitation, portions consisting solely of the principal thereof or solely of the interest thereon, or (iii) obligations of any state of the United States or any political subdivision thereof, the full payment of principal of and interest and premium on which are provided for by an irrevocable deposit in trust of the Federal Securities described in clause (i) or (ii), to the extent such investments are permitted by applicable law; provided, with respect to clause (iii), that such obligations carry the highest rating categories of either Moody's or S&P.

The Trust Agreement authorizes partial defeasance as to any series of Bonds or as to certain of the Bonds of any series upon deposits described above. In addition, any Series Resolution may make separate or different provisions for defeasance of the Trust Agreement and the applicable Supplemental Trust Agreement as to some or all of the Bonds of that series; the Series Resolution for the Series 2018A Bonds does not do so.

Additional Bonds

Additional Bonds, as they may from time to time be authorized by Series Resolutions, are issuable on a parity with then outstanding Bonds, without limitation as to amount except as provided in the General Bond Resolution or as may subsequently be provided by law. The College may provide for bond insurance or other credit support instrument, or a reserve fund or account, with respect to any one or more Bonds or series of Bonds and not with respect to any other Bonds or series of Bonds.

Among other conditions for the issuance of Additional Bonds, the Agreement requires that if the Bonds are to finance College facilities, the General Receipts during the Fiscal Year immediately preceding the issuance of the Additional Bonds were equal to at least two times the maximum Bond Service Charges required to be paid from the Bond Service Account in any subsequent Fiscal Year on all Bonds to be outstanding upon delivery of the Additional Bonds.

For purposes of this computation, historic General Receipts and future Bond Service Charges are subject only to certain adjustments set forth in the General Bond Resolution, none of which rely on estimates.

Among other conditions to be met for issuance of Additional Bonds are that the College is not in default, and as a result of the authentication and delivery of the Additional Bonds will not be in default, of any of its covenants or obligations under the Agreement, and that other requirements provided in the Agreement (such as appropriate opinions by counsel concerning the validity of the Bond proceedings) for issuance have been met.

Nonpresentment

If a Bond is not presented for payment when due or an interest payment check is uncashed, and if moneys for the purpose of paying and sufficient to pay that amount have been made available to the Trustee, all liability of the College to the holder for the payment will cease and be completely discharged. The paying agent is to hold that money in trust, without liability for interest on it, for the benefit of the registered owner of that Bond, who thereafter will be restricted exclusively to that money for any claim of whatever nature under the Agreement or on or with respect to that Bond. Upon request in writing by the College, moneys so held by a paying agent and remaining unclaimed for three years after the due date of that Bond or that interest payment will be paid to the College and thereafter the holder may look only to the College for payment and then only to the amounts so received by the College (without interest). Moneys so paid to the College will be credited to a special subaccount in the Bond Service Account. The College will keep a record of the amounts with respect to each series of Bonds so deposited in that special subaccount, and will credit resulting investment income to the general portion of the Bond Service Account.

Supplemental Trust Agreements; Modifications

A Supplemental Trust Agreement will be entered into in connection with the issuance of each series of Additional Bonds. The applicable Series Resolution will be included in and constitute part of that Supplemental Trust Agreement.

Supplemental Trust Agreements, other than those described above and in the next paragraph, modifying, altering, amending, adding to or rescinding any of the terms or provisions of the Trust Agreement, require the consent and approval of the owners of not less than a majority in aggregate then outstanding principal amount of the Bonds (excluding any owned by the College). There are two exceptions:

- An extension of the maturity of any Bond's principal or accreted amount or interest, or a reduction in the principal (or accreted) amount of or the rate of interest on any Bond, or a reduction in the amount or extension of the time of any payment required by any mandatory sinking fund requirements, requires the consent of the holder of any affected Bond.

- A reduction in the aggregate outstanding principal amount of the Bonds required for consent to that Supplemental Trust Agreement will require the consent of the holders of all Bonds then outstanding.

The College and the Trustee, without consent of or notice to any Bondholders, may enter into Supplemental Trust Agreements which, in the opinion of the College and the Trustee, are not inconsistent with the terms and provisions of the Trust Agreement for a variety of purposes:

- To cure any ambiguity, inconsistency or formal defect or omission in the Trust Agreement.

- To grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondholders or the Trustee.

- To subject additional revenues or receipts to the lien and pledge of the Trust Agreement.

- To add College covenants and agreements thereafter to be observed for the protection of the Bondholders, or to surrender or limit any right, power or authority reserved to or conferred upon the College in the Trust Agreement, including the limitation of rights of redemption so that in certain instances Bonds of different series will be redeemed in some prescribed relation to one another.

- To evidence any succession to the College and the assumption by that successor of the College's covenants and agreements in the Trust Agreement and the Bonds.

- To permit the transfer of Bonds from one securities depository to another and the succession of depositories.

- To permit the withdrawal of Bonds from a securities depository and the issuance of Replacement Bonds in fully registered form to other than a securities depository.

- To comply with changes in federal or state tax or securities laws.

- To limit or add to Eligible Investments of the Bond Service Fund, with approval of a rating agency then rating the Bonds at the College's request.

- For other purposes stated in the bond proceedings, including any other amendment which in the Trustee's judgment:

    - Is not to the prejudice of the Trustee or holders of any outstanding Bonds which that amendment may affect.

    - In certain cases is consented to and approved by the owners of at least a majority in aggregate outstanding principal amount of the Bonds which that amendment affects.

Trustee

The Trustee, The Huntington National Bank, with its principal corporate trust office located in Columbus, Ohio, is a bank organized and existing under the laws of the United States, and is authorized to exercise corporate trust powers in Ohio.

The Trust Agreement contains provisions for the Trustee's removal by the holders of not less than a majority in aggregate principal amount of Bonds then outstanding, or by the College. Notice of removal is to be given by one publication in a financial newspaper of national circulation, and will take effect upon the appointment and qualification of a successor Trustee. No resignation or removal of the Trustee will be effective until a successor has been appointed and has accepted the duties of Trustee.

LEGAL MATTERS

Legal matters incident to the issuance of the Series 2018A Bonds (and with regard to the excludability of the interest on the Series 2018A Bonds from gross income for federal income taxes purposes (see "TAX MATTERS" herein) are subject to the approving opinion of Bricker & Eckler LLP, Bond Counsel to the College. A signed copy of that opinion will be delivered to the Underwriter at the time of original delivery. Assuming no change in applicable law prior to the date of delivery of such opinion, the opinion will be substantially in the form attached hereto as Appendix C. The opinion will speak only as of its date, and subsequent distribution of it by recirculation of this Official Statement or otherwise shall create no implication that Bond Counsel has reviewed or expresses any opinion concerning any of the matters referred to in the opinion subsequent to the date thereof. Certain legal matters will be passed upon for the Underwriter by its counsel, Calfee, Halter & Griswold LLP.

While Bond Counsel has participated in the preparation of portions of this Official Statement, it has not been engaged to confirm or verify, and expresses and will express no opinion as to the accuracy, completeness or fairness of any of the statements in this Official Statement, including its appendices (other than Appendix C), or in any other reports, financial information, offering or disclosure documents or other information pertaining to the College or the Series 2018A Bonds that may be prepared or made available by the College or others to the holders of the Series 2018A Bonds or others.

TAX MATTERS

General

In the opinion of Bricker & Eckler LLP, Bond Counsel, under existing law, assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Series 2018A Bonds is excluded from gross income for federal income tax purposes under Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference under Section 57 of the Code for purposes of the alternative minimum tax imposed on individuals; it should be noted, however, that for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), the interest is taken into account in determining adjusted current earnings (applicable only to tax years beginning before January 1, 2018). Further, the Series 2018A Bonds are not "private activity bonds" as defined in Section 141(a) of the Code. Interest on, and any profit made on the sale, exchange or other disposition of, the Series 2018A Bonds are exempt from all Ohio state and local taxation, except the estate tax, the domestic insurance company tax, the dealers in intangibles tax, the tax levied on the basis of the total equity capital of financial institutions, and the net worth base of the corporate franchise tax. Bond Counsel expresses no opinion as to any other tax consequences regarding the Series 2018A Bonds.

The opinion on tax matters will be based on and will assume the accuracy of certain representations and certifications made by the College and others, and the compliance with certain covenants of the College, to be contained in the transcript of proceedings and which are intended to evidence and assure the foregoing, including that the Series 2018A Bonds are and will remain obligations the interest on which is excluded from gross income for federal income tax purposes. Bond Counsel has not and will not independently verify the accuracy of such certifications and representations.

The College has not designated the Series 2018A Bonds as "qualified tax exempt obligations" as defined in Section 265(b)(3) of the Code.

The Code prescribes a number of qualifications and conditions for the interest on state and local government obligations to be and remain excluded from gross income for federal income tax purposes, some of which, including provisions for the rebate by the College of certain investment earnings to the federal government, require future or continued compliance after issuance of the obligations in order for the interest to be and continue to be so excluded from the date of issuance. Noncompliance with these requirements could cause the interest on the Series 2018A Bonds to be included in gross income for federal income tax purposes and thus to be subject to regular federal income tax retroactively to the date of their issuance. The College covenants in the Agreement to take such actions that may be required of it for the interest on the Series 2018A Bonds to be and remain excluded from gross income for federal income tax purposes, and not to take any actions that would adversely affect that exclusion.

Under the Code, interest on the Series 2018A Bonds may be subject to a branch profits tax imposed on certain foreign corporations doing business in the United States of America, and a tax imposed on excess net passive income of certain S corporations. Under the Code, the exclusion of interest from gross income for federal income tax purposes can have certain adverse federal income tax consequences on items of income or deduction for certain taxpayers, including among them financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, those that are deemed to incur or continue indebtedness to acquire or carry tax exempt obligations, and individuals otherwise eligible for the earned income credit. The applicability and extent of these or other tax consequences will depend upon the particular tax status or other items of income and expenses of the owners of the Series 2018A Bonds. Bond Counsel will express no opinion and make no representation regarding such consequences.

Original Issue Discount

Certain of the Series 2018A Bonds may be sold to the public at a price of less than 100% of their face amount (the "Discount Bonds"). The following information, which has not been included in the opinion of Bond Counsel, may be helpful to prospective purchasers of the Discount Bonds.

Under present federal income tax law, original issue discount (i.e., the difference between the issue price, as hereinafter defined, of a Discount Bond and the stated redemption price at maturity of such Discount Bond), is treated as accruing ("accreted") over the term of such Discount Bond. The issue price is the price at which a substantial amount of the Discount Bonds is sold to the public (excluding bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers). In general, the amount of original issue discount which is to be accreted in each "accretion period" will equal (i) the issue price of that Discount Bond, increased by the amount of original issue discount which has been accreted in all prior accretion periods, multiplied by (ii) the initial offering yield of that Discount Bond reflected on the inside cover page of this Official Statement (determined on the basis of compounding at the close of each accretion period and properly adjusted for the length of the accretion period), minus interest actually paid during such accretion period. For these purposes, "accretion period" means a six-month period (or shorter period from the date the Discount Bond was issued) which ends on a day in the calendar year corresponding to the maturity date of that Discount Bond or the date six months before such maturity date. The amount of original issue discount so accreted in a particular accretion period will be considered to accrete ratably on each day of the accretion period.

Amortizable Bond Premium

Certain of the Series 2018A Bonds may be sold at issue prices greater than the principal amount payable at maturity or earlier call date (the "Premium Bonds"). The following information, which has not been included in the opinion of Bond Counsel, may be helpful to prospective purchasers of the Premium Bonds.

Premium Bonds will be considered to be issued with amortizable bond premium (the "Bond Premium"). A taxpayer who acquires a Premium Bond in the initial public offering will be required to adjust his, her or its basis in the Premium Bond downward as a result of the amortization of the Bond Premium, pursuant to Section 1016(a)(5) of the Code. The amount of amortizable Bond Premium will be computed on the basis of the taxpayer's yield to maturity with compounding at the end of each accrual period. Rules for determining (i) the amount of amortizable Bond Premium and (ii) the amount amortizable in a particular year are set forth at Section 171(b) of the Code.

No income tax deduction for the amount of amortizable Bond Premium will be allowed to a holder pursuant to Section 171(a)(2) of the Code. The amortization of Bond Premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining other tax consequences of owning the Premium Bonds. A purchaser of a Premium Bond at its issue price in the initial public offering who holds that Premium Bond to maturity will realize no gain or loss upon the retirement of such Premium Bond. Special rules governing the treatment of Bond Premium, which are applicable to dealers in tax-exempt securities, are found at Section 75 of the Code.

PROSPECTIVE PURCHASERS OF THE DISCOUNT BONDS OR PREMIUM BONDS SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, SALE, TRANSFER, REDEMPTION, PAYMENT, OR OTHER DISPOSITION OF THE DISCOUNT BONDS OR PREMIUM BONDS, INCLUDING, WITHOUT LIMITATION, MODIFICATIONS TO THE METHOD FOR ACCRETING ORIGINAL ISSUE DISCOUNT OR AMORTIZING BOND PREMIUM FOR CERTAIN SUBSEQUENT PURCHASERS, AND INCLUDING THE EFFECT OF ANY APPLICABLE STATE OR LOCAL INCOME TAX LAWS.

LITIGATION

To the knowledge of appropriate College officials, there is no litigation or administrative action or proceeding pending to restrain or enjoin, or seeking to restrain or enjoin, the issuance and delivery of the Series 2018A Bonds, or to contest or question the proceedings and authority under which the Series 2018A Bonds are authorized and are to be issued, sold, executed or delivered, or the validity of the Series 2018A Bonds. A no-litigation certificate to that effect will be delivered by the College at the time of original delivery of the Series 2018A Bonds.

The College is a party to various legal proceedings seeking damages or injunctive relief and generally incidental to its operations but unrelated to the Series 2018A Bonds. The ultimate disposition of those proceedings is not presently determinable, but will not, in the opinion of the appropriate College officials, have a material adverse effect on the Series 2018A Bonds or the security for the Series 2018A Bonds.

STATE CREDIT ENHANCEMENT PROGRAM

Certain community colleges, state community colleges and technical colleges, including the College, that meet State-established criteria may participate in the credit enhancement program established under Section 3333.59 of the Ohio Revised Code (the "Credit Enhancement Program"). Under the Credit Enhancement Program, all or a portion of State Share of Instruction payments ("SSI Payments") to be paid to the College may be transferred by the Chancellor to the Trustee to provide for payments on the Bonds under certain circumstances. To qualify the Bonds for participation in the Credit Enhancement Program, the College must demonstrate to the Chancellor that (i) the projected SSI Payments for the current Fiscal Year are not less than 2.5 times the maximum annual Debt Service Charges on the Bonds payable in the current or any future Fiscal Year, and (ii) at any time during any Fiscal Year, the projected SSI Payments for such Fiscal Year that remain payable to the College in such Fiscal Year are not less than 1.25 times the Debt Service Charges that remain payable in such Fiscal Year.

Under the Trust Agreement, the College is required to deposit funds with the Trustee in equal fractional monthly installments to provide for the accumulation of funds in the Bond Service Account sufficient to pay the Debt Service Charges on the Series 2018A Bonds when due. Provided the fractional payments of Debt Service Charges by the College are made in full and when due, amounts necessary to pay the Debt Service Charges to Bondholders will be on deposit with the Trustee approximately two months prior to each Principal Payment Date and Interest Payment Date.

The College, the Chancellor and the Trustee will enter into a program agreement (the "Program Agreement") concurrently with the issuance of the Bonds to establish a mechanism under the Credit Enhancement Program by which SSI Payments to the College will be transferred directly to the Trustee for the payment of Debt Service Charges on the Bonds if a shortfall occurs in the College's funding of Debt Service Charges. Under the Program Agreement, the College must certify to the Chancellor and the Trustee, at least 15 business days prior to the monthly due date for the required deposit by the College of fractional installments of Debt Service Charges, the amount of any insufficiency in the funds available to the College to make the required deposit. If the amount that the College deposits to the Bond Service Account in any month is less than the amount required by the Series 2018A Supplement, the Trustee must notify the Chancellor of such insufficiency. Upon receipt of notice of insufficiency, the Chancellor must determine whether the College is able to deposit sufficient moneys in the Bond Service Account to cure such insufficiency. If the Chancellor determines that the College is unable to do so, the Chancellor must pay to the Trustee from the SSI Payments otherwise payable to the College an amount equal to the lesser of (i) the amount of the deficiency and (ii) the amount of the SSI Payment allocated to the College for that month. Any such payment is to be made on the regularly scheduled date for periodic distribution of the College's allocated SSI Payment.

If SSI Payments are deposited with the Trustee pursuant to the Program Agreement, the College, in consultation with the Chancellor, is required to evaluate the College's inability to pay the monthly installments of Debt Service Charges and to develop and implement corrective actions to ensure full and timely payments by the College of future monthly installments of Debt Service Charges as they become due. If any insufficiency remains after any transfers by the Chancellor, the College is required to request that the Chancellor advance an amount of its SSI Payments sufficient to pay such insufficiency. If the Chancellor approves such request, the Chancellor will deposit with the Trustee the amount of the remaining insufficiency from any amount so advanced. The amount of the SSI Payments deposited with the Trustee will not be greater than the periodic distribution due to the College, regardless of the amount owed by the College. The Chancellor will continue to make payments to the Trustee from each successive periodic distribution of the College's SSI Payments until the deficiency is paid in full.

The Program Agreement is irrevocable as long as any of the Bonds are outstanding. The Chancellor's responsibilities under the Program Agreement are a mechanism for delivering money to the Trustee which would otherwise go to the College and are an obligation of the Chancellor only to the extent that money is appropriated by the General Assembly of the State for SSI Payments. They do not constitute obligations or debts or pledges of the faith, credit or taxing power of the State of Ohio, and the holders or owners of the Bonds have no right to have taxes levied or appropriations made by the General Assembly for the payment of debt service of the Bonds. The Program Agreement and any payments by the State thereunder do not constitute the assumption by the State of any debt of the College. There can be no assurance as to the future levels of State funding of the SSI Payments.

Information with respect to the financial condition of the State can be found at the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") system, including the Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2017.

State Share of Instruction Payments to the College

The aggregate SSI Payments made to all State universities and colleges (including four-year universities, community colleges, state community colleges, and technical colleges) and the aggregate SSI Payments made to the College in each of the five preceding Fiscal Years were, and estimated for Fiscal Year 2018 are, as follows:

State Share of Instruction Payments

Fiscal Year	Aggregate SSI Payments to All State Universities and Colleges	College SSI Payments
2013	$1,751,225,497	$60,304,099
2014	$1,789,699,580	$60,429,174
2015	$1,821,325,497	$61,204,273
2016	$1,903,285,144	$63,651,910
2017	$1,979,416,550	$67,036,588
2018	$1,982,416,550	$67,363,495

Source: The Ohio Board of Regents.

Only the SSI Payments payable to the College (and not those payable to other State universities and colleges, community colleges, state community colleges, or technical colleges) are available to provide for payments on the Bonds under the Credit Enhancement Program. There can be no assurance as to the future levels of State funding of SSI Payments.

Information with respect to the financial condition of the State, including particularly the Ohio Office of Budget and Management Monthly Financial Report, can be found at the Investor Relations Portal maintained on the website of the Office of Budget and Management of the State of Ohio (http://obm.ohio.gov/Budget/). This reference to information is not intended to indicate future or continuing trends in the financial or other positions of the State, and no representation is made that recent or current experience, as might be shown by this information, will necessarily continue in the future.

RATINGS

The Series 2018A Bonds have been rated "Aa2" by Moody's, which rating is based on the College's participation in the State Credit Enhancement Program. The Series 2018A Bonds also have underlying ratings of “A1” and “A+” from Moody’s and S&P, respectively. No application for a rating has been made by the College to any other rating service.

The ratings reflect only the views of Moody’s and S&P, respectively, and any explanation of the meaning or significance of the rating may only be obtained from the respective rating service. The College furnished to the rating services certain information and materials, some of which may not have been included in this Official Statement, relating to the Series 2018A Bonds and the College. Generally, rating services base their ratings on such information and materials, as well as their own investigation, studies and assumptions. Such ratings are not recommendations to buy, sell or hold the Series 2018A Bonds.

The “Aa2” rating from Moody’s assumes that the College has entered into the necessary agreements, pursuant to the Credit Enhancement Program, to provide for diversion of certain payments to cover debt service on the Series 2018A Bonds in the event general receipts are insufficient during any Fiscal Year. (See “STATE CREDIT ENHANCEMENT PROGRAM” herein.) Failure to comply with the terms of such agreements or subsequent legislative changes could have a negative impact on such rating.

There can be no assurance that a rating, when assigned, will continue for any given period of time or that it will not be lowered or withdrawn entirely by a rating service if, in its judgment, circumstances so warrant. In addition, the College currently expects to furnish Moody’s and S&P (but assumes no obligation to furnish to the Underwriter or the holders from time to time of the Series 2018A Bonds) further information and materials that it or they may request. However, the College does not obligate itself hereby to furnish such information and materials, and the College may issue unrated bonds and notes from time to time. Failure by the College to furnish such information and materials, or the issuance of unrated bonds or notes, may result in the suspension or withdrawal of a rating on the Series 2018A Bonds. Any lowering, suspension or withdrawal of such ratings may have an adverse effect, which may be material, on the marketability or market price of the Series 2018A Bonds.

TRANSCRIPT AND CLOSING DOCUMENTS

A complete transcript of proceedings and a certificate (described under “LITIGATION”) relating to litigation will be delivered by the College when the Series 2018A Bonds are delivered by the College to the Underwriter. The College at that time will also provide to the Underwriter a certificate, signed by the College officials who sign this Official Statement and addressed to the Underwriter, relating to the accuracy and completeness of this Official Statement and to its being a “final official statement” in the judgment of the College for purposes of SEC Rule l 5c2-l 2(b)(3).

CONTINUING DISCLOSURE

The College has agreed for the benefit of the holders and beneficial owners of the Series 2018A Bonds to provide annual financial information and notices of certain events. Concurrently with the delivery of the Series 2018A Bonds, the College will deliver a certificate (the “Continuing Disclosure Certificate”) of the Chief Financial Officer of the College, in the form attached hereto as Appendix D, describing the nature of the information to be provided, the persons and entities to whom such information will be provided and the times at which such information will be provided. The College’s failure to comply with any undertaking contained in such certificate will not constitute an event of default under the Series 2018A Bonds.

The Continuing Disclosure Certificate is being executed by the College to assist the Underwriter in complying with Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission.

Specifically, the College agrees to provide the Annual Report to the Municipal Securities Rulemaking Board (the "MSRB") in an electronic format, if required, and to provide notice of the enumerated events to the MSRB in an electronic format, if required.

UNDERWRITING

KeyBanc Capital Markets Inc. (the "Underwriter") has agreed, pursuant to the Bond Purchase Agreement (the "Purchase Agreement") with the College dated June 6, 2018, to purchase all, but not less than all, of the Series 2018A Bonds at a purchase price of $14,663,336.85, which is equal to the par amount of the Series 2018A Bonds ($13,000,000.00), plus net original issue premium of $1,734,684.85, less Underwriter's discount of $71,348.00.

The Underwriter is purchasing the Series 2018A Bonds as originally issued for purpose of resale. The Underwriter reserves the right to join with dealers and other underwriters in offering the Series 2018A Bonds to the public. The Underwriter may offer and sell the Series 2018A Bonds to certain dealers (including dealer banks and dealers depositing the Series 2018A Bonds into unit investment trusts, certain of which may be sponsored or managed by the Underwriter), and others at prices lower and yields higher than the public offering prices and yields noted on the inside cover page hereof. The initial offering prices of the Series 2018A Bonds may be changed, from time to time, by the Underwriter.

The obligation of the Underwriter to accept delivery of the Series 2018A Bonds is subject to various conditions of the Purchase Agreement. The Underwriter is obligated to purchase all of the Series 2018A Bonds if any of the Series 2018A Bonds are purchased.

The Underwriter has reviewed the information in this Official Statement pursuant to its responsibilities to investors under the federal securities laws, but the Underwriter does not guarantee the accuracy or completeness of such information.

ELIGIBILITY FOR INVESTMENT AND AS PUBLIC MONEYS SECURITY

To the extent that the matter as to the particular investor is governed by Ohio law, and subject to any applicable limitations under other provisions of Ohio law, the Series 2018A Bonds are lawful investments for banks, societies for savings, savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies (including domestic life and domestic not for life), trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of the State, the Commissioners of the Sinking Fund, the Administrator of Workers' Compensation, and the State retirement systems (Teachers, Public Employees, Public School Employees, and Police and Firemen's), notwithstanding any other provisions of the Ohio Revised Code with respect to investments by them.

The Act provides that the Series 2018A Bonds are acceptable under Ohio law as security for the deposit of public moneys.

Owners of book-entry interests in the Series 2018A Bonds should make their own determination as to such matters as legality of investment in or pledgeability of book-entry interests.

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CONCLUDING STATEMENT

Quotations in this Official Statement from, and summaries and explanations of, the provisions of the Ohio Constitution, the Ohio Revised Code and other laws, and the Agreement, do not purport to be complete, and reference is made to the pertinent provisions of the Constitution, Ohio Revised Code and other laws and those documents for all complete statements of their provisions. Those documents are available for review at the College during regular business hours at the office of the Chief Financial Officer. During the initial offering period, copies of those documents will also be available for review at the main office of the Underwriter.

To the extent that any statements in this Official Statement involve matters of estimate or opinion, whether or not expressly stated to be such, those statements are made as such and not as representations of fact or certainty, and no representation is made that any of those statements will be realized. Information in this Official Statement has been derived by the College from official and other sources and is believed by the College to be reliable, but information other than that obtained from official records of the College has not been independently confirmed or verified by the College and its accuracy is not guaranteed.

This Official Statement is not to be construed as or as part of a contract or agreement with the original purchasers or holders of the Series 2018A Bonds.

This Official Statement has been prepared, approved and delivered by the College, and executed for and on its behalf and in their official capacities by the officers indicated below.

COLUMBUS STATE COMMUNITY COLLEGE

By: *_/s/ Robert P. Restrepo, Jr._*
Chair, Board of Trustees

By: *_/s/ David T. Harrison, Ph.D._*
President

By: *_/s/ Aletha M. Shipley_*
Chief Financial Officer

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APPENDIX A

COLUMBUS STATE COMMUNITY COLLEGE

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APPENDIX A

COLUMBUS STATE COMMUNITY COLLEGE

THE COLLEGE

General

Columbus State Community College (the "College" or "Columbus State") is Ohio's largest state community college, providing affordable, high-quality programs to meet the diverse educational needs of the Central Ohio community for nearly fifty-five years. As a comprehensive community college, and the region's only open-access institution, it is the front door to higher education in Central Ohio.

In 1963, the Columbus Board of Education created the Columbus Area Technician School, located in the basement of Central High School with an enrollment of 67 students. Rapid growth in enrollment during the first two years caused the Columbus Board of Education to purchase the Columbus Aquinas Parochial High School property and move the Technician School to a permanent campus, now the College's current Spring Street location. In 1965, the Technician School was re-chartered as the Columbus Technical Institute (CTI), to serve students in a four-county service district that includes Franklin, Delaware, Madison and Union counties. In 1987, CTI was re-chartered as Columbus State Community College by action of the Ohio Board of Regents. This significant change was a result of careful study of the educational needs of Columbus and Central Ohio. The resulting findings supported the establishment of a comprehensive community college to provide additional educational opportunities to area residents. The College established an Arts and Sciences Division and geared up to provide the Associate of Arts (A.A.) and the Associate of Sciences (A.S.) degrees.

The College offers credit and non-credit programs to its students. In Autumn 2017, the official credit enrollment (headcount) was 27,626. As of Autumn 2017, there are 89 two-year associate degree programs (87 Career & Technical A.A.S (Associate of Applied Science) and A.T.S (Associate of Technical Studies) along with the A.A. and A.S.) and a total of 167 certificate programs, of which 86 require less than 16 credits and the rest are considered one year certificates. The College's Center for Workforce Development offers skills enhancement, customized training, professional development and business consulting for area industries, employers and individuals.

Service Area

The College is a political subdivision of the State of Ohio. Its four-county service district includes Franklin, Delaware, Madison, and Union counties (collectively, the "Service District"). Almost eighty-five percent (85%) of the student population resides in the Service District, and 15% resides outside the Service District.

County	% of students
Franklin	72.0%
Delaware	9.3%
Madison	1.7%
Union	1.8%
Other	15.2%

The College has an extensive Distance Learning Program. Enrollment in distance learning courses has grown significantly since its inception in 1996. In Autumn 2017, 22,413 web seats were sold for courses offered on-line or through a blended modality. The College offers the highest number of web seats sold of any community college in Ohio and ranks fourth overall when universities are included.

In addition to its Columbus Campus, the College offers classes at its campus located in Delaware, Ohio (the "Delaware Campus") and regional learning centers conveniently located throughout the College's Service District, including: space the College owns at Bolton Field located in southwest Columbus; leased space located in Westerville, Ohio (the "Westerville Center"); leased space at Ohio University's Integrated Education Center located in Dublin, Ohio (the "Dublin Center"); and leased space in Reynoldsburg, Ohio, co-located with Reynoldsburg High School (the "Reynoldsburg Center"). The College also offered classes to high school students from 87 districts in Autumn 2017 with courses offered on-site at 42 high schools.

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GOVERNANCE & ADMINISTRATION

Board of Trustees

The College is governed by a nine-member Board of Trustees which under Ohio law is authorized to do all things necessary for the creation, proper maintenance, and successful and continuous operation of the College, including the adoption and amendment of bylaws and rules for the conduct of the board and the College. The members of the Board of Trustees are appointed by the Governor with the advice and consent of the Ohio Senate for six-year terms, with staggered terms every two years, pursuant to Ohio Revised Code Section 3358.03.

The current members of the Board, with the years in which their respective terms expire (stated in parentheses) are listed below.

Name	Occupation
Robert P. Restrepo, Jr., Chair (August 31, 2021)	Former President, CEO & Chairman State Auto Insurance
Catherine M. Lyttle, Vice-Chair (August 31, 2021)	Vice President, Corporate Communications & Investor Relations Worthington Industries
Dianne A. Radigan, Immediate-Past Chair (August 31, 2019)	Former Vice President of Community Relations Cardinal Health
Corrine M. Burger (August 31, 2023)	CCB Chief Control Officer & Columbus Location Leader JPMorgan Chase
R. Anthony Joseph (August 31, 2023)	Chief Administration Officer, General Counsel & Secretary White Castle Management Company
Rick Ritzler (August 31, 2023)	Chief Talent Officer ICC
Richard D. Rosen (August 31, 2021)	Founder, Indigo Strategies LLC Instructor, Johns Hopkins University School of Education
Poe Timmons (August 31, 2019)	Executive Vice President, Chief Operating Officer & Chief Financial Officer Jeni's Splendid Ice Creams
Kirt A. Walker (August 31, 2019)	President & Chief Operating Officer Nationwide Financial

College Administrative Officers

The administrative direction of the College has been delegated by the Board of Trustees to the President. The President and administrative staff implement the strategic direction of the Board of Trustees through plans, procedures and processes.

The current College Administrative Officers are:

Name	**Position**
Dr. David T. Harrison	President
Dr. Jack Cooley	Senior Vice President, Chief Academic Officer
Aletha M. Shipley	Vice President for Business Services, Chief Financial Officer and Treasurer
Dr. Rebecca Butler	Senior Vice President, Enrollment Management & Student Services
Dr. Michael Babb	Vice President, Information Technology
Kimberly L. Hall	Senior Vice President, Administration and General Counsel
Allen D. Kraus	Vice President for Enrollment Management and Marketing

Dr. David T. Harrison became the fifth president of Columbus State Community College in July 2010. During Dr. Harrison's tenure at Columbus State, he has focused the College on the goals of student success and attainment, workforce innovation, and civic engagement. Dr. Harrison came to Columbus State with extensive experience building successful community partnerships. As Vice Provost for Regional Campuses at the University of Central Florida ("UCF"), he worked with community colleges to create the Central Florida Higher Education Consortium and the nationally-recognized DirectConnect to UCF program, which guarantees the opportunity for a bachelor's degree for graduates of partner community colleges. Prior to joining UCF, Dr. Harrison served in leadership roles at Seminole State College in Florida and at Sinclair Community College in Ohio, and was a consulting manager with Accenture in Pittsburgh. He holds a Ph.D. from The Ohio State University, an MBA from the Katz Graduate School of Business at the University of Pittsburgh, and a Bachelor's degree in Chemical Engineering from the University of Dayton.

Dr. Jack Cooley is the Senior Vice President for Academic Affairs. Dr. Cooley holds a BA in Zoology from Oberlin College, an MA in History from The Ohio State University, and a Ph.D. in History from The Ohio State University. Before joining Columbus State Community College, he served 35 years at The Ohio State University in various administrative capacities.

Aletha M. Shipley is Vice President for Business Services, Chief Financial Officer and Treasurer to the Board of Trustees. Prior to Columbus State, Ms. Shipley was Manager of Financial Reporting for Safelite AutoGlass and served as Director of Internal Audit for The Ohio State University. She began her career in public accounting at Deloitte and Parms & Co., LLC., and is a certified public accountant. Ms. Shipley earned her BSBA and MBA at The Ohio State University.

Dr. Rebecca Butler serves as the Senior Vice President of Enrollment Management and Student Services at Columbus State Community College. Dr. Butler has extensive experience in student enrollment, retention and engagement strategies. Prior to joining Columbus State, Dr. Butler served as the Vice President of Enrollment Management at the University of Findlay, and she had a long and successful career at Sinclair Community College. Dr. Butler has a diverse background with regard to administration of community colleges and private institutions. Dr. Butler earned a Ph.D. in Higher Education Administration from Ohio University, an MBA from the University of Dayton and a BS in Journalism from Ohio University.

Dr. Michael Babb is the Vice President and Chief Information Officer. Prior to his service at Columbus State, Dr. Babb served as Director of Information Technology and Enterprise Systems at William Rainey Harper College in Illinois. He was also employed with IBM and AT&T for more than 20 years, and in his last position he was the Executive Director of Global Service Delivery for AT&T's worldwide web service offerings. Dr. Babb holds a doctorate from the University of Illinois, Urbana-Champaign, an MBA from Northern Illinois University, and a BS in Computer Science from North Central College.

Kimberly L. Hall presently serves as Senior Vice President of Administration and General Counsel at Columbus State Community College. Ms. Hall joined Columbus State in 2012 as the President's Chief of Staff. Prior to joining Columbus State, Ms. Hall served as Deputy Chief Counsel for Attorney General Mike DeWine and as Deputy Chief Counsel for the Ohio Department of Education. Early in her career, she practiced as a labor and employment attorney. Ms. Hall holds a Juris Doctorate from the Fordham University School of Law and a Bachelor of Arts degree from Columbia University.

Allen D. Kraus is Vice President for Enrollment Management and Marketing at Columbus State Community College. Prior to serving at Columbus State, Mr. Kraus was Director of Brand Strategy at Ologie LLC and held various marketing, student recruitment, and student development roles at The Ohio State University. Mr. Kraus holds an MBA and a BA in Psychology from The Ohio State University.

Academic Programs and Accreditations

Associate Degrees

The College offers four associate degrees: Associate of Arts (A.A.), Associate of Science (A.S.), Associate of Applied Science (A.A.S.), and Associate of Technical Studies (A.T.S.). The Associate of Arts and Associate of Science degrees are designed to satisfy the first two years of a bachelor's degree in majors that do not require or require advanced math or science, respectively. Formal agreements have been made with over 40 state and regional colleges and universities, which allow for coursework in these degree programs at Columbus State to transfer and apply to a bachelor's degree from such partnering institutions, and new direct-to-degree partnership programs are being developed on a regular basis.

The College offers 80 programs leading to the Associate of Applied Science degree, seven programs leading to the Associate of Technical Studies degree, the Associate of Arts degree and the Associate of Science degree. The College also offers 167 certificates of varying length. The Associate of Applied Science and the Associate of Technical Studies ("A.T.S.") degrees provide skills and credentials that allow students to enter the workforce immediately, with select transfer options to pursue a bachelor's degree in the same discipline. The latter combines two or more programs into one two-year degree. Some departments offer pre-designed A.T.S. degrees or students can work with their academic advisor and program coordinator to design a customized major.

The College recently organized its academic program options into eight academic and career pathways to better channel students into a broad area of interest that allows them to take courses in their general area of interest that will ultimately count toward their specific degree or certificate. This more straightforward approach saves students both time and money. The eight academic and career pathways include: Arts, Humanities, and Social Sciences; Biological, Physical, and Mathematical Sciences; Business and Hospitality Services; Computer Science, Information Technology, and Design; Construction and Skilled Trades; Education, Human Services, and Public Safety; Engineering, Manufacturing, and Engineering Technology; and Health Sciences.

Accreditations

The College is fully accredited by the Higher Learning Commission ("HLC"), a Commission of the North Central Association of Colleges and Schools. The College received its most recent re-accreditation in December 2012. In 2006, the College started on a new accreditation pathway, the Academic Quality Improvement Program (AQIP), which uses the Continuous Quality Improvement (CQI) model to guide institutional planning. Previously the College was accredited using the Program to Evaluate and Advance Quality (PEAQ). The next accreditation will be completed in December 2019.

In addition to HLC accreditation, a number of the College's career programs are accredited or approved by appropriate specialized associations or agencies. These include:

- Accreditation Board of Engineering and Technology, Inc. (ABET)
- Accreditation Council of Business Schools and Programs (ACBSP)
- Accreditation Review Committee on Education in Surgical Technology
- American Bar Association Standing Committee on Legal Assistants
- American Council of Construction Education (ACCE)
- American Culinary Federation Accrediting Commission (ACFEF)
- American Dental Association (ADA)
- American Veterinary Medical Association Committee on Veterinary Technician Education and Activities
- Association Commission on Dental Accreditation
- Commission on Accreditation for Health Informatics and Information Management Education (CAHIIM)
- Commission on Accreditation of Allied Health Education Programs/Medical Assisting
- Commission on Accreditation of Hospitality Management Programs
- Commission for Accreditation and Approval of Dietetics Education of the American Dietetic Association
- Committee on Accreditation for Respiratory Care (CoARC)
- Committee on Accreditation of Allied Health Education Programs – Joint Review
- Committee on Education Programs for EMT/Paramedics
- Council for Standards in Human Services Education (CHSE)
- Dietary Managers Association
- Federal Aviation Administration (FAA)
- Joint Review Committee on Education in Radiologic Technology (JRCERT)
- National Accrediting Agency for Clinical Laboratory Sciences (NAACLS)
- National Association for the Education of Young Children (NEAYC)
- National Association of Landscape Professionals (NALP)
- National Fire Academy Fire and Emergency Services Higher Education Recognition Program
- National Institute for Automotive Service Excellence (ASE)
- National League for Nursing Accrediting Commission
- Ohio Board of Nursing (OBN)
- Ohio Department of Health (ODH)
- Ohio Department of Health NATCEP Unit
- Ohio Department of Public Safety-EMS
- Ohio Peace Officer Training Commission
- Technician-Paramedic Program State of Ohio
- The State Medical Board of Ohio/Massage Therapy

Articulation and Transfer Policy

The Ohio Department of Higher Education ("ODHE") has developed a statewide articulation and transfer policy to facilitate movement of students and transfer credits from any Ohio public college or university to another. The policy avoids duplication of course requirements and enhances a student's mobility throughout Ohio's higher education system. The policy also established the "Transfer Module," which is a subset or entire set of a college or university's General Education curriculum in A.A., A.S., and baccalaureate degree programs. Students in applied associate degree programs may complete some individual Transfer Module courses within their degree program or continue beyond the degree program to complete the entire Transfer Module. Each State-assisted university, technical and community college is required to establish and maintain an approved Transfer Module. Individual Transfer Module course(s) or the full Transfer Module completed at one college or university will automatically meet the requirements of individual Transfer Module course(s) or the full Transfer Module at another college or university once the student is admitted to that college or university.

The College also participates in ODHE's Transfer Assurance Guide ("TAG") program. TAGs comprise Transfer Module courses and additional courses required for an academic major, and assist Ohio university, community, state community and technical college students planning specific majors to make informed course selections that will ensure comparable, compatible, and equivalent learning experiences across the State's higher education system.

A recent change in law (Ohio Revised Code 3333.16) requires the Chancellor of ODHE to update and implement its policies and procedures on articulation and transfer by December 1, 2018, to ensure that associate degrees obtained at Ohio public institutions transfer and apply to bachelor degree programs in an equivalent field without unnecessary duplication or institutional barriers. In response to this requirement, public institutions are working together to establish statewide guaranteed transfer pathways from two-year to four-year degree programs in an equivalent field. This effort is directly related to Ohio's initiatives in college affordability and degree completion.

The development of the guaranteed transfer pathways is facilitated by existing statewide faculty panel members for TAGs, Career-Technical Assurance Guides ("CTAG") and faculty representatives from the Ohio Mathematics Initiative ("OMI"). When the initial work ends in December 2018, there will be approximately 50 major specific pathways which will fall under eight cluster areas.

Columbus State has fully embraced the State efforts to increase affordable degree paths. The College now has over 400 individual articulated transfer agreements with more than 25 partner institutions. Updated every two years, these institutional and program-to-program agreements have provided and aided students with transfer opportunities within the State of Ohio and beyond. Nine Preferred Pathway Partners include Capital University, Columbus College of Art and Design, Franklin University, Miami University, Ohio Dominican University, Ohio University, Ohio Wesleyan University, The Ohio State University, and Otterbein University.

Non-Credit Programs and Services

The College supplements its credit courses with a wide variety of non-credit programs and services that are housed in the Center for Workforce Innovation programs, and GED and Basic English classes.

- Workforce Innovation works in partnership with various industries to develop programs that reflect their workforce needs, from entry level to incumbent training. It also provides customized corporate training and education, often in conjunction with various grant-funded initiatives.

- GED classes are designed to help students improve their math and language arts skills in preparation for the GED® test, Accuplacer exam, or employment assessments. Students complete a brief math and reading assessment and enroll in classes appropriate to their academic skill level.
- Basic English courses are specifically designed to improve the English language and literacy skills of students. The non-credit classes provide Limited English Proficiency (LEP) students the foundation of spoken and written English so they can progress in credit coursework, prepare to enter the GED program, and/or succeed in life and work in the United States. In each course, students work on reading, writing, vocabulary, listening and speaking skills. In addition, the Language Institute offers courses that specifically focus on writing, conversation, and punctuation, as well classes that are designed to provide a basic level of conversational skill and cultural understanding.

Faculty and Staff Employees

For the 2017 Autumn semester, the College had 2,588 employees, excluding student and other temporary or intermittent workers, as follows:

Instructional Staff	
Full-time and Annually Contracted Faculty	342
Part-time and Non-Credit Instructional Staff	1,100
Total Instructional Staff	1,442
Support Staff (administrative and classified full-time and part-time)	1,146
Total Staff	**2,588**

Approximately 74% of the full-time faculty is tenured and 83% hold advanced degrees, including earned doctorates. Members of the faculty are active in the College setting and in community programs, research projects and the publication of professional articles and textbooks.

The College's payroll in Fiscal Year 2017 was $93,755,050. Fringe benefits totaled $25,019,969, for a total payroll of $118,775,019.

Collective Bargaining

A statewide public employee collective bargaining law applies generally to public employee relations and collective bargaining. The College is a party to the following three collective bargaining agreements:

- An agreement with the Columbus State Education Association (CSEA) covering 342 faculty members and annually contracted faculty. The current agreement runs from July 1, 2017 through June 30, 2020.
- The Teamsters Local 284 represents 38 employees who work in the building services, grounds, and maintenance programs. The existing contract expires June 30, 2018. The new contract has been ratified by the union, but has not yet been signed by either party as final documents are still being edited and formatted. Once signed, it will run from July 1, 2018 through June 30, 2021.

- The Fraternal Order of Police (FOP) represents 29 Police Department employees. The current agreement runs from July 1, 2015 through June 30, 2018. Negotiations for the next contract, which will be from July 1, 2018 through June 30, 2021, started the second week of May and are expected to be completed by the end of June.

The College has established formal labor/management structures within which regular meetings occur. The goal is to clarify procedures and resolve conflicts. There have been no strikes or work stoppages. The College considers its relationships with its employees to be constructive and improving.

College supervisors, including those who supervise bargaining unit employees, are engaged in enhancing their management skills. In particular, supervisors and employees in the Facilities Services and Police Departments have had structured training to develop team-building and problem-solving skills within each department. Both the FOP and the Teamsters have been and continue to be supportive of these initiatives.

The remainder of College employees, numbering 2,179, are not represented by any collective bargaining agreement. Bargaining agreements include provisions for pay parity, whereby, if during the duration of a contract, the Board of Trustees approves an across-the-board salary increase or lump sum payment for another bargaining unit or a broad class of non-bargaining unit staff within a fiscal year that is greater than the amount the members receive during the same fiscal year under the bargaining agreement, their pay will be adjusted so that they receive parity for that fiscal year. Likewise, full-time employees not represented by any collective bargaining agreement generally receive the same across-the-board salary increase as those employees represented by collective bargaining agreements so that they receive parity for that fiscal year.

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ENROLLMENT

General

The College attracts students from a variety of backgrounds and from several counties, states and countries outside its four-county Service District. In Autumn 2017, 84.9% of the student body hailed from within the Service District, 14.6% from outside of the Service District but within the State, 0.5% from outside of the State but within the U.S., and less than 0.1% were international students.

Approximately 52.8% of the Autumn 2017 student body were female, 41.1% were non-white and the average age was 24 years. Approximately 25.4% were full-time students. During Autumn 2017, approximately 33.6% of the students were new to the College, 58.3% were continuing from one of the previous two terms, and 8.1% of the College's enrollees were returning after being out for two or more terms. In addition, the College served 4.3% or 1,176 active duty or veterans in Autumn 2017.

The College's headcount course enrollment (full-time and part-time students) as well as full-time equivalents (FTE) enrollment for recent and the current academic year are shown below:

	Annualized Credit Enrollment				Fall Term Credit Enrollment			
Academic Year	FTE [(a)]	Percent Change FTE	Headcount [(b)]	Percent Change Headcount	FTE [(c)]	Percent Change FTE	Headcount	Percent Change Headcount
2012-2013	19,470		41,291		15,161		25,970	
2013-2014	18,355	-5.7%	40,298	-2.4%	15,022	-0.9%	25,360	-2.3%
2014-2015	16,656	-9.3%	39,055	-3.1%	14,134	-5.9%	24,532	-3.3%
2015-2016	17,161	3.0%	40,137	2.8%	14,537	2.8%	26,098	6.4%
2016-2017	16,806	-2.1%	41,471	3.3%	14,541	0.0%	27,292	4.6%

(a) Annualized FTE = total eligible credit hours divided by 30
(b) Unduplicated headcount
(c) Total Autumn term student credit hours divided by 15.

Concurrent Enrollment

Some of the College's students are concurrently enrolled at another state college or university, with most (44%) of those concurrently enrolled at The Ohio State University. In recent terms, concurrent enrollment as a percentage of total enrollment was as follows:

Term	**Enrollment**	**Concurrently Enrolled**	**% of Total**
Autumn 2016	27,292	9,555	35.0%
Spring 2017	26,472	10,058	38.0%
Summer 2017	14,415	4,424	30.7%

Degrees and Certificates Granted

Noted in the table below, as one measure of the College's educational activity and stability, is the number of associate degrees and certificates granted.

Academic Year	Degrees Granted	Certificates Granted	Total Awards	Percent Change
2012-2013	2,220	2,516	4,736	--
2013-2014	2,528	2,726	5,254	10.9%
2014-2015	2,335	3,256	5,591	6.4%
2015-2016	2,266	3,478	5,744	2.7%
2016-2017	2,344	3,633	5,977	4.1%

In academic year 2016-2017, the College granted 5.6% more degrees than it did just four years ago. It also granted a total of 3,633 certificates, a 44.4% increase since four years ago. Of all associate degrees granted in public postsecondary institutions in Ohio during the 2016-2017 academic year, the College accounted for 9.3% of the total. In addition to the degrees and certificates granted by the College, thousands more students transfer to a four-year institution to earn their bachelor's degree.

Student Fees and Charges

The College operates its programs on the basis of a two-semester academic year (autumn and spring), with a shorter summer semester also available. Payment in full of all fees or payment arrangements are required to be made five days prior to the start of the term. Student fees and charges may be paid in cash, personal check, credit card, or some type of financial assistance. The College also offers two different types of extended payments plans.

The College charges a combined tuition and fee amount per semester on a credit hour basis. Separate categories or charges apply to Ohio residents and out-of-state residents. There is a separate fee structure for international students.

The student-combined tuition and general fees, per credit hour and for 30 credit hours, for recent and the current academic years are as follows:

Charge per Credit Hour

Academic Year	2012-13 [(1)]	2013-14	2014-15	2015-16	2016-17	Autumn 2017	Spring 2018
Ohio Residents	$122.62	$132.60	$135.93	$135.93	$135.93	$135.93	$142.93
Out-of-State, US Citizen	$271.50	$293.69	$301.03	$301.03	$301.03	$301.03	$308.03

Annualized Charges for 30 Credit Hours

Academic Year	2012-13 [(1)]	2013-14	2014-15	2015-16	2016-17	Autumn 2017	Spring 2018
Ohio Residents	$3,679	$3,978	$4,078	$4,078	$4,078	$4,078	$4,288
Out-of-State, US Citizen	$8,145	$8,811	$9,031	$9,031	$9,031	$9,031	$9,241

(1) A FY2012-2013 tuition increase was approved but not effective until Summer Term 2013. The in-state per credit changed to $129.25 and annual total to $3,878. A tuition increase was also approved for the annual maximum $100 for AU13-SU14 by the Board in May 2013.

Ohio Tuition Cap

The State legislature has capped tuition increases since 1986 with the exception of a two-year period from 2001 to 2003. Following are the tuition caps legislatively mandated over a 10-year period from Fiscal Year 2008 to Fiscal Year 2017:

Biennium	**Cap**
FY08-FY09	No increase
FY10-FY11	3.5% per year
FY12-FY13	$200 per year
FY14-FY15	$100 per year
FY16-FY17	No increase

The above caps placed a limit on the amount that in-state undergraduate instructional and general fees could be increased by a board of trustees of a community college, which include community colleges that can approve levies and those that cannot approve levies (state community colleges and technical colleges). The fee limitation, however, did not apply to increases required to comply with institutional covenants related to the institution's obligations (such as the College's General Receipts Bonds) or to meet unfunded legal mandates or legally binding obligations made prior to the effective date of the legislation.

The current annual tuition rate for a full-load student is $330 lower than it would have been had the College exercised its State-granted authority to elevate tuition during this timeframe. Over this timeframe, Columbus State did not increase students' tuition when it had the opportunity for 6 ½ years during the most recent economic recession. From Fiscal Year 2008 to Fiscal Year 2012, tuition at Columbus State dropped by nearly 8% when adjusted for inflation. This foregone revenue for Columbus State saved students and families nearly $60 million through Fiscal Year 2017.

For Fiscal Year 2018, tuition was again capped by the State, allowing no increase for community colleges but an exception was included in legislation to allow for a Career Services fee. Based on this allowance, the Columbus State Board of Trustees approved a Career Services fee of $7 per credit in November 2017 with an effective date of Spring 2018 semester. The fee will be used to advance a comprehensive career services strategy that is integrated into Columbus State's Completion Plan that is focused on three major integrated drivers: the development of career and academic pathways, the expansion of college and career readiness programs (including College Credit Plus) delivered in middle and high school, and deeper workforce and employer engagement.

Comparative Costs

State Community Colleges

In Autumn 2017, state community colleges and technical colleges - those colleges that have tuition/fees and state appropriations as their primary revenue sources (i.e., no taxing authority) - had annualized fees that totaled between $4,078 and $4,806. The College's annualized fee, $4,078, which does not include the Career Services fee discussed in the previous section, was 9.4% lower than the average annual fees assessed by state and technical community colleges.

Annualized Full-time Undergraduate In-State
Undergraduate Tuition and Fees,
State and Technical Community Colleges
(No Taxing Authority)
2016-17

State or Technical Community College	In-State Tuition and Fees
Belmont State	$4,409
Central Ohio Technical	$4,296
Cincinnati State	$4,717
Clark State	$4,195
Columbus State	**$4,078**
Edison State	$4,219
Hocking Technical	$4,390
James A. Rhodes State	$4,806
Marion Technical	$4,382
North Central State	$4,718
Northwest State	$4,720
Owens State	$4,320
Southern State	$4,412
Stark State	$4,608
Terra State	$4,304
Washington State	$4,490
Zane State	$4,596
Average	**$4,451**

Source: Ohio Department of Higher Education, Fall Survey (October 31, 2017).

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Institutions in the Central Ohio Region

At $135.93 per credit hour (prior to the Career Services fee discussed previously), the College had the lowest tuition rate in Autumn 2017 of any institution of higher education in the region as noted in the chart below. The average per credit hour tuition rate for Central Ohio institutions for Autumn 2017 was $613.

Institution	Per Credit Hour Tuition
Columbus State	$ 135.93
Central Ohio Technical College	$ 179.00
Ohio University (Regional)	$ 212.58
Ashland University (Regional)	$ 265.00
Ohio State University (Regional)	$ 314.70
Ohio State University (Main Campus)	$ 441.31
Franklin University	$ 509.00
DeVry University (Non-Techpath)	$ 609.00
Ohio Dominican University	$1,016.67
Otterbein University	$1,047.47
Capital University	$1,142.67
Ohio Wesleyan	$1,481.00

Source: Ohio Department of Higher Education, Fall Survey (October 31, 2017), and the institutions' websites.

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Student Financial Aid

Approximately 47% of Columbus State students receive some form of financial assistance in a given term. During the 2016-2017 academic year, approximately $72.5 million was disbursed to eligible students from all sources. Primary sources of aid include Federal Pell Grant, Federal Direct Loan, Federal PLUS Loan, Federal Supplemental Educational Opportunity Grant, Federal Work Study, and College scholarships.

The following table summarizes major program awards to Columbus State students for recent academic years. All programs assisted by the federal and state governments are subject to appropriation and funding by those governments.

Student Financial Aid by Source (Major Programs)

Aid Category	2014-2015	2015-2016	2016-2017
College Grants and Scholarships	$621,134	$622,926	$897,756
State Grants and Scholarships	145,249	137,962	208,345
Federal Pell Grant	33,612,234	31,612,754	28,632,123
Federal Student/Parent Loans	62,836,968	54,566,187	44,169,717
Federal Work Study	423,963	345,861	413,288
Total Financial Assistance	$97,639,548	$87,285,690	$74,321,229

Official U.S. Department of Education Cohort Default Rate reports as of September 2017 indicate a Fiscal Year 2014 Federal Direct Loan Cohort Default Rate of 18.2% for the College. The national average is 17.7% for two and three-year public institutions.

Draft 2015 Cohort Default Rate figures released by the U.S. Department of Education in February 2018 indicate a rate of 14.7% for Columbus State. The 14.7% rate represents a decrease of 19.2% from the 2014 Cohort Default Rate, and upon confirmation by the U.S. Department of Education in the Autumn of 2018, will mark a historic low for Columbus State since the implementation of the three-year Cohort Default Rate.

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Facilities Services

Overview

Columbus Campus. The Columbus Campus's location serves as the entry-point to the emerging Creative Campus neighborhood and the downtown Discovery District. Located on over 85 acres in downtown, Columbus, Ohio, the campus is easily accessible from Interstates 70, 71 and 670, and State Route 315. The Columbus Campus consists of 28 buildings housing classrooms, laboratories, student services and college offices. The College's library is located on the Columbus Campus, providing materials and resources for students including the Writing Center, which offers tutoring, assistance with projects, and IT support. Among other facilities and services located on the Columbus Campus are: the Bookstore; the Recreation and Wellness Conditioning Center; the Print Shop; the Center for Workforce Development (including a full-service conference center); the Center for Teaching and Learning Innovation, providing workspace, infrastructure and equipment to support the instructional design for the College's digital course content; the Delaware Hall Athletic Center, which is home to the College's Division III NJCAA athletic teams, including volleyball, men's basketball and women's basketball; and the Police Department, providing services to maintain a safe and accessible environment for students, employees and visitors. Both credit and non-credit programs are offered on the Columbus Campus.

Delaware Campus. Opened in Autumn 2010, the 108-acre, full-service Delaware Campus is located between the cities of Columbus and Delaware, Ohio, along U.S. 23, and has an administration building and an 80,000 square foot, LEEDS Gold-Certified academic building, Moeller Hall. The Delaware Campus includes the following services and facilities: library and IT support in the Learning Center; advising, enrollment assistance and financial aid help in the Student Services Center; and comprehensive placement and academic testing services in the Testing Center. The Delaware Campus offers four degree programs. The A.A. and A.S. degrees fulfill the first two years of a bachelor's degree and can be transferred to most of Ohio's four-year colleges and universities and Preferred Pathways to the College's nine partner institutions outline efficient ways to complete an associate degree on the way to a bachelor's. Associate of Applied Science degrees in Business Management and Computer Science and several short-term certificates may also be completed on the Delaware Campus. The College partners with Franklin University at the Delaware Campus, offering several bachelor's-degree completion programs through the partnership.

Background

Physical property available to and used by the College consists of 37 buildings throughout its four-county Service District, 28 of which are located on the Columbus Campus and three are located on the Delaware Campus. The College has approximately 1.6 million gross square feet of space in campus-owned/leased buildings and approximately 4,800 parking spaces at its Columbus Campus for its students and employees.

The physical plant is estimated by the College to have a replacement value of approximately $266.2 million, with a current contents value of approximately $45.3 million. The College is a non-residential institution. All students commute.

The Columbus Campus, the Delaware Campus and the College's various regional learning centers are easily accessible from major interstates and major city streets. The Central Ohio Transit Authority provides public transportation on some routes directly to the Columbus Campus.

Recently-Constructed Facilities

In the past eight years, the College has built and opened one major academic building, Moeller Hall on the Delaware Campus, and built a tower addition on another academic building on the Columbus Campus, Union Hall. The College also renovated Columbus Hall, Madison Hall and most of Union Hall on the Columbus Campus, and the Administrative Office building on the Delaware Campus during this same period.   These projects have been funded with significant State support. Additionally, the College leased and equipped two new Regional Learning Centers (RLCs). These buildings house classrooms, laboratories, meeting space and offices., Their square footage and certain other information are as follows:

Building	**Location**	**Construction Type**	**Primary Use**	**Approx. Sq. Ft.**	**Year Opened**
Madison Hall – Student Central	Columbus Campus	Renovation	Student Services, Registration, Scheduling	18,600	2016
Center for Teaching and Learning Innovation	Columbus Campus	Renovation	Distance Education and Instructional Services	9,800	2016
Dublin Center (RLC)	Dublin Center	New Build/Lease	Academic Classrooms & Laboratories	26,250	2015
Union Hall	Columbus Campus	Renovation	Academic Classrooms & Laboratories	100,000	2014
Union Hall Tower Addition	Columbus Campus	New Build	Academic Classrooms & Laboratories	21,800	2013
Reynoldsburg Center (RLC)	Reynoldsburg Center	Renovation/Lease	Academic Classrooms & Laboratories	20,500	2012
Moeller Hall	Delaware Campus	New Build	Academic Classrooms & Laboratories	79,400	2010
Administration Building	Delaware Campus	Renovation	Administrative Space and Faculty Offices	8,600	2010
Columbus Hall	Columbus Campus	Renovation	Library, Student Group Study Areas	50,000	2010

Capital Improvements

Annual Funding. To maintain facilities and modernize outdated facilities so that the needs of the students and demands of a 21st Century workplace are met, and to maintain the technology infrastructure, a Technology and Facilities Fee and an On-line Course Fee were implemented effective Autumn 2016. These fees provide approximately $4.6 million annually for ongoing technology and facilities expenses while State Capital Funds are used for major space renovations. For the six-year period preceding the implementation of these fees, the College had spent approximately $18.0 million from its reserves for these needs, providing an interim funding option while helping to keep costs of higher education affordable for students, particularly during the recession period. However, using one-time funds from reserves for ongoing expenses was an unsustainable approach. Unspent portions of the annual revenue from these fees are reserved for future capital needs.

State Support. As discussed in more detail later, under General Financial and Budgeting Procedures – Capital Improvements, generally, every two years, the College receives State capital funding, which has approximated $1.3 million for each biennium from the State from 2001/2002 through 2009/2010 for basic renovation projects, which include parking lot repairs and re-pavement, roof replacements, new boilers, building renovations, and other infrastructure improvements. Since 2010, only $1.05 million in State capital funding has been designated for such basic renovation projects, requiring more local funds to meet these needs, while other state capital funds have been used to support or leverage other local or private funds raised through philanthropy for more significant capital projects. The following table shows historical and preliminary State capital appropriations to the College for the Fiscal Bienniums 2007/08 through 2019/20:

Biennium	Bill	Instructional & Data Processing	Basic Renovations	Project Funding	State Total
2007/2008	HB 699	$709,220	$1,803,681	$6,038,982	$8,551,883
2009/2010	HB 562	$640,572	$1,691,834	$5,470,913	$7,803,319
2011/2012	--	-	-	-	-
2013/2014	HB 482	$238,888	-	$5,000,000	$5,238,888
2015/2016	HB 497	-	-	$10,500,000	$10,500,000
2017/2018	HB 310	-	-	$14,600,000	$14,600,000
2019/2020	HB 529	-	-	$14,599,099	$14,599,099

Other Institutions; Ohio Department of Higher Education

Institutions of Higher Education in Central Ohio

There are several other institutions of higher education in the College's Service District. Within Franklin County alone, there are nine public and independent academic institutions, including The Ohio State University (one of Ohio's 14 state universities). There are four proprietary institutions in Franklin County, down from 42 institutions 11 years ago. All of the universities have a strong undergraduate mission and all of the proprietary institutions grant associate degrees.

Institutions of Higher Education in Ohio

Public higher education institutions in Ohio now include 14 state universities (with a total of 24 branches), including one stand-alone medical college (in addition to five at state universities), six community colleges operated by local community college districts supported in substantial part by locally-voted property taxes, nine state community colleges (including the Columbus State), eight technical colleges, and the Agricultural Research and Development Center. Those institutions all receive State assistance and conduct full-time educational programs in permanent facilities.

Community colleges operated by local districts differ from the College in that they receive local property tax support in addition to tax support through State appropriations.

ODHE has statewide coordinating, recommendatory, advisory and directory powers with respect to state-supported and state-assisted institutions of higher education. Among ODHE's powers and responsibilities are: to formulate and revise a State master plan for higher education; to make recommendations to the Governor and General Assembly concerning the development of state-financed capital plans for higher education; to approve or disapprove the establishment of technical colleges, state institutions of higher education, community colleges and new branches or academic centers of state universities; to approve or disapprove all new degree programs at higher education institutions; to manage state-funded financial aid programs; to develop and advocate policies to maximize higher education's contributions to the state and its citizens; and to review appropriation requests of those institutions and make recommendations to the General Assembly concerning the biennial higher education operating and capital appropriations.

The Chancellor is appointed by the Governor and is the chief administrative officer of ODHE. The Chancellor is also a member of the Governor's Cabinet. The Board of Regents is a nine-member advisory body to the Chancellor. The members of the Board of Regents are appointed by the Governor with the advice and consent of the Senate. Members are appointed to six year terms. Ex-officio nonvoting members are the chairmen of the respective education committees of the State Senate and House.

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COLLEGE FINANCIAL OPERATIONS AND RESULTS

General

Financial Statements

The College's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and with Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements – and Management Discussion and Analysis – for State and Local Governments, and Statement No. 35, Basic Financial Statements and Management's Discussion and Analysis of Public Colleges and Universities, issued in June and November 1999. The College reports as a special purpose government engaged solely in "business type activities" under GASB Statement No. 34. As required by the adoption of these accounting principles, the annual report consists of three basic financial statements that provide information on the College as a whole: the Statement of Net Position; the Statement of Revenues, Expenses and Changes in Net Position; and the Statement of Cash Flows; in addition, Management's Discussion and Analysis is required. It should be noted that the required subtotal for net operating income or loss will generally reflect a "loss" for state-supported colleges and universities, such as Columbus State, which is primarily due to the way that operating and non-operating items are defined, where certain significant revenue streams that are relied upon to fund current operations, including State Share of Instruction and investment income, are reported as non-operating revenues.

The College's audited financial statements for Fiscal Years 2016 and 2017 are attached as Appendix B. The College was audited for Fiscal Years 2015 through 2017 by the independent public accounting firm of Plattenburg & Associates, Inc. Fiscal Years 2005 through 2014 were audited by the independent public accounting firm of Parms & Company, LLC. Copies of the complete financial reports for these years also may be obtained by contacting the College's Controller, or on-line at the Auditor of State's web site.

Investments

The College makes investments in accordance with the Board of Trustees' policy which conforms to the authority granted in the Ohio Revised Code. The policy authorizes the President, the Vice President for Business Services/Treasurer/CFO, and the Deputy Treasurer/Controller to conduct the purchase and/or sale of approved investments. While the policy allows investment in other instruments, the College's practice has been to invest primarily in STAROhio and STARPlus (the State Treasurer's subdivision investment pools), and securities of the United States government, its agencies or its instrumentalities.

Net Position Analysis

The following tables, prepared by the College's financial staff, summarize (i) the College's revenues, expenses and changes in net position for recent Fiscal Years, and (ii) year-end net assets for those Fiscal Years. The summaries for these five Fiscal Years ended June 30, 2017 are derived from the College's audited financial statements for those years. All years presented have been released by the Auditor of State of Ohio, as required under State of Ohio law and filing requirements.

SUMMARY OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
($ in 000'S; for Fiscal Years ended June 30)

	2013	2014	2015	2016	2017
REVENUES					
Operating Revenues					
Student Tuition and Fees, net	$ 63,683	$ 60,983	$ 60,203	$ 60,033	$ 62,255
Federal Grants and Contracts	5,273	4,193	4,413	4,738	6,524
State and Local Grants and Contracts	938	1,485	4,081	2,027	1,677
Private Grants and Contracts	659	738	2,362	2,365	1,816
Sales and Services of Educational Departments	72	60	33	51	35
Auxiliary Enterprises					
Bookstore	14,815	14,547	13,118	12,882	12,925
Other	1,488	396	402	391	293
Other Operating Revenues	352	478	441	139	151
Total Operating Revenues	**87,280**	**82,880**	**85,053**	**82,626**	**85,676**
EXPENSES					
Operating Expenses					
Educational and General					
Instruction and Departmental Research	77,705	70,986	69,382	67,240	73,958
Public Service	5,651	4,458	9,013	8,157	10,531
Academic Support	6,906	5,690	6,794	8,702	9,247
Student Services	14,386	15,604	15,232	15,074	16,740
Institutional Support	29,464	24,364	26,018	23,699	28,500
Operation and Maintenance of Plant	14,534	15,323	15,308	16,963	22,753
Scholarships and Fellowships	29,738	21,278	19,503	15,720	12,206
Depreciation Expense	6,996	6,984	7,060	7,854	7,980
Auxiliary Enterprises					
Bookstore	13,963	13,064	12,075	12,613	12,860
Other	1,695	180	163	247	138
Total Operating Expense	**201,038**	**177,931**	**180,548**	**176,269**	**194,913**
Operating Income (Loss)	**(113,758)**	**(95,051)**	**(95,495)**	**(93,643)**	**(109,237)**
NON OPERATING REVENUES (EXPENSES)					
State Appropriations	60,882	61,009	61,436	63,860	67,247
Unrestricted Investment Income (Net of Investment Expense)	209	393	666	1,116	552
Restricted Investment Income (Net of Investment Expense)	3	-	1	3	10
Interest on Capital Asset Related Debt	(426)	(257)	(269)	(159)	(114)
Pell Grant	47,528	39,771	33,684	31,110	28,799
Other Nonoperating Revenue (Expense)	(1,039)	(31)	(2,973)	(1,763)	(1,542)
Net Nonoperating Revenues	**107,157**	**100,885**	**92,545**	**94,167**	**94,952**
Income (Loss) Before Other Revenues and Expenses	**(6,600)**	**5,834**	**(2,950)**	**524**	**(14,285)**
Capital Appropriations	5,329	2	4,731	3,398	3,942
Special Item – Loss on Sale of Trust Assets	(2,631)	-	-	-	-
Change in Net Position	**(3,902)**	**5,836**	**1,781**	**3,922**	**(10,343)**
NET POSITION					
Net Position-Beginning of Year	**276,473**	**272,571**	**81,220**	**83,001**	**86,923**
Net Position-End of Year	**$ 272,571**	**$ 278,407**	**$ 83,001** *	**$ 86,923**	**$ 76,580**

*In Fiscal Year 2015, the College implemented GASB Statement No. 68, Accounting and Financial Reporting for Pensions. The cumulative effect of adopting GASB No. 68 was a reduction in the College's net position as of July 1, 2014. Balances reported for the Fiscal Year ended June 30, 2014 and prior have not been restated due to limitations on the information available from the retirement systems.

A summary of the College's Year-End Net Assets, by category, and its Total Net Assets for Fiscal Years 2013 through 2017 appears below:

SUMMARY OF YEAR–END NET ASSETS
($ in 000's for Fiscal Years ended June 30)

	2013	2014	2015	2016	2017
Invested in Capital assets, Net of Related Debt	$147,824	$146,630	$147,619	$146,724	$148,138
Restricted	23,615	26,796	29,091	33,238	36,676
Unrestricted	101,132	(92,206)	(93,709)	(93,039)	(108,234)
Total Net Assets*	**$272,571**	**$81,220**	**$83,001**	**$86,923**	**$76,580**

* In Fiscal Year 2015, the College implemented GASB Statement No. 68, Accounting and Financial Reporting for Pensions. The cumulative effect of adopting GASB No. 68 was a reduction in the College's net position as of July 1, 2014. Balances reported for the Fiscal Year ended June 30, 2014 and prior have not been restated due to limitations on information available from the retirement systems.

Campus Financial Accountability

In 1997, Senate Bill 6 was enacted. The legislation mandated an annual review by ODHE of each college's and university's financial accountability. Using a formula that takes into account expendable net assets, plant debt, total revenues, total operating expenses, total non-operating expenses, and change in total net assets, a composite score ranging between zero and five is established, with five being optimum. The College's composite scores by Fiscal Year since 2007 has averaged 4.60. By Fiscal Year, the composite scores for the College are as follows:

Fiscal Year	Composite Score
FY07	5.00
FY08	5.00
FY09	5.00
FY10	5.00
FY11	4.60
FY12	4.00
FY13	4.20
FY14	4.80
FY15	4.20*
FY16	4.60*
FY17	4.20*

* Excluding GASB 68.

Source: ODHE

General Financial and Budgeting Procedures

The College's Fiscal Year corresponds to the State of Ohio's fiscal year: July 1 through June 30. The College maintains operating budgets for its general operating fund, auxiliary fund, and current restricted funds. The general operating budget includes all expenditures supported by unrestricted funds and includes the following categories: educational & general, library, general administration, information technology, student services, operation & maintenance of plant, and transfers for reserve allocations. The auxiliary fund budget includes expenditures supported by revenues generated, including bookstore and food service operations. The restricted fund budget includes all expenditures supported by specific grants, contracts, gifts, and donations.

Operating Budget

By policy, the Board of Trustees adopts an operating budget each year at its May meeting for the ensuing Fiscal Year and amends it in January if necessary. Under the direction of the President, budget units are required to submit budget requests to the College's Division of Business Services after thorough review by each unit's leadership and the member of the President's Cabinet responsible for the budget unit. Budget decisions are determined based on their alignment to the College's strategic priorities. A Fiscal Year 2018 budget was submitted to and approved by the Board of Trustees in May 2017, and was revised in January 2018.

Auxiliary/quasi-auxiliary operations also prepare a budget package. These operations are intended to be self-supporting. The revenue generated, based upon estimated enrollment or service levels, must be evaluated prior to the development of individual budgets. These operations allow the College to offer on-site access to these services to students and the community. These services include a bookstore and food service.

Revenues

The College receives State funding for operating purposes on a performance-based formula known as the State's Share of Instruction ("SSI"). SSI is Ohio's primary mechanism of subsidizing the instructional costs at Ohio's public institutions of higher education for the purpose of reducing the cost of tuition for Ohio residents. Performance is measured on course completions (50%), success points (25%) and completion milestones (25%). Success points are earned when a student reaches 12, 24, or 36 college-level credits and when a student completes a developmental English or math course and then enrolls in college-level English or math. Completion milestones represent associate degree completions, certificate completions (of 30+ credits), and transfers to another institution with 12+ credit hours. For the historical context of Ohio's shift to a performance-based funding model for higher education, see "State Budget and State Appropriations" herein.

State funding represents approximately 46% of the College's operating revenue. Since Fiscal Year 2014 the College has received additional State support each year over the previous year in real dollars. Since Fiscal Year 2014, State support per FTE has ranged from a low of $3,210 in Fiscal Year 2014 to a high of $3,952 in Fiscal Year 2017. The College has become increasingly reliant on tuition and fees to support the College's services.

The College understands there is no assurance that State appropriated funds for operating or capital improvement purposes will be made available in the amounts requested or required by the College, and that at any time the Governor through Executive Order or the General Assembly, through legislation, can amend the College's allocations. The College has established a Resource Planning Principle that plans for a margin of 3-5% in recognition of the need to provide funding to meet capital and other strategic needs or in the event State appropriations are reduced and other measures are insufficient to balance the College's annual budget. Additionally, the College prudently manages its annual operating budget by conservatively estimating its revenues and by reserving portions of the capital improvement and capital equipment allocations until such time as the State's economic picture stabilizes.

Expenditures

The College's revised Fiscal Year 2018 general fund has budgeted expenditures of $144.5 million that will be spent on payroll (49.0%), operating and maintenance expenses (10.8%), debt service (0.44%), and capital improvements and capital equipment (0.38%).

The College engages approximately 980 adjunct faculty on a semester contract to teach approximately 50% of its classes. As enrollment grows, adjunct faculty are added. Should enrollment stabilize or decrease, adjuncts would not be hired in those particular departments. This gives the College flexibility within its operating budget to manage its expenditures in the context of its enrollment.

Annual Review of Tuition Rates

As previously mentioned in the "Ohio Tuition Cap" section, Columbus State did not increase tuition for 6½ years over the most recent economic recession. Tuition rate increases in recent years have been made with careful analysis of the need for scaling proven success initiatives.

Capital Equipment

Each year as part of the operating budget, the College allocates funds for new and replacement equipment. A substantial share of this budget is used to support necessary equipment for students' instruction. The funds are also used to purchase equipment necessary by employees and departments to support the general maintenance and operation of the College.

Capital Improvements

Every other year, the College prepares and updates a six-year capital improvement plan, as required by the State. The first two years of this plan serves as the basis of the College's request for State biennial capital funding. The request identifies the projects proposed to be financed with State appropriations and the purpose, priority, amount, and source of funds for these projects. ODHE and the General Assembly may approve, modify or decline aspects of the College's requested capital appropriation request.

Monthly Budget Review

Monthly monitoring of the financial position of the College is a collaborative effort between the Office of the Controller and Resource Planning and Analysis ("RPA") in consultation with departmental cost center managers and administrators, as appropriate. A monthly review meeting includes the following departments: Accounting Services, Bookstore, RPA, and the Controller's Office. RPA projects the revenue and expenses through the end of the Fiscal Year as part of the monthly review. A financial package, which includes a comparative statement of the College's operating revenues and expenditures (actual and projections), including information pertaining to restricted and special funds, as well as a schedule of investments, is presented to the Chief Financial Officer. The CFO presents the financial package and narrative explanation to the President for his review. The package is then forwarded to the Board of Trustees.

Financial Reports and Audits

The State Auditor is charged by law with the responsibility of inspecting and supervising the accounts and records of each taxing subdivision and most public agencies and institutions (including the College).

Audits are made by the State Auditor, or by a certified public accounting firm at the direction of the State Auditor, pursuant to Ohio law, and examinations or audits are made under certain federal program requirements. No other independent examination or audit of the College's financial records is made.

Annual financial reports are prepared by the College, and filed as required by law with the State Auditor after the close of each Fiscal Year.

The financial statements of the College as of and for the Fiscal Years ended June 30, 2016 and 2017, included in Appendix B of this Official Statement, have been audited by Plattenburg & Associates, Inc., independent auditors, as stated in the report appearing therein.

As required under the Ohio Revised Code, reports on (i) the College's financial statements prepared by Plattenburg & Associates, Inc., in accordance with the Single Audit Act, and (ii) reports on the College's compliance and internal control, have been filed with the Auditor of the State of Ohio and are available as public records on the Auditor of State's website, http://www.auditor.state.oh.us.

State Budget and State Appropriations

House Bill No. 49 ("HB 49"), the State appropriations act for the operating biennium beginning July 1, 2017 and ending June 30, 2019 (the 2018-2019 biennium), provides for approximately $5.2 billion of total General Revenue Fund ("GRF") appropriations for higher education out of the total $65.5 billion two-year budget. Total funding to higher education increased by 2.7% over the previous biennium with the State Share of Instruction increasing by 2.0% due to an increase in Fiscal Year 2017. Total funding for Fiscal Year 2018 and Fiscal Year 2019 remained flat to the Fiscal Year 2017 level, the second year of the 2016-2017 biennium, at $1.98 billion annually. HB 49 allows community colleges to increase tuition through a Career Services fee in Fiscal Year 2018 and allows tuition to be increased up to $10 per credit in Fiscal Year 2019.

In the Autumn of 2012, the Governor met with leaders of Ohio's public colleges and universities and challenged them to work together to envision the State Share of Instruction not simply as State subsidy, but as a strategic source of funding. It was the goal that this new approach would incentivize student success as well as increased course and degree completions, while holding public institutions accountable for results. As a result, a new funding methodology was developed. In Fiscal Year 2014, the community college and technical college funding model consisted of three components: enrollment (50%), course completion (25%), and student success points (25%). There was also a stop-loss calculation that provided temporary stability to institutions if their funding decreased precipitously. Under this new formula methodology, the College received approximately $60.4 million in SSI Payments in Fiscal Year 2014, which was a 0.2% increase from the previous year. The funding model for Fiscal Year 2015 was based upon three components: course completion (50%), completion milestones (25%) and student success points (25%). The course completion and completion milestone metrics were also weighted by access categories, intended to support the ongoing access mission of community colleges for certain populations that are underserved and whose increased success is essential to the attainment goals of the State. The College received approximately $61.2 million in SSI Payments in Fiscal Year 2015, a 1.3% increase. The College has continued to realize increases in SSI funding: 4.0% in Fiscal Year 2016, 5.3% in Fiscal Year 2017 and a 1.0% increase in Fiscal Year 2018. The 1.0% increase for Fiscal Year 2018 was realized while SSI funding for the State as a whole was flat due to the College performing better on the formula's performance metrics relative to other community colleges.

The economy of the State has recovered from the recent recession. Unemployment, which was at 8.9% in July 2011, was at 4.5% in February 2018. For Fiscal Year 2017, tax receipts to the State were 3.7% below projections for the year. GRF tax revenues were below expectations by 3.7% and Sales and

Uses taxes were below expectations by 1.8%. Through March 2018, GRF tax revenues have increased 1.4% from last year and 1.5% above estimate.

Foundation

The Columbus State Community College Foundation (the "Foundation"), established in 1982 as a 50l(C)(3), is a nonprofit organization, separate from the College, with its own Board of Directors, but organized and operated exclusively to generate, receive, hold, invest, manage and allocate funds and property for the advancement, achievement, and support of the educational programs of the College, the beneficiaries being its students and community. The Foundation had total assets of $13.5 million at June 30, 2017, and total revenues, investment income and other support totaling $2.6 million for the year then ended. The Foundation administers over 200 scholarships and provides more than $200,000 in aid each year to financially disadvantaged students as well as students demonstrating excellent academic abilities or meeting specific scholarship criteria.

The Foundation's financial records were audited in conjunction with those of the College from 2005 through 2014 by the independent public accounting firm of Parms & Company, LLC., and presented as a component unit of the College. From Fiscal Years 2015 through 2017 the Foundation was audited by the independent public accounting firm of Rea & Associates, Inc., but was still shown as a component unit of the College. Copies of the complete financial reports for these years also may be obtained by contacting the College's Controller, or on-line at the Auditor of State's web site.

The Foundation's revenues or assets are not included in the pledged General Receipts.

Gifts, Grants and Contracts

During Fiscal Year 2017, the College's Grants Portfolio included 80 total projects, with awards totaling $48.2 million that were in operation. Federal agencies accounted for approximately 59.1% of the funding, state agencies accounted for approximately 22.9%, and local agencies and contributions from private entities comprised the remaining 18.0%. These percentages excluded student financial aid.

During Fiscal Year 2017, the Student Financial Aid Cluster was $75.0 million, which included grants and loans. Financial aid accounted for 92.3% of the total federal expenditures for the year.

Insurance Coverage

The College purchases insurance policies in varying amounts for general liability, property damage, and employee and Board of Trustee's liability, including excess coverage through umbrella liability policies. There are no records or other documented evidence indicating that claims settled by the College, in conjunction with its insurers, have ever exceeded the College's insurance coverage limits.

Retirement Plans

The College's faculty is covered by the State Teachers Retirement System of Ohio (STRS). The School Employees Retirement System of Ohio (SERS) covers substantially all other full-time and part-time employees. STRS (faculty) and SERS (non-teaching staff) are funded from both employer and employee contributions. In addition, optional tax deferred annuity programs are available to employees, for which the College provides administrative services only.

Federal law mandates College employees hired after March 1986 to participate in the federal Medicare program, which requires matching employer and employee contributions, currently 1.45% of the employee's wage base. Otherwise, College employees covered by a State retirement system are not currently covered under the federal Social Security Act.

For the 2017 Autumn semester, SERS provided coverage for 1,191 College employees, and STRS for 1,977 College faculty. Currently, employees contribute at a statutory rate of 10% (SERS- Staff), and 14% (STRS) of earnable salary or compensation. The College contributes 14% (SERS) and 14% (STRS) (actuarially established) of the same base.

In Fiscal Year 2015, the College adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement 27," which significantly revised the accounting for pension costs and liabilities. The net pension liability recorded on the College's Statement of Net Position represents its proportionate share of each pension plan's collective actuarial present value of estimated future pension benefits attributable to active and inactive employees' past service, net of each pension plan's assets available to pay these benefits. The net pension liability calculation is dependent on critical long-term variables, including estimated life expectancies, earnings on investments, cost of living adjustments and others. While these estimates are based on the best information available, unknown future events require annual adjustments to these estimates. As of June 30, 2017, the College reported a net pension liability of $148.2 million and $93.1 million, respectively, for the STRS and SERS retirement systems. Please refer to Note 11 – Defined Benefit Pension Plans of the College's audit report for more information regarding the College's implementation of GASB Statement 68.

SERS and STRS are not now subject to the funding and vesting requirements of the federal Employee Retirement Income Security Act of 1974.

Both SERS and STRS are created and operate pursuant to State law. The General Assembly could determine to amend the format of either fund and could revise rates or methods of contributions to be made by the College into the pension funds and revise benefits or benefit levels.

Legislation enacted in 1997 required all Ohio public universities and colleges to offer at least three alternative retirement plans to certain employee groups. In 1999, the College offered a defined contribution alternative retirement plan through eight (8) vendors selected by the Ohio Department of Insurance. All faculty and eligible staff not vested in an existing defined benefit plan were offered a one-time election to join the alternative plan. New employees from these groups also may make a one-time election to participate in the defined contribution or the defined benefit plan. Contributions by the College and employees to these alternative retirement plans are currently made at the same respective rates as the contributions to SERS and STRS:

Contribution Retirement Plan	**Employer %**	**Employee %**
SERS	14%	10%
STRS	14%	14%
<u>Alternate Retirement Plan (ARP)</u>		
If enrolled in SERS	14%	10%
If enrolled in SERS after 07/01/2017	10.52% to ARP 3.48% to SERS	10%
If enrolled in STRS after 07/01/2017	9.53% to ARP 4.47% to STRS	14%

Voluntary Cash Separation Incentive Program

In May 2011, the Board of Trustees authorized a Voluntary Cash Separation Incentive ("VCSI") Program. This was done as complexities and uncertainties related to state funding for higher education and proposed pension reform legislation existed. This allowed employees that were already eligible an incentive to retire which served to slow the growth of the College's payroll, the most significant expense in the operating budget. Additionally, the program created opportunities to reorganize or reallocate positions to more effectively meet the College's student success objectives. This program was a three year program, from July 1, 2011 through June 30, 2014. While funding after the first year was not guaranteed, the College was able to fund all three years. The incentive decreased with each year.

INDEBTEDNESS

The College has Series 2012 General Receipts Bonds (the "Series 2012 Bonds") with an interest rate of 1.65 percent that are outstanding, due serially through 2023. The Series 2012 are outstanding in the amount of $5,320,000 for the Fiscal Year ended June 30, 2017. For additional information concerning the College's long-term obligations, see Note 7 in the College's audited financial statements for the Fiscal Year ended June 30, 2017.

The College has entered into various operating leases and may enter into additional similar arrangements. Most of these leases are for classroom space for off-campus sites. Maximum annual lease payments under these leases totaled $2.3 million. For additional information concerning the College's lease obligations, see Note 8 in the College's audited financial statements for the Fiscal Year ended June 30, 2017.

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THE COLLEGE AND THE COMMUNITY

Population

The table below shows the populations of Franklin, Delaware, Madison and Union Counties (the "Counties") and the Columbus, Ohio, Metropolitan Statistical Area ("MSA") from 1970 – 2010.

Population Data	1970	1980	1990	2000	2010
Franklin County	833,249	869,129	961,437	1,068,978	1,163,417
Delaware County	42,908	53,840	66,929	109,989	174,214
Madison County	28,318	33,004	37,068	40,213	43,435
Union County	23,786	29,536	31,969	40,909	52,300
Columbus, OH (MSA)	N/A	N/A	N/A	1,540,157	1,836,536

Source: U.S. Census Bureau, 1970-2010 Census Data.

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Employment

The following table shows comparative average employment and unemployment statistics for the Counties, the MSA, the State, and the United States for the indicated periods.

	Employed					Unemployed					Unemployed Rate						
Year	Franklin County	Delaware County	Union County	Madison County	MSA	Franklin County	Delaware County	Union County	Madison County	MSA	Franklin County	Delaware County	Union County	Madison County	MSA	State	U.S.
2012	589,700	91,000	24,800	18,800	939,034	40,500	5,000	1,500	1,300	64,913	6.4%	5.2%	5.7%	6.4%	6.5%	7.4%	8.1%
2013	598,600	93,000	25,100	19,000	951,201	41,300	5,200	1,600	1,300	66,092	6.4%	5.3%	5.8%	6.3%	6.5%	7.5%	7.5%
2014	616,100	96,300	25,600	19,500	976,428	31,500	4,100	1,200	1,000	50,610	4.9%	4.1%	4.5%	4.7%	4.9%	5.8%	6.2%
2015	627,500	98,100	26,100	19,900	994,096	26,600	3,500	1,000	800	43,160	4.0%	3.5%	3.8%	4.0%	4.2%	4.9%	5.3%
2016	636,800	99,900	26,300	20,000	1,007,934	26,800	3,700	1,000	800	43,025	4.0%	3.5%	3.8%	3.8%	4.1%	4.9%	4.9%

Note: Figures have been rounded to hundredths. Not seasonally adjusted.
Source: U.S. Bureau of Labor Statistics.

Largest Employers

The following table shows the largest employers (public and private) in the Service District as of January 1, 2017:

Employer	**Business Description**	**Approximate Number of Employees**
The Ohio State University	Public University	30,804
State of Ohio	State Government	24,067
Kroger Co.	Grocery Retailer	22,821
OhioHealth	Health Care System	21,117
JPMorgan Chase & Co.	Banking and Financial Services	18,600
Nationwide	Insurance and Financial Services	14,100
Nationwide Children's Hospital	Pediatric Hospital and Health Care	10,032
Mount Carmel Health System	Health Care System	8,852
City of Columbus	City Government	8,815
Columbus City Schools	Public School District	8,004
L Brands Inc.	Retail	7,800
Honda North America Inc.	Auto-Motorcycle Mfg.	7,700
Franklin County	County Government	7,040
Huntington Bancshares Inc.	Regional Bank Holding Company	5,848
Cardinal Health Inc.	Health Care Services and Products	5,197

Source: Columbus Business First, Book of Lists, July 14, 2017.

Corporate Headquarters

Franklin County is the location of corporate headquarters for four companies that ranked among Fortune Magazine's (2017) 500 largest corporations in the United States, as shown in the following table:

Within the 500 Largest U.S. Corporations Ranked by Revenues

2017 Rank	Company	Revenues ($ Millions)	Product
15	Cardinal Health	$121,546	Healthcare
68	Nationwide	40,074	Financial Services
167	American Electric Power	16,380	Utilities
220	Limited Brands	12,574	Retail
495	Big Lots	5,200	Retail

Source: Fortune 500 Directory of Largest U.S. Corporations, June 7, 2017.

Personal Income

According to the U.S. Census Bureau's 2012-2016 American Community Survey Five-Year Estimates, in 2016, the median household incomes for Franklin County, Delaware County, Madison County and Union County were $54,037, $94,234, $58,326 and $71,282, respectively, compared to State and national median household incomes of $50,674 and $55,322, respectively.

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Home Values and Housing Units

The following table provides median home values and comparison housing data for the Counties, the City, and the State.

	Median Value Of Owner-Occupied Housing Units	Percentage of Housing Units Constructed Prior to 1940		Total Housing Units		
	2016	2010	2016	2010	2016	% Change
Franklin County	$153,100	12.0%	10.9%	523,581	550,779	+5.19%
Delaware County	267,600	9.3	7.3	64,337	69,557	+8.11
Madison County	150,900	19.6	20.4	15,845	15,964	+0.75
Union County	174,300	19.4	15.7	19,129	20,030	+4.71
City of Columbus	131,800	13.7	12.2	370,489	383,071	+3.40
State of Ohio	131,900	21.9	20.7	5,107,273	5,146,944	+0.78

Source: U.S. Census Bureau: 2012-2016 American Community Survey Five-Year Estimates; 2006-2010 American Survey Five-Year Estimates.

The following table shows the numbers of residential property sales transactions and average sales price of single-family residential properties sold in the Service District in 2017.

	Total Real Estate Transactions	Single Family Home Sales Transactions	Average Single-Family Home Sales Price
Franklin County	23,649	17,286	$173,975
Delaware County	11,204	8,076	$323,592
Madison County	1,675	927	$157,427
Union County	2,147	1,190	$249,375

Source: Franklin County Auditor, *Property Transactions in Franklin County Quarterly Trend Analysis 2017-2018*; Delaware County Auditor; Madison County Auditor; Union County Auditor.

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APPENDIX B

AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR 2017

COLUMBUS STATE COMMUNITY COLLEGE

Basic Financial Statements

June 30, 2017

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Dave Yost • Auditor of State

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

We have reviewed the *Independent Auditor's Report* of the Columbus State Community College, Franklin County, prepared by Plattenburg & Associates, Inc., for the audit period July 1, 2016 through June 30, 2017. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Dave Yost
Auditor of State

October 27, 2017

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COLUMBUS STATE COMMUNITY COLLEGE

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Columbus State Community College

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and discretely presented component unit of Columbus State Community College (the College), a component unit of the State of Ohio, as of and for the years ended June 30, 2017 and June 30, 2016, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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Opinion

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the College, as of June 30, 2017 and June 30, 2016, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 13, 2017, on our consideration of the College's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Cincinnati, Ohio
October 13, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Columbus State Community College's Annual Report presents management's discussion and analysis ("MD&A") of the College's financial position as of June 30, 2017; and financial activity for the fiscal year July 1, 2016 through June 30, 2017, with selected comparative information for the fiscal years ended June 30, 2016 and June 30, 2015, when appropriate. This discussion should be read in conjunction with the accompanying financial statements and notes herein.

ABOUT THE COLLEGE

Columbus State Community College ("the College") is the region's only open-access institution, and it is the front door to higher education for more central Ohio residents than any other college or university. Columbus State is one of the largest and most comprehensive colleges in Ohio, providing affordable, high-quality programs to enhance the educational and employment opportunities of its increasingly diverse student body.

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

Columbus State has a strong commitment to technical education, offering the Associate of Applied Science and the Associate of Technical Studies degree programs in business, health, human services, public service, and engineering technologies to prepare graduates for immediate employment. Columbus State has transfer agreements with dozens of four-year institutions. The Associate of Arts and Associate of Science fulfill the freshman and sophomore course requirements of bachelor's degree programs offered by any public university in Ohio and *Preferred Pathway®* partnerships with nine universities guarantee admission to students who successfully complete an associate's degree at Columbus State.

Columbus State has two campuses (Columbus, Ohio and Delaware County), and five regional learning centers throughout its four-county service district. These centers allow students to take courses closer to where they live and work. The College is a leader in distance education with the largest number of sections and enrollments in on-line education of all community colleges in Ohio, which allows many students to take classes from their homes, a library or wherever it is convenient. The College also offers degree-oriented college-level courses to qualified high school students through the *College Credit Plus* (*CCP*) program; courses are taught at the high schools, online, or at one of Columbus State's campuses or regional learning centers.

ABOUT THE FINANCIAL STATEMENTS

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

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

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

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

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

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

FINANCIAL AND INSTITUTIONAL HIGHLIGHTS

Enrollment, Tuition Revenue and Overall Financial Results

Columbus State is in a class of its own being the only College in the nation to be part of three prominent initiatives that are advancing student success: the American Association of Community Colleges *Guided Pathways* initiative, *Achieving the Dream Leader College*, and *Right Signals*, a Lumina Foundation program. While some of the success gains realized by the College in recent years have plateaued, which is expected from more mature *Achieving the Dream* schools, the College still had its largest graduating class in its history, progressed in closing the performance gap as measured by course completion for low income students and for students of color, and increased credentials awarded to African American students, all despite recent years of flat to slightly declining enrollment that is well below historic highs experienced in 2011-12.

Autumn and Spring semesters combined for an increased headcount of 3.4% over FY16, but a decrease in full-time equivalents (FTEs) of 1.4%. Enrollment for Summer 2017 decreased nearly 5.6% from Summer 2016 FTEs, and Summer 2016 was 2.0% below the previous year. Overall, headcount for FY17 was up over 2% and FTEs were down approximately 1.8%. Because the state's FY16-FY17 biennium again froze tuition rates, , tuition revenue results (excluding fees) were similar to enrollment results, decreasing by $1.2 million, or 1.72%.

With lower tuition revenue in FY17, financial resources were limited, similar to the trend in recent years, requiring more aggressive reallocations, rigorous expense management, continued commitment to strategic partnerships, and challenging trade-offs to allow the College to maintain a solid financial position, including additional investments in strategic initiatives and assets allowed by underspending in several areas.

FY17 was the second full year of Ohio's *College Credit Plus* program (*CCP*), which allows high school students to earn college credit while still in high school, making higher education more affordable. Over 4,900 high school students earned credit through *College Credit Plus* in Autumn 2016 and Spring 2017 semesters. While *CCP* at the college continued to grow, it grew at a slower rate than in FY16. After two full years, about one fourth of the *CCP* students matriculate to Columbus State the year after they graduate from high school, and about one third return at any point after high school.

Student participation in the *College Credit Plus* program continues to increase, becoming a larger share of the overall enrollment of the College. However, because the *CCP* population tends to take fewer classes/credit hours per term than traditional students, total College headcount has increased but FTEs have decreased, as noted above. Additionally, as two-thirds of *CCP* credits are discounted below standard tuition rates, more downward pressure on tuition revenue has resulted.

Overall, the College is reporting a negative Change in Net Position of $10.3 million for the fiscal year ended June 30, 2017, a decrease of $14.2 million from 2016. Excluding $7.3 million for entries related to pension expense, discussed below under the section for Implementation of GASB 68, the Change in Net Position was a decrease of $3.0 million for FY17 compared to an increase of $2.1 million for FY16.

Implementation of GASB 68

During FY15, the College adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," which significantly revised accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the College's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

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

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

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

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

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

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

As a result of implementing GASB 68, the College is reporting a net pension liability of $241.3 million and $198.7 million, and net deferred inflows/outflows of resources totaling $41.7 million and $6.4 million related to pensions on the accrual basis of accounting for the years ended June 30, 2017 and 2016, respectively. The implementation in FY15 also had the effect of restating net position at June 30, 2014, from $278,407,485 to $81,220,359.

Student Success Initiatives and Grant Support

Columbus State continued to manage through the changing business environment of higher education and changes in the state's funding formula to one based entirely on performance, focusing on its strategic priorities of student success, workforce development and civic engagement. The impact of grants in advancing these strategic priorities can be felt throughout the college and our community. Some examples during FY17 include: 309 refugee and immigrant participants in after-school activities, 985 business contracts were served by the Small Business Development Center, 176 students earned scholarships or stipends, at least 1,340 underserved students were provided support services, 303 external partners collaborated with Columbus State on grant-funded initiatives, and over $858,000 in new equipment was purchased for the College through external grants.

During FY17, much progress was made in the implementation of the objectives of the *Central Ohio Compact (COC)*, a regional strategy for college completion and career success objectives with representation of a variety of partners including public and private colleges and universities, K-12 school districts, workforce and economic development professionals and government officials. Funding from multi-year grants continued in FY17 in support of the College's strategic priorities. These grants included:

The US Department of Education Investing in Innovation (i3) grant, *Central Ohio Partnership for College and Career Readiness Expansion*, was in its first full year of funding. The grant has helped to build upon existing K-12 partnerships with seven high-poverty Central Ohio Districts.

The American Electric Power (AEP) Foundation awarded the College, through the Development Foundation, $5 million for a 5-year pilot, *The Credits Count*[SM] program, to prepare students for STEM (science, technology, engineering, and math) careers at five (5) Columbus City high schools.

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

During FY17, the College had eight National Science Foundation, Advanced Technological Education grants, the largest number of any community college in the nation. These grants include funding for Cyber Security; Additive Manufacturing; Data Analytics Technician Advancement (DATA); Logistics Engineering Technology Pathway; Logistics Engineering Technology Work Study; LSAMP (Louis Stokes Alliances for Minority Participation) Broadening Participation Research in STEM Education; Modern Manufacturing Work Study; SMARTT Mobile Application Development; and Scholarships in Science, Technology, Engineering and Mathematics Program (S-STEM). Two of these grants are described in more detail below.

The goal of the DATA grant is to establish a Data Analytics Technician Advancement (DATA) Pathway in the Central Ohio region to increase the supply of qualified technicians. The career pathway will have two tracks: one for incoming students from regional high schools; and one for veterans and underemployed incumbent workers.

The S-STEM scholarship program, not only provides scholarship support for students, but also other support services that help with student success. Some of those services include a summer bridge program for incoming freshmen, a STEM Club, a dedicated STEM advisor and STEM resource center, career counseling and internship opportunities as well as peer mentoring.

Resources provided by federal, state, local, and corporate grants and other partners, for College personnel devoted to this work and other expenses that would otherwise have been funded from the College's increasingly limited operating budget, have allowed the College to accelerate the work of student success and workforce development. As some of the multi-year grants start to expire over the next couple of years, the College will be looking for additional funding to continue this work while also reallocating within the operating budget to integrate and operationalize at full scale those practices that have proven successful in advancing strategic priorities.

Financial Accountability

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

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

Results for FY16 were released in the spring of 2017 and Columbus State's composite score was 4.6 (adjusted to exclude the impact of GASB 68). The College maintains an average score of 4.7 on a scale of 0-5.

Capital Additions and Improvements

The Elevator Modernization Project commenced to update controls on elevators in five campus buildings (Nestor Hall – 1992, Columbus Hall – 1973, Eibling Hall – 1968, Delaware Hall – 1976, and the Parking Garage – 1997). The updates will significantly improve the reliability of the elevators' operation and reduce risk and liability to the College. The work which began in FY16 continued through FY17 with the majority of the work completed by the end of FY17, however there will continue to be some work into FY18. The total project cost through FY17 was $1.1M, funded by state capital funds reappropriated from the FY15-16 biennium.

Repaving of Jefferson Avenue and Grove Street, between Spring Street and Cleveland Avenue, both owned and maintained by Columbus State Community College, was completed prior to the start of Autumn 2016. Recent severe winters accelerated the deterioration of the pavement resulting in more constant and expensive maintenance requirements. The project included new approaches to meet ADA requirements and complete sidewalks that make the entire road pedestrian-friendly. The project cost $0.6M, funded with local funds.

A classroom in the Center for Technology and Learning was converted to a new fully functioning science laboratory. The new lab was designed with the flexibility to offer classes across various science disciplines and provides additional laboratory space to ensure that the College can schedule the classes needed by students. The project cost was $510,000 and was completed for Spring semester 2017 classes.

The largest capital addition for FY17 was a property acquisition. To maintain its current parking capacity as well as secure the southeast boundary of the campus, a parking lot that had been leased in recent years, to maintain sufficient parking capacity on the Columbus campus, was purchased at a cost of $2.2 million.

State Capital Funds

In the FY17-FY18 state capital appropriations legislation (SB 310), Columbus State's total appropriation was $14.6 million providing $10 million for updated space for a School of Hospitality Management and Culinary Arts facility, $3.6 million for an Academic Success Center, and $1 million towards modernizing space for a School of Business Technologies to include the relocation of Business Programs, Computer Sciences, and Media Creations. Program planning began for a new culinary building to be constructed on the Columbus campus. This project will use a construction manager at risk (CMR) delivery method which allows for faster project delivery and broader opportunities for engaging subcontractors. The Board of Trustees approved the CMR contract with Gilbane

Building Company in FY17, allowing for construction contractor input throughout the design process, the pre-construction phase. Construction is scheduled to begin in spring of FY18 with anticipated completion by autumn of FY20. In addition to the $10 million appropriated in SB 310, the building will be funded by a combination of privately-raised and local funds. A Capital Planning Implementation Team was formed to further assess the impact of implementing the FY17-FY18 capital plan on other facilities and/or operations and will recommend project priorities for the FY19-FY24 capital plan. The College was also funded for FY17-FY18 as a partner in six community projects totaling $2.5 million.

OTHER FACTORS TO CONSIDER

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

FINANCIAL STATEMENTS

The ***Statement of Net Position*** details all College holdings (assets) such as cash, investments, accounts receivable, land and buildings; and liabilities including payments due to vendors, and short and long-term debt, as of June 30, 2017. The total amount of assets and deferred outflows minus liabilities equals net position. The net position is categorized as follows:

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

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

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

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

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

Statements of Net Position (in thousands)

	2017	2016	Difference	2015	Difference
Assets					
Current assets	$ 90,734	$ 102,844	$ (12,110)	$ 96,614	$ 6,230
Noncurrent assets					
Capital assets	153,458	153,645	(186)	156,094	(2,449)
Other	58,539	49,847	8,692	69,221	(19,374)
Total Assets	302,731	306,336	(3,604)	321,929	(15,593)
Deferred Outflows of Resources					
Pension	46,722	32,441	14,281	13,578	18,863
Unamortized loss on refunding	171	232	(61)	298	(66)
Total Deferred Outflows of Resources	46,893	32,673	14,220	13,876	18,797
Total Assets and Deferred Outflows of Resources	$ 349,624	$ 339,009	$ 10,614	$ 335,805	$ 3,204
Liabilities					
Current Liabilities					
Accounts payable and accrued	12,372	11,539	833	13,454	(1,915)
Debt, current portion	855	1,600	(745)	1,555	45
Unearned revenue	7,795	7,776	19	22,117	(14,341)
Noncurrent liabilities					
Debt, long-term portion	4,465	5,320	(855)	6,920	(1,600)
Net Pension Liability	241,314	198,714	42,600	176,533	22,181
Long-term liabilities	1,219	1,064	155	993	71
Total Liabilities	268,020	226,014	42,006	221,572	4,441
Deferred Inflows of Resources					
Pension	5,024	26,071	(21,047)	31,232	(5,161)
Total Deferred Inflows of Resources	5,024	26,071	(21,047)	31,232	(5,161)
Total Liabilities and Deferred Inflows of Resourc	273,044	252,085	20,959	252,804	(720)
Net Position					
Invested in capital assets	148,138	146,725	1,413	147,619	(894)
Restricted	36,676	33,238	3,437	29,091	4,147
Unrestricted	(108,234)	(93,039)	(15,195)	(93,709)	670
Total Net Position	$ 76,580	$ 86,923	$ (10,343)	$ 83,001	$ 3,923

As of June 30, 2017, current assets totaled $90.7 million compared to $102.8 million in FY16, a decrease of $12.1 million, or 11.8%. Short-term investments decreased while cash and accounts receivable increased to account for most of the difference. A substantial portion of the $12.1 million decrease from FY16 is due to more investments with longer maturities; cash and short-term investments decreased by $12.9 million, while long-term investments (non-current assets) increased by $8.7 million. In total, cash and investments (short-term and long-term) decreased by just $4.2 million, or 3.1%. This overall decrease in cash and investments is the result of higher spending for strategic purposes funded from reserves, not the primary FY17 operating budget, including items such as the purchase of property (parking lot).

Total assets as of June 30, 2017, were $302.7 million compared to $306.3 million in FY16, a 1.18% decrease, with the majority of the decrease coming from the strategic use of cash, as mentioned above. Capital assets, such as land, buildings, machinery and equipment, remain the largest asset group at $153.5 million (50.7%), followed by cash and investments of $133.2 million (44%), and accounts receivable, inventory and other assets at $16 million (5.3%). Cash and investments, as a percentage of total assets, are 0.8 percentage points lower than its proportion of total assets at June 30, 2016. Inventory and other assets increased by 0.3 percentage points, while capital assets increased by 0.5 points. Overall, there were no significant changes in the distribution of total assets.

Liabilities

As of June 30, 2017, the College's current liabilities were $21 million, compared to $20.9 million in 2016. Of the total in FY17, $7.8 million was unearned revenue (Summer semester tuition revenue related toFY18, credit bank, and unearned revenues related to grants and contracts), $12.4 million was accounts payable and accrued expenses, and $855,000 was the current portion of long-term debt. For FY16, $7.8 million was unearned revenue (Summer and Autumn 2016 semester tuition revenues related to FY17, credit bank, and unearned revenues related to grants and contracts), $11.5 million was accounts payable and accrued expenses, and $1.6 million was the current portion of long-term debt.

Noncurrent liabilities as of June 30, 2017 were $247 million, consisting of $4.5 million in long-term debt (general receipts bonds), other long-term liabilities (primarily compensated absences) of $1.2 million, and net pension liability of $241.3 million. By comparison, noncurrent liabilities as of June 30, 2016 were $205.1 million consisting of $5.3 million in bonds payable, $1.1million in other long-term liabilities, and $198.7 million in net pension liability. The decrease in the long-term debt is due to debt service payments for FY17. The more significant increase in noncurrent liabilities occurred in the net pension liability, which increased by $42.6 million. As discussed previously, the net pension liability represents the College's proportionate share of each pension plan's collective net pension liability; changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the College.

Total liabilities as of June 30, 2017 were $268.0 million compared to $226.0 million in FY16. The $42.0 million change is primarily attributed to the increase of $42.6 million for net pension liability and the reduction in long-term debt as a result of FY17 debt service payments.

Net Position

Net position decreased by $10.3 million in FY17. As discussed under Financial and Institutional Highlights, FY17 activity included an increase to expenses of approximately $7.3 million related to pension activity. Excluding the impact of pension activities, the net position for FY17 decreased by approximately $3.0 million, representing all other College operating, auxiliary, and grant activity, compared to an increase in net position of $2.1 million in FY16.

Operating revenue increased $3.0M. Tuition and fees were up $2.2M and federal, state, local and private grants and contracts were up $0.9M. Tuition and fees were up primarily as a result of two new fees established to meet ongoing technology and facility needs. These fees, the Technology and Facilities Fee and the On-line Course Fee, generated approximately $4.5 million in revenue while tuition decreased approximately $1.2 million due to overall lower FTEs and discounts related to increased *College Credit Plus* activity, as discussed under Financial and Institutional Highlights. Other fees (such as lab fees and parking), decreased approximately $113,000.

Revenue for auxiliary enterprises, the Bookstore and food services, decreased by just $55,000, primarily the result of a new food service management agreement. Bookstore revenue remained nearly flat despite the impact of discounts on books provided to high schools in the *College Credit Plus* program, as well as other textbook affordability initiatives.

In the area of operating expenses, expenses were $18.6 million higher than FY16. Education and general expenses were up $21.9 million, with the largest areas being Instructional and Departmental Research ($6.7M), Operation and

Maintenance of Plant ($5.8M) and Institutional Support ($4.8M). Included in the increase in operating expenditures is the increase in Pension Expense as a result of GASB 68 of $7.3M. Scholarships and Fellowships had a decrease of $3.5 million.

Nonoperating revenues and expenses combined to increase by $0.8 million in FY17, with the most significant factors being the lower Pell grant revenue, which decreased by $2.3 million and state appropriations that increased by $3.4 million.

Condensed versions of the College's revenues, expenses and changes in net position for the years ended June 30, 2017, 2016 and 2015 are presented below, along with a brief summary of the financial information contained therein.

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

	2017	2016	Difference	2015	Difference
OPERATING REVENUES					
Student tuition and fees (net of scholarship allowances of $17.5, $16.7, and $15.3 million in 2017, 2016, and 2015, respectively)	$ 62,255	$ 60,033	$ 2,222	$ 60,204	$ (171)
Federal, state, and private grants and contracts	10,018	9,130	888	10,856	(1,726)
Auxiliary enterprises	13,218	13,273	(55)	13,520	(247)
Other	186	190	(4)	474	(284)
Total operating revenues	85,677	82,626	3,051	85,054	(2,428)
OPERATING EXPENSES					
Educational and general	161,729	139,835	21,894	141,748	(1,913)
Scholarships and fellowships	12,206	15,720	(3,514)	19,503	(3,783)
Depreciation expense	7,980	7,853	127	7,060	793
Auxiliary enterprises	12,998	12,860	138	12,238	622
Total operating expenses	194,913	176,268	18,645	180,549	(4,281)
Operating income (loss)	(109,236)	(93,642)	(15,594)	(95,495)	1,853
NONOPERATING REVENUES (EXPENSES)					
State appropriations	67,247	63,860	3,387	61,436	2,424
Investment income (net of expense)	562	1,119	(557)	667	452
Pell Grant Revenue	28,798	31,110	(2,312)	33,684	(2,574)
Other non-operating revenues	(1,657)	(1,922)	265	(3,242)	1,320
Net nonoperating revenues	94,950	94,167	783	92,545	1,622
Income before capital appropriations	(14,286)	525	(14,811)	(2,950)	3,475
Capital appropriations and gifts	3,942	3,398	544	4,731	(1,333)
Increase in net position	(10,344)	3,923	(14,267)	1,781	2,142
Net position, beginning of year	86,924	83,001	3,923	81,220	1,781
Net position, end of year	$ 76,580	$ 86,924	$ (10,344)	$ 83,001	$ 3,923

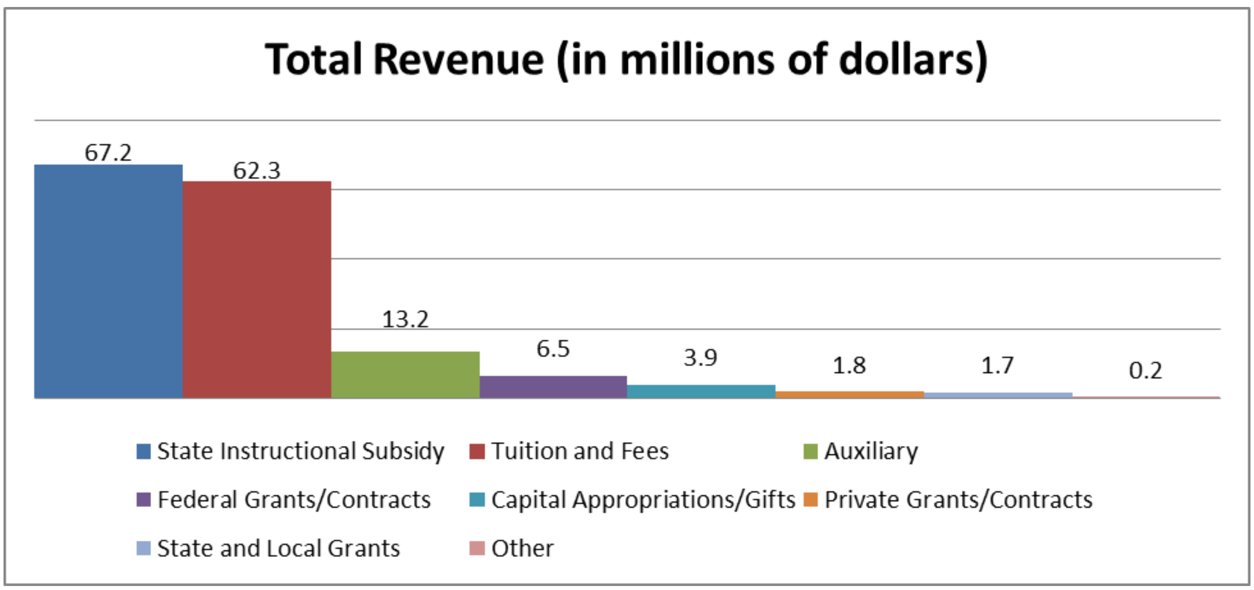
Revenues

FY17 revenues totaled $185.7 million, an increase of $4.7 million, 2.6%, compared to $181 million in FY16. The most significant area of note was an increase in student tuition and fees of $2.2 million; primarily resulting from the revenue from two new fees established in FY17 as tuition revenue actually decreased. In addition, federal, state, local and private grants and contracts increased by $0.9 as the College continues to have an expanding grants portfolio. As discussed under Financial and Institutional Highlights, grants are utilized to establish best practices in advancing student success and completion, to advance workforce development and other strategic priorities, and to enable the College to develop and pilot programs that the operating budget would not necessarily allow given limited operating resources. Capital appropriations also increased by $543,573 while the State Share of Instruction (SSI) increased by $3.4 million. Auxiliary revenue for the Bookstore was nearly flat, increasing by $43,030, 0.3%, despite the impact of lower enrollment and many affordability and digitization initiatives on revenues as sales improved in many non-textbook areas, such as computers, supplies and other general merchandise. Pell grant revenue decreased by $2.3 million, as a result of changing demographics of our students and lower enrollment in the traditional, non-*College Credit Plus* population. We also continue to see benefits from implementing national best practices in FY14 which delays the issuance of excess financial aid refunds until attendance and class participation are confirmed.

The majority of College revenues come from three sources: 1) State instructional subsidy ($67.2 million), 2) Student tuition and fees ($62.3 million), and 3) Federal, state, and private grants and contracts, including Pell grant revenue ($38.8 million).

Of $37 million in federal and state grants and contracts, 76.1% are awarded to students through the federal Pell grant and Supplemental Educational Opportunity Grant (SEOG) programs. These funds are used for student tuition ($17.5 million) and education-related expenses.

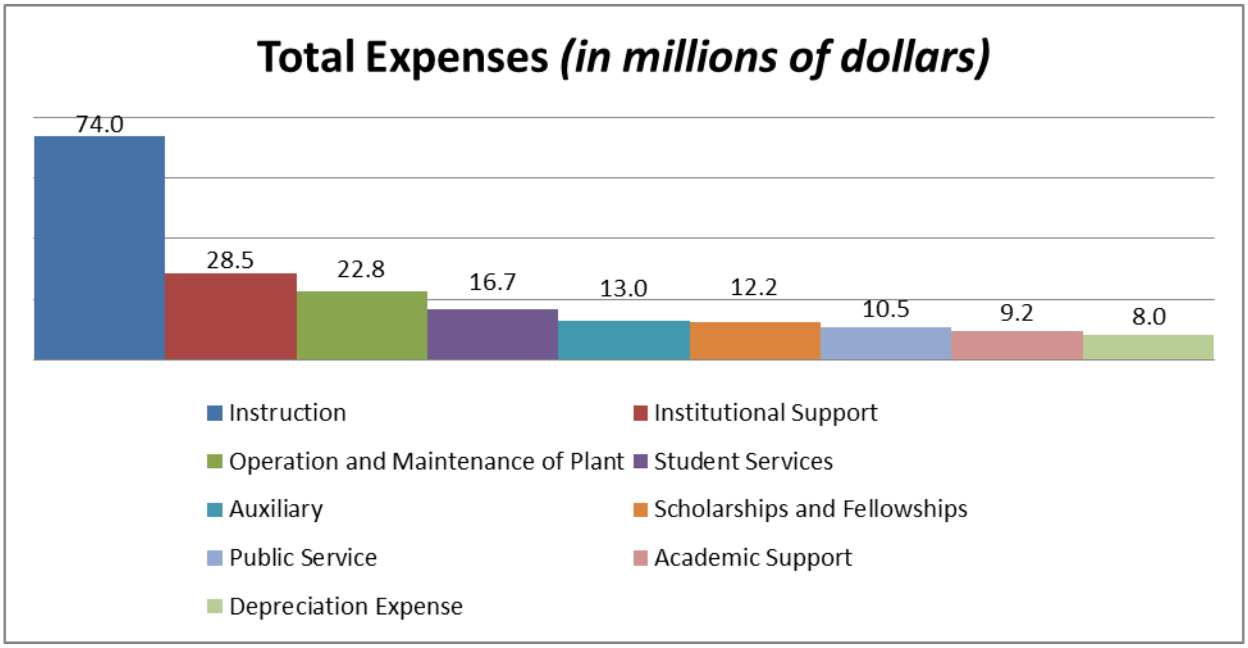
The major sources of College revenues for FY17 are presented below.



<u>Expenses</u>

FY17 expenses totaled $194.9 million compared to $176.3 million in FY16, an increase of $18.6 million, or 10.6%; pension expense resulting from entries to comply with GASB 68 accounted for nearly half of this increase, or $9.1 million, as these entries added $7.3 million to expenses in FY17 but reduced expenses by $1.8 million in FY16. Excluding these pension amounts, expenses increased by $9.5 million, or 5.4%, over FY16. The majority of the $9.5 million increase in operating expenses occurred in Operation and Maintenance of Plant, which increased by $4.5 million as a result of needed facilities maintenance afforded by a portion of the new Technology and Facilities Fee; Institutional Support increased by $3.7 million as a result of new board initiatives and increases in payroll and benefits; and Public Service increased by $2.0 million (primarily new grant activity). Scholarships and Fellowships expenses decreased by $3.5 million as a result of the continued best practices of financial aid refunds, in addition to less Pell grants awarded, due to enrollment levels, as discussed in Financial Highlights and in the revenues discussion.

FY17 expenditures are shown below:



Net cash provided (used) by:	2017	2016	2015
Operation activities	($93,700)	($86,574)	($94,336)
Non capital financing activites	94,505	93,207	92,147
Capital financing activities	(5,566)	(3,720)	(3,587)
Investing activities	5,835	(4,689)	10,311
Net increase/(decrease) in cash	1,074	(1,776)	4,535
Cash - beginning of year	9,971	11,747	7,212
Cash - end of year	$11,045	$9,971	$11,747

Ending cash balances for fiscal years 2017, 2016 and 2015 were $11.0 million, $10.0 million and $11.7 million, respectively. Each month, cash flow projections are evaluated to determine when funds can be invested to maximize investment earnings (typically, at the beginning of each semester when tuition and fees are paid, funds are transferred to *STAROhio*), or when funds should be transferred back for operations (usually during the latter part of each semester). Cash balances in operating checking accounts are part of compensating balances maintained to maximize earnings credits thereby minimizing banking fees. Cash balances at the end of FY17 were higher than FY16 due to cash received from grants and contracts at the very end of the fiscal year (June 29th and June 30th). Cash balances at the end of FY16 were lower than FY15 due to some investment custodial accounts that were being converted at the end of FY15 due to a transition to a new investment advisor for those accounts.

Major sources of cash in FY17 were state appropriations of $67.2 million, tuition and fees of $61.7 million, and gifts, grants, and contracts totaling $38.2 million.

The most significant uses of cash were payments for salaries and benefits of $118.0 million, payments to suppliers of $55.4 million, $12.2 million disbursed for student scholarships and financial aid, and $7.8 million for the purchase of capital assets.

Budgets

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

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

As noted on the Budget Comparison below, revenues exceeded expenditures by $6.2 million. General fund revenue was nearly flat to what was budgeted in the revised budget. Payroll savings and more favorable results in expenses incurred for self-insured medical benefits, and continued improvement in reducing bad debt expense as a result of best practices for attendance verification and financial aid disbursement practices implemented in FY14. Interest income, which is not budgeted pursuant to *Resource Planning Principles*, was half of what it was in FY16, but still added an additional $0.6 million to net operating results (not reflected in the numbers below). Of the $3.6 million excess revenues over expenses for the College general fund, $1.7 million was allocated as of June 30, 2017 for one-time compensation.

The analysis below does not include nearly $11.5 million for initiatives approved by the Board of Trustees to be funded by reserves on a non-recurring basis rather than from the current year's operating revenues. Such approved non-recurring expenses included: purchase of parking lot ($2.2 million), capital equipment ($1.6), strategic growth initiatives ($1.8 million), technology initiatives ($1.8 million), student success and innovation ($1.5 million), *Think Again* scholarships ($0.6 million), School of Hospitality Management ($0.4 million), Jefferson/Grove paving ($0.5 million) and other space efficiency upgrades ($0.5 million)

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

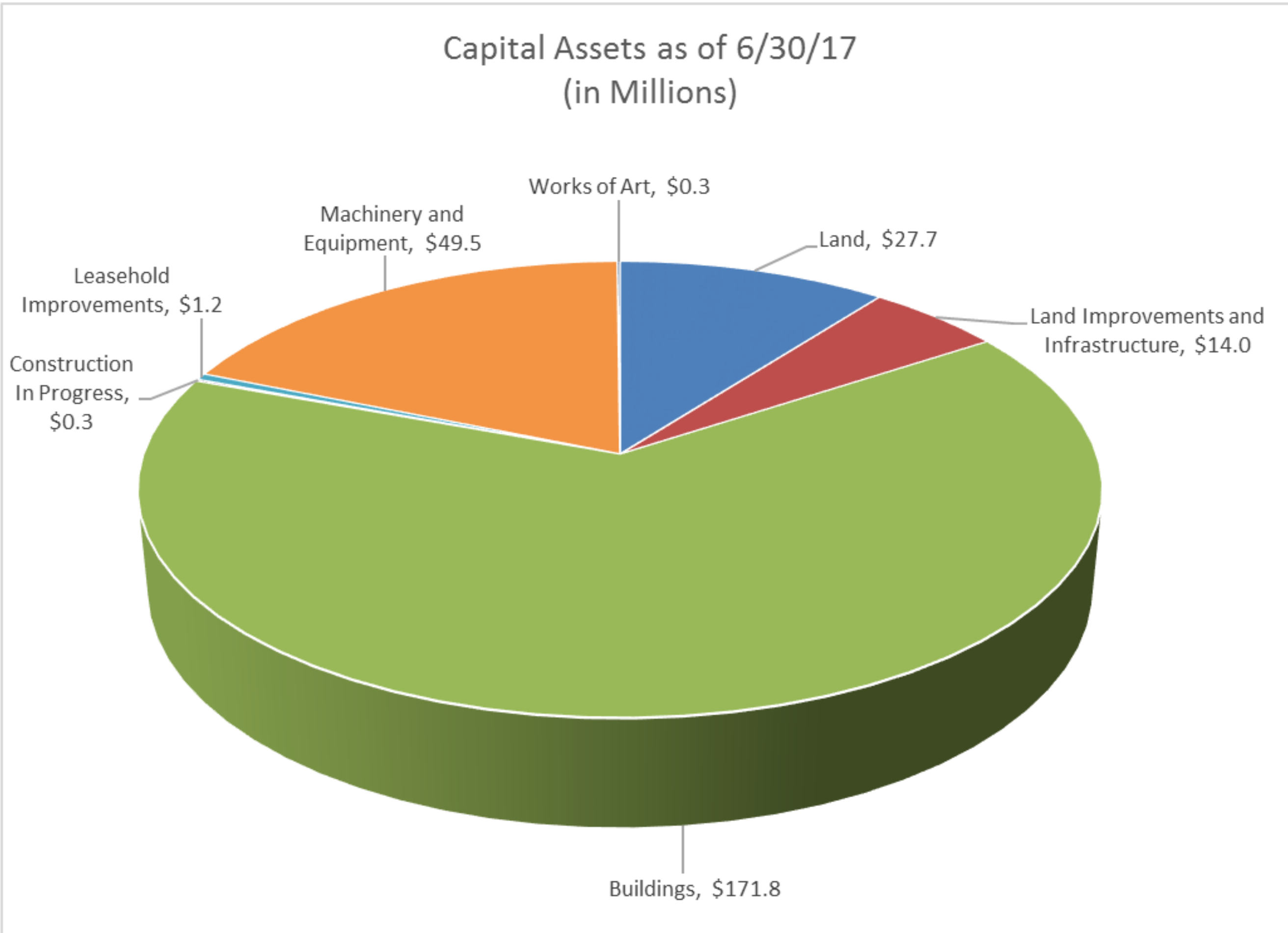
Columbus State Community College
Budget Comparisons – Budget to Actual
FY 17 (in thousands)

Budgeted Operations	Original Budget	Revised Budget	Percent % Change	Actual	Percent % Change
Revenues					
College	$143,120	$143,143	0.02%	$143,225	0.06%
Auxiliary	12,370	12,718	2.81%	13,218	3.93%
Total Revenues	$155,490	$155,862	0.24%	$156,443	0.37%
Expenditures					
College	$143,120	$143,120	0.00%	$137,215	-4.13%
Auxiliary	12,368	12,717	2.82%	12,998	2.21%
Total Expenditures	$155,488	$155,837	0.22%	$150,213	-3.61%
Net Revenues	$2	$25	1247.16%	$6,230	25172%

Capital Assets

Capital assets consist of land, land improvements, infrastructure (roads, underground utilities, etc.), buildings, equipment, vehicles, library books, as well as buildings under construction. Capital assets are recorded at "cost" at the time of acquisition. This acquisition cost is allocated over the useful life of the asset and recorded as depreciation expense. At June 30, 2017, the College had $264.8 million in capital assets and $111.3 million in accumulated depreciation, for a total of $153.5 million in net capital assets.

The chart below illustrates the College's capital assets (by classification) as of June 30, 2017.



FACTORS IMPACTING FUTURE PERIODS

State Support and Enrollment

There are two factors that typically impact the budget for the College: state support and enrollment. State support is appropriated in the biennial budget bill as State Share of Instruction (SSI) and is distributed by formula. SSI is projected to represent approximately 47% of the College's operating revenues for FY18.

State Support

SSI for FY18 was budgeted to be flat to FY17, because, at the time of the College's budget preparation, Ohio's budget had not been completed yet. SSI for higher education remained flat to FY17 levels for both years of the state's biennial operating budget for FY18 and FY19 in House Bill 49, as enacted; however, the SSI for FY18 that was projected by the Ohio Department of Higher Education for Columbus State increased from $67M to $67.7M as a result of College performance within the key success metrics discussed below.

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

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

Additional formula adjustments were effective for FY16 and FY17 in the access categories. They include the introduction of a fourth access factor, academic preparation, for identifying at-risk students and new access weights within the Completion Milestone funding component to account for all four access factors. With the continued strategic emphasis on student success initiatives, including initiatives in collaboration with the College's K-12 partners, where many of these initiatives are funded by external grants, the College is positioned to maximize its SSI allocation in the performance-based formula.

Tuition and Enrollment
House Bill 49 as enacted does not permit any tuition increase for the first year of the biennium, FY18, keeping tuition rates at the same rate for the fourth straight year, but does allow for an increase of $10 per credit hour in FY19. As noted in the Financial and Institutional Highlights section earlier in this document, increases have occurred in headcount but FTEs have continued to decline in recent years, which directly impacts tuition revenue. Much of the headcount increase is attributed to *College Credit Plus*, but *CCP* participants tend to take fewer credit hours per semester and revenue received for approximately 60% of these credit hours are discounted from standard tuition rates, causing more downward pressure on tuition revenue. *CCP* funding is based on per college credit hour amounts where, in FY18, a ceiling of the lower of in-state tuition ($135.93 at Columbus State) or $166.28 is determined by using 83% of the state's K-12 per pupil funding amount divided by 30 and a floor of $41.57 is determined as 25% of the state's default ceiling amount of $166.28. Rates vary based on the location of the course delivery and who provides the instruction.

The College maintains a prudent approach to budgeting as demonstrated by its FY18 budget, which is balanced on the assumption that tuition revenue will be just slightly higher than FY17 by 0.74%, based primarily on continued increases in *CCP*. The College's in-state tuition rate remains the third lowest among Ohio's 23 community colleges and the lowest among non-levy community colleges. The College continues to advocate a systemic view of college affordability, educating students and their families on affordable pathways yielded by combining up to two years at a community college with the balance at a university. Students participating in *CCP*, earning college credits while still in high school, make college even more affordable. Initiatives in the areas of new student enrollment and other non-*CCP* student success initiatives will continue and are important to overall financial sustainability as *CCP* becomes a bigger component of overall enrollment but at a lower proportion of overall tuition revenue.

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

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

Facilities Considerations

As noted previously under Financial and Institutional Highlights, the College's total appropriation in the FY17-FY18 state capital improvement appropriations legislation was $14.6 million towards a Hospitality Management and Culinary Arts facility (HMCA), an Academic Success Center, and a School of Business Technologies. For HMCA, a site has been selected for a new building, an architect and construction manager at risk have been engaged and design is well underway. For the Academic Success Center and the School of Business Technologies, it has not yet been determined if a new building(s) will be built or if existing space will be repurposed and upgraded. For all three projects, a fundraising campaign is being planned to compliment state capital to fully fund these projects. Additionally, consideration will be given to other funding options including use of reserves, future state capital allocations, and other financing options. Municipal advisors have been engaged to assist in evaluating financing options for the HMCA building with an anticipated bond issue in spring 2018. As the final debt service on the Series 2007 bonds was made in FY17, that funding capacity will become available for new debt service necessary for the new building within the current budget. The relocation of the existing Hospitality Management program will create space for other programs or offices; a team has been chartered to assess the impact of these three projects on existing facilities, other potential programs/operations, and to prepare priorities for the FY19-24 capital plan.

The primary food service operation on the Columbus campus, a food court, was built in 1975. While the space has been periodically renovated over its 40 year existence, no significant upgrades have taken place over the past decade and it remains largely unchanged and outdated. In partnership with the College's food services partner, AVI FoodSystems, a long overdue upgrade of the food court is being planned with renovation anticipated to begin in spring 2018. The newly renovated food court will be open in time for autumn 2018 semester.

COLUMBUS STATE COMMUNITY COLLEGE

STATEMENTS OF NET POSITION
As of June 30, 2017 and 2016

	2017		2016	
	Columbus State Community College	Component Unit Development Foundation	Columbus State Community College	Component Unit Development Foundation
ASSETS				
Current Assets				
Cash and Cash Equivalents	$ 11,045,199	$ 1,542,525	$ 9,971,541	$ 1,070,469
Investments - Short-Term	62,320,831	5,207,178	76,460,629	5,033,867
Investments - Current Restricted	1,334,521		1,159,890	
Accounts, Loans and Pledges Receivable	11,616,958	3,942,012	10,580,683	2,357,439
Inventories	2,386,906	-	3,084,339	-
Other Assets	2,028,829	-	1,586,972	-
Total Current Assets	90,733,244	10,691,715	102,844,054	8,461,775
Noncurrent Assets				
Investments	58,539,134	2,691,862	49,847,266	2,128,117
Other Noncurrent Assets - Pledges Receivable	-	100,000	-	1,990,352
Capital Assets, Net	153,458,058	-	153,644,511	-
Total Noncurrent Assets	211,997,192	2,791,862	203,491,777	4,118,469
				-
TOTAL ASSETS	**302,730,436**	**13,483,577**	**306,335,831**	**12,580,244**
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized Loss on Bond Refunding	171,264	-	231,535	-
Pension STRS	24,859,126		18,855,237	-
Pension SERS	21,863,052	-	13,586,202	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	**46,893,442**	**-**	**32,672,974**	**-**
TOTAL ASSETS AND DEFERRED OUTFLOWS	**349,623,878**	**13,483,577**	**339,008,805**	**12,580,244**
LIABILITIES				
Current Liabilities				
Accounts Payable and Accrued Liabilities	12,372,238	338,605	11,539,412	247,651
Debt, Current Portion	855,000	-	1,600,000	-
Unearned Revenue	7,795,178	-	7,776,331	-
Total Current Liabilities	21,022,416	338,605	20,915,743	247,651
Noncurrent Liabilities				
Debt, Long-Term Portion	4,465,000	-	5,320,000	-
Long-Term Liabilities				
Compensated Absences	1,218,708	-	1,064,449	-
Net Pension Liability STRS	148,168,705	-	126,016,857	-
Net Pension Liability SERS	93,145,235	-	72,697,478	-
Total Noncurrent Liabilities	246,997,648	-	205,098,784	-
TOTAL LIABILITIES	**268,020,064**	**338,605**	**226,014,527**	**247,651**
DEFERRED INFLOWS OF RESOURCES				
Pension STRS	4,964,376	-	18,417,994	-
Pension SERS	59,206	-	7,653,146	-
TOTAL DEFERRED INFLOWS OF RESOURCES	**5,023,582**	**-**	**26,071,140**	**-**
TOTAL LIABILITIES AND DEFERRED INFLOWS	**273,043,646**	**338,605**	**252,085,667**	**247,651**
NET POSITION				
Net Investment in Capital Assets	148,138,057	-	146,724,511	-
Restricted				
Nonexpendable	-	4,138,218	-	4,109,870
Expendable	36,676,136	5,959,146	33,237,711	5,570,799
Unrestricted	(108,233,961)	3,047,608	(93,039,084)	2,651,924
TOTAL NET POSITION	**$ 76,580,232**	**$ 13,144,972**	**$ 86,923,138**	**$ 12,332,593**
	-	-		

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

COLUMBUS STATE COMMUNITY COLLEGE

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Years Ended June 30, 2017 and 2016

	2017		2016	
	Columbus State Community College	Component Unit Development Foundation	Columbus State Community College	Component Unit Development Foundation
REVENUES				
Operating Revenues				
Student Tuition and Fees (Net of Scholarship Allowances of $17,521,770 in 2017 and $16,704,807 in 2016)	$ 62,254,567	$ -	$ 60,032,607	
Federal Grants and Contracts	6,524,495	-	4,738,322	-
State and Local Grants and Contracts	1,676,854	-	2,027,143	-
Private Grants and Contracts	1,816,506	1,864,267	2,364,701	1,021,358
Sales and Services of Educational Departments	34,866	-	51,348	-
Auxiliary Enterprises				
Bookstore	12,924,987	-	12,881,957	-
Other	292,543	-	390,718	-
Other Operating Revenues	150,688	-	138,859	-
Total Operating Revenues	**85,675,506**	**1,864,267**	**82,625,655**	**1,021,358**
EXPENSES				
Operating Expenses				
Educational and General				
Instruction and Departmental Research	73,958,053	-	67,240,227	-
Public Service	10,530,834	-	8,156,825	-
Academic Support	9,246,875	-	8,701,713	-
Student Services	16,739,601	-	15,073,679	-
Institutional Support	28,499,836	1,568,867	23,699,036	1,785,014
Operation and Maintenance of Plant	22,752,929	-	16,963,341	-
Scholarships and Fellowships	12,206,097	238,810	15,719,811	230,666
Depreciation Expense	7,980,345	-	7,853,375	-
Auxiliary Enterprises				
Bookstore	12,859,753	-	12,613,370	-
Other	138,371	-	247,054	-
Total Operating Expense	**194,912,694**	**1,807,677**	**176,268,431**	**2,015,680**
Operating Income (Loss)	**(109,237,188)**	**56,590**	**(93,642,776)**	**(994,322)**
NONOPERATING REVENUES (EXPENSES)				
State Appropriations	67,247,388	-	63,859,734	-
Unrestricted Investment Income (Net of Investment Expense)	552,072	271,074	1,116,204	29,789
Restricted Investment Income (Net of Investment Expense)	9,667	484,715	3,258	43,901
Interest on Capital Asset Related Debt	(113,843)	-	(159,488)	-
Pell Grant	28,799,358	-	31,109,879	-
Other Nonoperating Revenue (Expense)	(1,542,128)	-	(1,762,640)	-
Net Nonoperating Revenues	**94,952,514**	**755,789**	**94,166,947**	**73,690**
Income (Loss)Before Other Revenues and Expenses	**(14,284,674)**	**812,379**	**524,171**	**(920,632)**
Capital Appropriations	3,941,768	-	3,398,195	-
Change in Net Position	**(10,342,906)**	**812,379**	**3,922,366**	**(920,632)**
NET POSITION				
Net Position-Beginning of Year	**86,923,138**	**12,332,593**	**83,000,772**	**13,253,225**
Net Position-End of Year	**$ 76,580,232**	**$ 13,144,972**	**$ 86,923,138**	**$ 12,332,593**

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

COLUMBUS STATE COMMUNITY COLLEGE

STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2017 and 2016

CASH FLOWS FROM OPERATING ACTIVITIES	Columbus State Community College	Component Unit Development Foundation	Columbus State Community College	Component Unit Development Foundation
Tuition and Fees	$ 61,653,401	$ 38,115	$ 57,833,854	$ -
Grants, Gifts and Contracts	9,450,382	2,131,931	12,013,996	2,107,985
Payments to Suppliers	(55,407,586)	(1,477,913)	(39,717,857)	(2,265,495)
Payments for Salaries and Benefits	(118,015,735)	-	(114,035,763)	-
Payments for Scholarships	(12,206,097)	(238,810)	(15,719,811)	(230,666)
Auxiliary Enterprise Receipts	13,368,740	-	14,705,022	-
Other Receipts (Payments)	7,456,862	-	(1,653,059)	-
Net Cash Provided By (Used In) Operating Activities	**(93,700,033)**	**453,323**	**(86,573,618)**	**(388,176)**
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
State Appropriations	67,247,388	-	63,859,734	-
Pell Grant	28,799,358	-	31,109,879	-
Nonoperating Payments to Suppliers	(1,542,126)	-	(1,762,640)	-
Net Cash Provided By Noncapital Financing Activities	**94,504,620**	-	**93,206,973**	-
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES				
Capital Appropriations	3,941,768	-	3,398,195	-
Purchases of Capital Assets	(7,793,892)	-	(5,403,644)	-
Principal Paid on Debt	(1,600,000)	-	(1,555,000)	-
Interest Paid on Capital Debt	(113,843)	-	(159,488)	-
Net Cash Used In Capital Financing Activities	**(5,565,967)**	-	**(3,719,937)**	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Sale (Purchases) of Investments	5,273,299	(737,056)	(5,808,118)	(322,801)
Income on Investments	561,739	755,789	1,119,462	73,689
Net Cash Provided By (Used In) Investing Activities	**5,835,038**	**18,733**	**(4,688,656)**	**(249,112)**
NET CHANGE IN CASH AND CASH EQUIVALENTS	**1,073,658**	**472,056**	**(1,775,238)**	**(637,288)**
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	**9,971,541**	**1,070,469**	**11,746,779**	**1,707,757**
CASH AND CASH EQUIVALENTS - END OF YEAR	**$ 11,045,199**	**$ 1,542,525**	**$ 9,971,541**	**$ 1,070,469**

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

COLUMBUS STATE COMMUNITY COLLEGE

STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2017 and 2016

	2017		2016	
RECONCILIATION OF NET OPERATING REVENUES (EXPENSES) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	Columbus State Community College	Component Unit Development Foundation	Columbus State Community College	Component Unit Development Foundation
Operating Loss	$ (109,237,188)	$ 56,590	$ (93,642,776)	$ (994,322)
Adjustments to Reconcile Net Operating Loss to Net Cash				
Provided (Used) By Operating Activities:				
Depreciation Expense	7,980,345	-	7,853,375	
Changes in Assets and Liabilities and Deferred Inflows of				
Resources and Deferred Outflows of Resources Which				
Provided (Used) Cash:				
Receivables, Net	(1,036,276)	305,779	16,458,749	1,086,626
Inventory	697,433	-	(69,103)	
Other Assets	(441,858)	-	786,808	
Accounts Payable and accrued liabilities	987,085	90,954	(1,842,927)	(480,480)
Unearned Revenue	18,847	-	(14,341,325)	-
Unamortized loss on Refunding	60,271	-	66,846	-
Net Pension Liability	42,599,605	-	22,181,469	-
Deferred Outflows of Resources - Net Pension Expense	(14,280,739)	-	(5,160,869)	-
Deferred Inflows of Resources - Net Pension Expense	(21,047,558)	-	(18,863,865)	-
Net Cash Provided By (Used In) Operating Activities	**$ (93,700,033)**	**$ 453,323**	**$ (86,573,618)**	**$ (388,176)**

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

Note 1 - Summary of Significant Accounting Policies

Reporting Entity

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

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

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

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

Basis of Accounting

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

Basis of Presentation

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

- Net investment in capital assets: Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.

- Restricted:
  - *Nonexpendable* - Net position subject to externally imposed stipulations that they be maintained permanently by the College. Such assets include the permanent endowment funds of the Foundation.

  - *Expendable* - Net position whose use by the College is subject to externally imposed stipulations that can be fulfilled by actions of the College pursuant to those stipulations or that expire by the passage of time. The net position principally represent amounts for specified capital construction projects.

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

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

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

GASB Pronouncements

As of June 30, 2016, the College retrospectively applied Governmental Accounting Standards Board (GASB) Statement 72, *Fair Value Measurement and Application*. GASB Statement 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements. For fiscal year 2017, the College has implemented GASB Statement No. 77, *Tax Abatement Disclosures*, GASB Statement No. 78, *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans*, GASB Statement No. 80, *"Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14* and GASB Statement No. 82, *Pension Issues – An Amendment of GASB Statements No. 67, No. 68, and No. 73.*

GASB Statement No. 77 requires governments that enter into tax abatement agreements to disclose certain information about the agreement. GASB Statement No. 77 also requires disclosures related to tax abatement agreements that have been entered into by other governments that reduce the reporting government's tax revenues. There was no effect on beginning net position/fund balance.

GASB Statement No. 78 establishes accounting and financial reporting standards for defined benefit pensions provided to the employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan (cost-sharing pension plan) that meets the criteria in

Note 1 - Summary of Significant Accounting Policies (Continued)

paragraph 4 of Statement 68 and that (a) is not a state or local governmental pension plan, (b) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (c) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). The implementation of GASB Statement No. 78 did not have an effect on the financials statements of the College.

GASB Statement No. 80 improves the financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement applies to component units that are organized as no-for-profit corporations in which the primary government is the sole corporate member. The implementation of GASB Statement No. 80 did not have an effect on the financials statements of the College.

GASB Statement No. 82 addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payment made by employers to satisfy employee (plan member) contribution requirements. The implementation of GASB Statement No. 82 did not have an effect on the financial statements of the College.

Management Estimates

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

Cash and Cash Equivalents

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

Investments

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

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

Accounts Receivables

At June 30, 2017 and 2016, accounts receivable consist primarily of student tuition and fees, and intergovernmental grants and contracts.

Note 1 - Summary of Significant Accounting Policies (Continued)

Inventory

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

Capital Assets

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

Unearned Revenue

Unearned revenue is comprised primarily of receipts relating to tuition and student fees in advance of the services to be provided and grant funds not earned as of June 30, 2017 and 2016.

Operating Activities

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

Scholarship and Allowances and Student Aid

The College participates in federally funded Pell Grants, SEOG Grants, and Direct Lending programs. Federal programs are subject to an annual U.S. Office of Management and Budget Uniform Guidance audit.

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Deferred Outflows and Deferred Inflows

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until then. For the College, deferred outflows of resources are reported on the statement of net position at June 30, 2017 and 2016 for an unamortized loss on bond refunding and for pensions in the amounts of $171,264 and $231,535, respectively, resulted from the difference in the carrying value of refunded debt and its reacquisition price, and for pensions. The deferred outflows of resources related to pension are explained in Note 11.

In addition to liabilities, the statement of net position may report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the College, deferred inflows of resources for pensions have been recorded on the statement of net position and is also explained further in Note 11.

Pensions

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

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

Other Significant Accounting Policies

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

Reclassifications

Certain classifications have been made to the 2016 financial statement presentations to conform to the 2017 financial statement presentations.

Note 2 - Cash, Cash Equivalents and Investments

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

Custodial Credit Risk—Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a formal deposit policy for custodial credit risk. At June 30, 2017 and 2016, $250,000 of the bank balances were covered by federal deposit insurance and the remaining portions, $14,436,396 and $12,358,194, respectively, were uninsured but collateralized by pools of securities pledged by the depository bank and held in the name of the bank.

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

The following summarizes the value of investments at June 30, 2017 and 2016:

	Fair Value	
Description	**2017**	**2016**
STAR Ohio	$ 37,350,954	$ 42,886,504
Money Market Funds	166,400	126,014
Commercial Paper	11,506,879	5,973,539
Municipal Bonds	4,506,227	7,884,921
U.S. Government Obligations	4,393,103	4,768,130
U.S. Agency Obligations	64,270,923	65,828,678
Total	$ 122,194,486	$ 127,467,786

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

As of June 30, 2017, the College had the following investments and maturities:

	Investment Maturities (in years)				
	Fair Value	**Less than 1**	**1 to 5**	**6 to 10**	**More than 10**
STAR Ohio	$ 37,350,954	$ 37,350,954	$ -	$ -	$ -
Money Market Funds	166,400	166,400	-	-	-
Commercial Paper	11,506,879	11,506,879	-	-	-
Municipal Bonds	4,506,227	2,350,137	2,156,090	-	-
U.S. Gov't Obligations	4,393,103	249,715	4,143,388	-	-
U.S. Agency Obligations	64,270,923	12,031,269	52,239,654	-	-
Total	$ 122,194,486	$ 63,655,354	$ 58,539,132	$ -	$ -

As of June 30, 2016, the College had the following investments and maturities:

	Investment Maturities (in years)				
	Fair Value	**Less than 1**	**1 to 5**	**6 to 10**	**More than 10**
STAR Ohio	$ 42,886,504	$ 42,886,504	$ -	$ -	$ -
Money Market Funds	126,014	126,014	-	-	-
Commercial Paper	5,973,539	5,973,539	-	-	-
Municipal Bonds	7,884,921	5,016,941	2,867,980	-	-
U.S. Gov't Obligations	4,768,130	3,511,005	1,257,125	-	-
U.S. Agency Obligations	65,828,678	20,106,517	45,722,161	-	-
Total	$ 127,467,786	$ 77,620,520	$ 49,847,266	$ -	$ -

The College held $37,350,954 and $42,886,504 in STAR Ohio and STAR Plus investments as of June 30, 2017 and 2016, respectively. STAR Ohio is an external investment pool and is considered a cash equivalent under GASB Statement No. 9. Oversight of the pool is through the Ohio Treasurer of State.

Credit Risk. Credit risk is the risk that an issuer or counterparty to an investment will be unable to fulfill its obligations. As of June 30, 2017 and 2016, Standard & Poor rated STAR Ohio investments as AAm and

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

U.S. Government and Agency Obligations were rated AA+. Included in U.S. Agency Obligations were $2,384,653 and $6,153,551 in short term discount notes, as of June 30, 2017 and 2016, respectively. The government money market funds and U.S. Agency short term discount notes were not rated.

The credit ratings of the College's interest-bearing investments at June 30, 2017, are as follows:

Credit Rating (S&P)	Total	STAR Ohio	Money Market	Commercial Paper	US Govt Obligations & Muni Bonds	US Agency Obligations
AAAm	$ 37,349,047	$ 37,349,047	$ -	$ -	$ -	$ -
AA+/AA/AA-	$ 65,457,876	-	30,175	-	3,541,431	61,886,270
Unrated	$ 19,387,563	1,907	136,225	11,506,879	5,357,899	2,384,653
Total	$ 122,194,486	$ 37,350,954	$ 166,400	$ 11,506,879	$ 8,899,330	$ 64,270,923

The credit ratings of the College's interest-bearing investments at June 30, 2016, are as follows:

Credit Rating (S&P)	Total	STAR Ohio	Money Market	Commercial Paper	US Govt Obligations & Muni Bonds	US Agency Obligations
Aam	$ 27,812,863	$ 27,812,863	$ -	$ -	$ -	$ -
AA+/AA/AA-	$ 72,335,136	-	6,958	-	12,653,051	59,675,127
Unrated	$ 27,319,787	15,073,641	119,056	5,973,539	-	6,153,551
Total	$ 127,467,786	$ 42,886,504	$ 126,014	$ 5,973,539	$ 12,653,051	$ 65,828,678

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

Concentration of Credit Risk. The college places limits on the amount that may be invested in any one issuer. The following table includes the percentage of the total for each investment type held by the College at June 30, 2017 and 2016:

Year	Total	STAR Ohio	Money Market	Commercial Paper	US Govt Obligations & Municipal Bonds	U.S. Agency Oblig.
2017	100.0%	30.6%	0.1%	9.4%	7.3%	52.6%
2016	100.0%	33.6%	0.1%	4.7%	9.9%	51.7%

Custodial Credit Risk. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either a counterparty or the counterparty's trust department or agent but not in the government's name. As of June 30, 2017 and 2016, the College's investments were held in custody by a counterparty on behalf of the College.

Foreign Currency Risk. Foreign currency risk is the risk that changes in exchange rates between the U.S. Dollar and foreign currencies could adversely affect an investment's value. The College had no direct exposure to foreign currency risk at June 30, 2017 and 2016.

Note 3 - Pledges, Grants and Accounts Receivable

2017	Gross Receivable	Allowance	Net Receivable
Students' and other	$ 36,414,174	$ (26,808,330)	$ 9,605,844
Grants and contracts	2,011,114	-	2,011,114
Total	$ 38,425,288	$ (26,808,330)	$ 11,616,958

2016	Gross Receivable	Allowance	Net Receivable
Students' and other	$ 35,017,185	$ (25,744,939)	$ 9,272,246
Grants and contracts	1,308,437	-	1,308,437
Total	$ 36,325,622	$ (25,744,939)	$ 10,580,683

Note 4 – Fair Value Measurements

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

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

The College has the following recurring fair value measurements of June 30, 2017 and 2016:

Assets and Liabilites Measured at Fair Value on a Recurring Basis

		Fair Value Measurements Using		
	Balance at June 30, 2017	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level:				
Money Market Funds	$ 166,400	$ -	$ 166,400	$ -
Municipal Bonds	4,506,227	-	4,506,227	-
Commercial Paper	11,506,879	-	11,506,879	-
U.S. Gov't Obligations	4,393,103	4,393,103	-	-
U.S. Agency Obligations	64,270,923	-	64,270,923	-
Total investments by fair value level	$ 84,843,532	$ 4,393,103	$ 80,450,429	$ -

Note 4 – Fair Value Measurements (Continued)

Assets and Liabilites Measured at Fair Value on a Recurring Basis

		Fair Value Measurements Using		
	Balance at June 30, 2016	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level:				
Money Market Funds	$ 126,014	$ -	$ 126,014	$ -
Municipal Bonds	7,884,921	-	7,884,921	-
Commercial Paper	5,973,539		5,973,539	
U.S. Gov't Obligations	4,768,130	4,768,130	-	-
U.S. Agency Obligations	65,828,678		65,828,678	-
Total investments by fair value level	$ 84,581,282	$ 4,768,130	$ 79,813,152	$ -

Note 5 - Capital Assets

Capital asset activity for the year ended June 30, 2017, was as follows:

	Balance June 30, 2016	Additions	Deductions	Balance June 30, 2017
Land	$25,518,235	2,201,103	-	$27,719,338
Works of art	286,500	-	-	286,500
Construction in progress	-	349,246	-	349,246
Total cost of nondepreciable capital assets	25,804,735	2,550,349	-	28,355,084
Buildings	169,568,313	2,266,953	-	171,835,266
Leasehold improvements	1,224,344	-	-	1,224,344
Improvements other than buildings	13,304,348	631,763	-	13,936,111
Moveable equip, furniture and library books	47,148,830	2,345,135	(13,926)	49,480,039
Total cost of depreciable capital assets	231,245,835	5,243,851	(13,926)	236,475,760
Total cost of capital assets	257,050,570	7,794,200	(13,926)	264,830,844
Less accumulated depreciation				
Buildings	64,625,711	4,994,924	-	69,620,635
Improvements other than buildings	3,450,092	247,568	-	3,697,660
Moveable equip, furniture and library books	35,330,256	2,737,853	(13,618)	38,054,491
Total Accumulated Depreciation	103,406,059	7,980,345	(13,618)	111,372,786
Capital assets, net	$153,644,511	$ (186,145)	$ (308)	$153,458,058

Note 5 - Capital Assets (Continued)

Capital asset activity for the year ended June 30, 2016, was as follows:

	Balance June 30, 2015	Additions	Deductions	Balance June 30, 2016
Land	$25,518,235	-	-	$25,518,235
Works of art	286,500	-	-	286,500
Construction in progress	894,105	-	(894,105)	-
Total cost of nondepreciable capital assets	26,698,840	-	(894,105)	25,804,735
Buildings	168,225,657	1,342,656	-	169,568,313
Leasehold improvements	253,503	970,841	-	1,224,344
Improvements other than buildings	12,433,777	870,571	-	13,304,348
Moveable equip, furniture and library books	44,248,068	3,214,024	(313,262)	47,148,830
Total cost of depreciable capital assets	225,161,005	6,398,092	(313,262)	231,245,835
Total cost of capital assets	251,859,845	6,398,092	(1,207,367)	257,050,570
Less accumulated depreciation				
Buildings	59,710,919	4,914,792	-	64,625,711
Improvements other than buildings	3,202,524	247,568	-	3,450,092
Moveable equip, furniture and library books	32,852,160	2,691,015	(212,919)	35,330,256
Total Accumulated Depreciation	95,765,603	7,853,375	(212,919)	103,406,059
Capital assets, net	$156,094,242	$ (1,455,283)	$ (994,448)	$153,644,511

Note 6 - Accounts Payable and Accrued Liabilities

	2017	2016
Payable to vendors and contractors	$ 2,906,331	$ 2,618,259
Accrued expenses, primarily payroll and vacation leave	8,251,196	7,559,711
Employee withholdings and deposits payable to third parties	2,433,419	2,425,891
	$ 13,590,946	$ 12,603,861
Current	$ 12,372,238	$ 11,539,412
Noncurrent	$ 1,218,708	$ 1,064,449

Note 7 - Long Term Obligations

Long-term debt as of June 30, 2017 is summarized as follows:

	Balance June 30, 2016	Addition/ New Debt	Reduction	Balance June 30, 2017	Current Portion	Noncurrent Portion
Series 2007 bonds with interest rates ranging from 4.0% to 4.25% due serially through 2017	$ 765,000	-	$ (765,000)	$ -	$ -	$ -
Series 2012 bonds with an interest rate of 1.65% due serially through 2023	6,155,000	-	(835,000)	$ 5,320,000	855,000	4,465,000
Total Bonds	6,920,000	-	(1,600,000)	5,320,000	855,000	4,465,000
Net Pension Liability						
STRS	126,016,857	22,151,848	-	148,168,705	-	148,168,705
SERS	72,697,478	20,447,757	-	93,145,235	-	93,145,235
Total Net Pension Liability	198,714,335	42,599,605	-	241,313,940	-	241,313,940
Compensated Absences	4,455,307	504,939	-	4,960,246	3,741,538	1,218,708
Total Long-Term Liabilities	$ 210,089,642	$ 43,104,544	$ (1,600,000)	$ 251,594,186	$ 4,596,538	$ 246,997,648

Note 7 - Long Term Obligations (Continued)

	Balance June 30, 2015	Addition/ New Debt	Reduction	Balance June 30, 2016	Current Portion	Noncurrent Portion
Series 2007 bonds with interest rates ranging from 4.0% to 4.25% due serially through 2017	$ 1,500,000	-	$ (735,000)	$ 765,000	$ 765,000	$ -
Series 2012 bonds with an interest rate of 1.65% due serially through 2023	6,975,000	-	(820,000)	6,155,000	835,000	5,320,000
Total Bonds	8,475,000	-	(1,555,000)	6,920,000	1,600,000	5,320,000
Net Pension Liability						
STRS	113,661,528	12,355,329		126,016,857	-	126,016,857
SERS	62,871,338	9,826,140		72,697,478	-	72,697,478
Total Net Pension Liability	176,532,866	22,181,469	-	198,714,335	-	198,714,335
Compensated Absences	4,091,131	364,176	-	4,455,307	3,390,858	1,064,449
Total Long-Term Liabilities	$ 189,098,997	$ 22,545,645	$ (1,555,000)	$ 210,089,642	$ 4,990,858	$ 205,098,784

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

Years ended June 30	Principal	Interest	Total
2018	855,000	87,780	942,780
2019	865,000	73,672	938,672
2020	880,000	59,400	939,400
2021	895,000	44,880	939,880
2022	905,000	30,113	935,113
2023	920,000	15,180	935,180
	$ 5,320,000	$ 311,025	$ 5,631,025

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

Note 8 - Leases

The College leases office space, parking, and classroom space for its regional learning centers and equipment under operating leases, which have ending dates ranging through 2022. Lease expense charged to operations was $2,343,548 and $2,312,493 during 2017 and 2016, respectively. Future minimum lease payments under operating leases at June 30, 2017, are as follows:

2018	1,229,406
2019	1,109,441
2020	1,096,713
2021	784,945
2022	729,822
	$ 4,950,327

Note 9 - Compensated Absences

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

The liability for the cost of vacation and sick leave benefits is approximately $4,960,246 and $4,455,307 as of June 30, 2017 and 2016, respectively.

Note 10 - State Support

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

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

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

Note 11 - Defined Benefit Pension Plans

Net Pension Liability

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

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

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

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

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension liability* and any liability for the contractually-required pension contribution outstanding at the end of the year is included in current liabilities. The College does not have any contractually-required pension contribution liability recorded at June 30, 2017 or June 30, 2016.

Plan Description - School Employees Retirement System (SERS)

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

Note 11 - Defined Benefit Pension Plans (Continued)

Age and service requirements for retirement are as follows:

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

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

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

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the College is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2017, the allocation to pension, death benefits, and Medicare B was 14.00 percent. None of the 14 percent contribution rate was allocated to the Health Care Fund.

The College's contractually required contributions to SERS were $5,749,593 and $5,534,463 for fiscal years 2017 and 2016, respectively.

Plan Description - State Teachers Retirement System (STRS)

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

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that

Note 11 - Defined Benefit Pension Plans (Continued)

varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. With certain exceptions, the basic benefit is increased each year by two percent of the original base benefit. For members retiring August 1, 2013, or later, the first two percent is paid on the fifth anniversary of the retirement benefit. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 25 years of service, or 30 years of service regardless of age. Age and service requirements for retirement increased effective August 1, 2015, and will continue to increase periodically until they reach age 60 with 35 years of service or age 65 with five years of service on August 1, 2026.

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

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, eleven percent of the thirteen percent member rate effective for fiscal year 2016 goes to the DC Plan and one percent goes to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of services. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50.

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

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

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory maximum employee contribution rate was increased one percent July 1, 2014, and will be increased one percent each year until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2017, plan members were required to contribute 14 percent of their annual covered salary. The College was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2017 contribution rates were equal to the statutory maximum rates.

The College's contractually required contributions to STRS were $6,570,415 and $6,402,593for fiscal years 2017 and 2016, respectively.

Note 11 - Defined Benefit Pension Plans (Continued)

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

For the fiscal year ended June 30, 2017, the net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The College's proportion of the net pension liability was based on the College's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	SERS	STRS	Total
Proportionate Share of the Net Pension Liability	$93,145,235	$148,168,705	$241,313,940
Proportion of the Net Pension Liability	1.2726363%	0.44265122%	
Pension Expense	$10,326,560	$9,264,757	$19,591,317

For the fiscal year ended June 30, 2016, the net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The College's proportion of the net pension liability was based on the College's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	SERS	STRS	Total
Proportionate Share of the Net Pension Liability	$72,697,478	$126,016,857	$198,714,335
Proportion of the Net Pension Liability	1.2740316%	0.45597031%	
Pension Expense	$7,474,661	$6,067,243	$13,541,904

Note 11 - Defined Benefit Pension Plans (Continued)

At June 30, 2017, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$1,256,314	$5,986,728	$7,243,042
Changes of assumptions	6,217,954	-	6,217,954
Differences between projected and actual earnings on pension plan investments	7,683,129	12,301,983	19,985,112
Changes in employer proportionate share	956,062		956,062
Differences between contributions and proportionate share of contributions	-	-	-
College contributions subsequent to the measurement date	5,749,593	6,570,415	12,320,008
Total Deferred Outflows of Resources	$21,863,052	$24,859,126	$46,722,178
Deferred Inflows of Resources			
Net difference between projected and actual earnings on persion plan investments	$0	$0	$0
Changes in employer proportionate share	59,206	4,964,376	5,023,582
Total Deferred Inflows of Resources	$59,206	$4,964,376	$5,023,582

At June 30, 2016, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Differences between expected and actual experience	$1,160,341	$5,764,661	$6,925,002
Changes of assumptions	-	-	-
Differences between projected and actual earnings on pension plan investments	5,440,018	6,325,773	11,765,791
Changes in employer proportionate share	1,451,381		1,451,381
Differences between contributions and proportionate share of contributions	-	362,210	362,210
College contributions subsequent to the measurement date	5,534,463	6,402,593	11,937,056
Total Deferred Outflows of Resources	$13,586,203	$18,855,237	$32,441,440
Deferred Inflows of Resources			
Net difference between projected and actual earnings on persion plan investments	$7,653,146	$15,770,861	$23,424,007
Changes in employer proportionate share	-	2,647,134	2,647,134
Total Deferred Inflows of Resources	$7,653,146	$18,417,995	$26,071,141

Note 11 - Defined Benefit Pension Plans (Continued)

$12,320,008 reported as deferred outflows of resources related to pension at June 30, 2017 resulting from College contributions subsequent to June 30, 2016 measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2018. $11,937,056 reported as deferred outflows of resources related to pension at June 30, 2016 resulting from College contributions subsequent to the June 30, 2015 measurement date was recognized as a reduction of the net pension liability in the year ending June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2018	4,220,018	1,492,725	$5,712,743
2019	4,214,482	1,492,725	$5,707,207
2020	5,411,168	6,213,341	$11,624,509
2021	2,208,584	4,125,544	$6,334,128
Total	$16,054,252	$13,324,335	$29,378,587

Actuarial Assumptions - SERS

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

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

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

Note 11 - Defined Benefit Pension Plans (Continued)

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2016 are presented below:

2016	
Wage Inflation	3.00 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	3 percent
Investment Rate of Return	7.50 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal

For post-retirement mortality, the table used in evaluating allowances to be paid is the 1994 Annuity Mortality Table set back one year for both men and women. Special mortality tables are used for the period after disability retirement. The most recent experience study was completed June 30, 2010.

The long-term return expectation for the Pension Plan Investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major assets class as of June 30, 2016 is summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	1.00 %	0.50 %
US Stocks	22.50 %	4.75 %
Non-US Stocks	22.50 %	7.00 %
Fixed Income	19.00 %	1.50 %
Private Equity	10.00 %	8.00 %
Real Assets	15.00 %	5.00 %
Multi-Asset Strategies	10.00 %	3.00 %
Total	100.00 %	

Discount Rate The total pension liability was calculated using the discount rate of 7.50% at June 30, 2016. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.50 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Note 11 - Defined Benefit Pension Plans (Continued)

Sensitivity of the College's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
College's proportionate share of the net pension liability as of:			
June 30, 2016	$123,318	$93,145	$67,889
June 30, 2015	$100,805	$72,697	$49,028
(Dollars in Thousands)			

Actuarial Assumptions - STRS

The total pension liability was determined by an actuarial valuation as of July 1, 2016, using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

Actuarial assumptions used in the June 30, 2016 valuation are based on the results of an actuarial experience study, effective July 1, 2012.

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

Note 11 - Defined Benefit Pension Plans (Continued)

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

Discount Rate The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2016. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2016.

Therefore, the long-term expected rate of return on pension plan investments of 7.75 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2016.

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
College's proportionate share of the net pension liability as of:			
June 30, 2016	$196,904	$148,169	$107,057
June 30, 2015	$175,047	$126,017	$84,555
(dollars in thousands)			

Changes Between Measurement Date and Report Date In March 2017, the STRS Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of June 30, 2017. The most significant change is a reduction in the discount rate from 7.75 to 7.45 percent. In April 2017, the STRS Board voted to suspend cost of living adjustments granted on or after July 1, 2017. Although the exact amount of these changes not known, the overall decrease to the net pension liability is expected to be significant.

Note 12 - Postemployment Benefits

School Employees Retirement System

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

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For the year ended June 30, 2017, the health care allocation was 0.00 percent. For the year ended June 30, 2016, 0.82 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. The minimum compensation level was established at $23,500 and $23,000 for fiscal years 2017 and 2016, respectively. Statute provides that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal years 2017 and 2016, the College's surcharge obligations were $182,872 and $243,000, respectively.

The College's contributions for health care for the fiscal year ended June 30, 2015 was $314,819; none of the College's employer contribution was allocated to the Health Care Fund in FY16 or FY17.

State Teachers Retirement System

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

Note 12 - Postemployment Benefits (Continued)

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal years 2017, 2016, and 2015, STRS did not allocate any employer contributions to post-employment health care.

Note 13 - Risk Management

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

The College is self-insured for its health, dental and vision benefits to its employees. The College self-funds the cost of the programs up to specified stop-loss insurance limits. Coverage during the policy period limits the maximum individual and aggregate losses. Self-insurance costs are accrued based upon the aggregate of the liability for reported claims and an estimated liability for claims incurred but not reported. The estimated liability for claims incurred but not reported was determined based on averages of claims expenses paid during the period. The claims liabilities of $1,638,262 and $1,627,773 were reported at June 30, 2017 and 2016, respectively, as required of GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims be reported.

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

Fiscal Year	Claims Liability Balance at Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	Claims Liability Balance at End of Year
2017	$1,627,773	11,947,788	11,937,299	$1,638,262
2016	$1,492,011	10,077,656	9,941,894	$1,627,773
2015	$1,903,214	10,109,369	10,520,572	$1,492,011

In addition to the expense incurred in claim payments, the College paid $1,439,100, $1,439,832, and $1,246,861 in fees for administration of the self-insurance plans for 2017, 2016, and 2015, respectively.

Note 14 - Capital Projects Commitments

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

Contractual commitments:	2017	2016
Repaving Campus Streets	-	562,126
Office Space Renovations	121,342	
Parking Lot Improvements	51,824	
Hospitality (SHMCA)	$13,600,000	$ 198,900
Total future project costs	$13,773,166	$ 761,026

Note 15 - Pending Litigation

At June 30, 2017, there were several lawsuits and claims pending against the College. In the opinion of management, the ultimate liabilities, if any, resulting from such lawsuits and claims will not materially affect the financial position of the College.

Note 16 - Operating Expenses By Natural Classification

The College's operating expenses by natural classification were as follows for the years ended June 30, 2017 and 2016:

	2017	2016
Salaries and wages	$ 93,755,050	$ 89,284,698
Employee benefits	25,019,969	23,895,117
Utilities	3,230,593	3,129,061
Supplies and other services	52,720,640	36,386,369
Depreciation	7,980,345	7,853,375
Student scholarships and financial aid	12,206,097	15,719,811
	$ 194,912,694	$ 176,268,431

Note 17 - Component Unit Disclosures

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

Organization

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

Cash, Cash Equivalents and Investments

The Foundation's cash and cash equivalents are included in the College's consolidated cash, which is insured by the FDIC up to $250,000, as of June 30, 2017. Uninsured cash funds held by US Bank are subject to a collateral agreement covering all public funds held by the bank. As of June 30, 2017 and 2016, the Foundation had bank balances with US Bank and Morgan Stanley (2016 only) of $1,542,525 and $1,070,469, respectively.

Investments

The Foundation's investments are stated at market value, with changes in the market value being recognized as gains and losses during the period in which they occur. Market value is determined by market quotations. Investment earnings from endowment investments are credited to temporarily restricted funds and spent in compliance with donor restrictions placed on earnings. Investment earnings of non-endowment investments are recorded as unrestricted earnings and expended at the discretion of the Foundation's board. The following summarizes the cost and fair value of investments of the Foundation at June 30, 2017 and 2016:

	2017		2016	
	Cost	Fair Value	Cost	Fair Value
Equity Funds	1,089,945	1,093,321	1,068,092	1,087,335
Common & Preferred Stock	3,642,511	4,113,857	3,880,703	3,946,532
Corporate Debt	2,699,004	2,691,862	2,091,543	2,128,117
	$7,431,460	$7,899,040	$7,040,338	$7,161,984

Promises to Give

Unconditional promises to give consist of the following as of June 30, 2017 and 2016:

	2017	2016
Outstanding Pledges at Year End	$4,042,012	$4,299,918
Less: Discounts and allowances for uncollectible pledges	-	(9,720)
Unconditional provises to give, net	$4,042,012	$4,290,198

Note 17 - Component Unit Disclosures (Continued)

As of June 30, 2017

Amounts to be received in:	Gross Amount	Allowance/ Discount	Net Amount
Less than one year	$3,942,012	-	$3,942,012
One to five years	$100,000	-	100,000
Total	$4,042,012	-	$4,042,012

As of June 30, 2016

Amounts to be received in:	Gross Amount	Allowance/ Discount	Net Amount
Less than one year	$2,299,848	-	$2,299,848
One to five years	$1,990,350	-	1,990,350
Total	$4,290,198	-	$4,290,198

Note 18 - Contingency

The College is the beneficiary of potential cash refunds related to the purchase of annuities to fund two charitable gift annuities the College received in prior years. During fiscal year 2010, the College purchased two annuities to fund the obligations. The policies provide that the College will receive refunds of any premium payment in excess of the obligations paid by the policies if all annuitants are deceased. The College paid $3,484,254 in premiums during 2010 to fund the annuities. As of June 30, 2017, $1,820,000 has been paid to the annuitants.

REQUIRED SUPPLEMENTARY INFORMATION

COLUMBUS STATE COMMUNITY COLLEGE

Required Supplementary Information

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

School Employees Retirement System of Ohio

Last Three Fiscal Years (1)

	2017	2016	2015
College's Proportion of the Net Pension Liability	1.2726363%	1.274032%	1.2422850%
College's Proportionate Share of the Net Pension Liability	$93,145,235	$72,697,478	$62,871,338
College's Covered-Employee Payroll	$39,531,879	$38,392,578	$36,140,472
College's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	235.620%	189.36%	173.96%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.98%	69.16%	71.70%

(1) Information prior to 2014 is not available.

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

COLUMBUS STATE COMMUNITY COLLEGE

Required Supplementary Information

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

State Teachers Retirement System of Ohio

Last Three Fiscal Years (1)

	2017	2016	2015
College's Proportion of the Net Pension Liability	0.44265122%	0.45597031%	0.46729176%
College's Proportionate Share of the Net Pension Liability	$148,168,706	$126,016,857	$113,661,528
College's Covered-Employee Payroll	$45,732,807	$47,744,310	$46,672,461
College's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	323.99%	263.94%	243.53%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.80%	72.10%	74.70%

(1) Information prior to 2014 is not available.

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

COLUMBUS STATE COMMUNITY COLLEGE

Required Supplementary Information

Schedule of College Contributions

School Employees Retirement System of Ohio

Last Ten Fiscal Years

School Employees Retirement System	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Contractually Required Contribution	$5,749,593	$5,534,463	$5,374,961	$5,054,314	$5,040,444	$5,811,044	$5,467,455	$4,825,024	$4,465,944	$4,158,505
Contributions in Relation to the Contractually Required Contribution	(5,749,593)	(5,534,463)	(5,374,961)	(5,054,314)	(5,040,444)	(5,811,044)	(5,467,455)	(4,825,024)	(4,465,944)	(4,158,505)
Contribution Deficiency (Excess)	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
College Covered-Employee Payroll	$41,068,521	$39,531,879	$38,392,578	$36,140,472	$39,532,495	$41,553,409	$39,071,110	$34,472,777	$32,095,208	$29,805,734
Contributions as a Percentage of	14.00%	14.00%	14.00%	13.99%	12.75%	13.98%	13.99%	14.00%	13.91%	13.95%

COLUMBUS STATE COMMUNITY COLLEGE

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

State Teachers Retirement System	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Contractually Required Contribution	$6,570,415	$6,402,593	$6,573,275	$6,534,145	$7,308,424	$7,875,038	$7,570,317	$6,770,527	$6,101,860	$5,653,634
Contributions in Relation to the Contractually Required Contribution	(6,570,415)	(6,402,593)	(6,573,275)	(6,534,145)	(7,308,424)	(7,875,038)	(7,570,317)	(6,770,527)	(6,101,860)	(5,653,634)
Contribution Deficiency (Excess)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
College Covered-Employee Payroll	$46,931,536	$45,732,807	$47,744,310	$46,672,461	$52,203,027	$56,250,269	$54,073,694	$48,360,905	$43,584,712	$40,383,102
Contributions as a Percentage of	14.00%	14.00%	13.77%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

COLUMBUS STATE COMMUNITY COLLEGE

COLUMBUS STATE
COMMUNITY COLLEGE

Single Audit Reports

June 30, 2017

PLATTENBURG
Certified Public Accountants

COLUMBUS STATE COMMUNITY COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended June 30, 2017

	CFDA #	Pass Through Number	Expenditures	Passed Through to Sub-recipient
US DEPARTMENT OF EDUCATION				
Direct Recipient				
Student Financial Assistance Cluster:				
Federal Supplemental Educational Opportunity Grants	84.007	N/A	$502,080	$0
Federal Direct Student Loans	84.268	N/A	$45,394,383	$0
Federal Work-Study Program	84.033	N/A	$414,312	$0
Federal Pell Grant Program	84.063	N/A	$28,675,147	$0
Total Student Financial Assistance			**$74,985,922**	**$0**
TRIO Cluster				
TRIO_Upward Bound	84.047	N/A	$277,184	$0
TRIO_Student Support Services	84.042	N/A	$247,648	$0
TRIO_Talent Search	84.044	N/A	$224,831	$0
Total Trio Cluster			**$749,663**	**$0**
Investing in Innovation (i3) Fund	84.411B	N/A	$1,280,722	$684,589
Passed through The Ohio State University				
Transition Programs for Students with Intellectual Disabilities Into Higher Education	84.407A	P407A150080	$4,205	$0
Passed through Ohio Department of Education				
Career and Technical Education - Basic Grants to States	84.048	3L90	$321,564	$0
Twenty-First Century Community Learning Centers	84.287	3Y20	$709,375	$0
Passed through Otterbein University				
National Professional Development Program	84.195N	OU2016	$1,221	$0
Total Department of Education			**$78,052,672**	**$684,589**
US DEPARTMENT OF AGRICULTURE				
Passed through Ohio Department of Education				
Summer Food Service Program for Children	10.559	3GE0	$5,689	$0
US DEPARTMENT OF LABOR				
Direct Recipient				
Trade Adjustment Assistance Community College and Career Training Training Grants	17.282	N/A	$637,769	$0
Passed through Lorain County Community College				
Trade Adjustment Assistance Community College and Career Training Training Grants	17.282	TC-26435-14-60-A-39	$191,672	$0
Passed through Franklin County Department of Job and Family Services				
WIA Adult Programs & Dislocated Workers	17.258 and 17.260		$10,079	$0
Passed through Ohio Department of Job and Family Services				
Trade Adjustment Assistance	17.245		$42,682	$0
Total Department of Labor			**$887,891**	**$0**
US DEPARTMENT OF VETERANS AFFAIRS, VETERANS BENEFITS ADMINISTRATION				
Direct Recipient				
Vocational Rehabilitation for Disabled Veterans	64.116	N/A	$487,519	$0
US SMALL BUSINESS ADMINISTRATION				
Passed through Ohio Department of Development				
Small Business Development Centers	59.037	DEVFSB15, OSBG-15-201A; DEVFSBDC14, OSBG-14-105A; DEVFRSC14, OSBG-14-136	$403,439	$0
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE				
Direct Recipient				
AmeriCorps	94.006	N/A	$46,534	$0

COLUMBUS STATE COMMUNITY COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended June 30, 2017

	CFDA #	Pass Through Number	Expenditures	Passed Through to Sub-recipient
NATIONAL SCIENCE FOUNDATION				
Direct Recipient				
Education and Human Resources	47.076	N/A	$889,416	$0
Passed through Ohio State University Research Foundation				
Education and Human Resources	47.076	60042097-CSCC; RF01144350	$67,084	$0
Passed through Sinclair Community College				
Education and Human Resources	47.076		$22,378	$0
Total National Science Foundation			**$978,878**	**$0**
DEPARTMENT OF JUSTICE				
Passed through Ohio Attorney General				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2016-VOCA-22895856	$183,392	$0
U.S. ENVIRONMENTAL PROTECTION AGENCY				
Direct Recipient				
Environmental Education Grants	66.951	N/A	$46,309	$0
NATIONAL ENDOWMENT FOR THE HUMANITIES				
Direct Recipient				
Promotion of the Humanities Teaching and Learning Resources and Curriculum Development	45.162	N/A	$30,798	$0
DEPARTMENT OF DEFENSE, DEPARTMENT OF THE NAVY				
Passed through American Lightweight Materials Manufacturing Innovation Institute				
Basic and Applied Scientific Research	12.300	N/A	$13,517	$0
Direct Recipient				
GenCyber Grants Program	12.903	N/A	$70,118	$0
DEPARTMENT OF TRANSPORTATION				
Passed through Stark Area Regional Transit Authority				
Buses and Bus Facilities Formula Program	20.526	N/A	$4,175	$0
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION				
Direct Recipient				
Science	43.001	N/A	$5,270	$0
DEPARTMENT OF COMMERCE				
Passed through The Ohio State University				
Economic Adjustment Assistance	11.307	06-40-06019	$8,242	$0
TOTAL FEDERAL AWARD EXPENDITURES			**$81,218,754**	**$684,589**

See Notes to Schedule of Expenditures of Federal Awards

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2017

Note 1 - Significant Accounting Policies

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the College and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the College's financial statements. The College did not elect to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 2 – Federal Direct Student Loan Program

The College is a direct lender for the Federal Direct Student Loan program. The following represents direct loans originated and disbursed during fiscal year 2017:

CFDA Number	Program Name	Amount	
84.268	Federal Subsidized Direct Loans	$	20,679,110
84.268	Federal Unsubsidized Direct Loans	$	24,410,104
84.268	Federal PLUS Loans	$	275,169
	Total Federal Direct Student Loans	$	45,364,383

PLATTENBURG
Certified Public Accountants

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

Board of Trustees
Columbus State Community College

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and discretely presented component unit of Columbus State Community College (the College), a component unit of the State of Ohio, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated October 13, 2017. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component unit, as described in our report on the College's basic financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

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Purpose of this Report

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

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Cincinnati, Ohio
October 13, 2017

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY UNIFORM GUIDANCE

Board of Trustees
Columbus State Community College

Report on Compliance for Each Major Federal Program

We have audited the Columbus State Community College's (the College) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2017. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the College, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Report on Internal Control over Compliance

Management of the College is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the College's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over compliance.

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

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

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

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

We have audited the financial statements of the business-type activities and discretely presented component unit of the College as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the College's basic financial statements. We issued our report thereon dated October 13, 2017, which contained unmodified opinions on those financial statements. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component unit, as described in our report on the College's basic financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Cincinnati, Ohio
October 13, 2017

COLUMBUS STATE COMMUNITY COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2017

Section I – Summary of Auditor's Results

Financial Statements

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

Federal Awards

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

Identification of major federal programs:

Student Financial Assistance Cluster
Investing in Innovation – CFDA 84.411 B
Trade Adjustment Assistance Community College and Career Training – CFDA 17.282
Educatin and Human Resources – CFDA 47.076

Dollar threshold used to distinguish between Type A and Type B Programs	$750,000
Auditee qualified as low-risk auditee?	Yes

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

None

Section III – Federal Award Findings and Questioned Costs

None

COLUMBUS STATE COMMUNITY COLLEGE
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
June 30, 2017

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

COLUMBUS STATE COMMUNITY COLLEGE

FRANKLIN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
NOVEMBER 9, 2017

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APPENDIX C

PROPOSED FORM OF BOND COUNSEL OPINION

June 28, 2018

KeyBanc Capital Markets Inc.
Cleveland, Ohio

We have examined the transcript of proceedings (the "Transcript") relating to the issuance by Columbus State Community College (the "College"), a state community college district of the State of Ohio, with its main campus located in Franklin County, Ohio, of its $13,000,000 General Receipts Bonds, Series 2018A, dated this date (the "Series 2018A Bonds") that are being issued for the purpose of paying a portion of the costs of certain College facilities. The Transcript includes (i) a conformed copy of the Trust Agreement dated July 1, 1990, as amended (the "Trust Agreement"), including in it the General Bond Resolution adopted on June 25, 1990 by the College's Board of Trustees, and (ii) an executed counterpart of the Seventh Supplemental Trust Agreement dated as of June 1, 2018 (the "Seventh Supplemental Trust Agreement"), including in it a resolution adopted by the College's Board of Trustees on March 22, 2018. The Trust Agreement and the Seventh Supplemental Trust Agreement, each between the College and The Huntington National Bank, Columbus, Ohio, as trustee, are together referred to as the "Agreement." We have also examined a copy of the signed and authenticated Series 2018A Bond of the first maturity.

The Series 2018A Bonds are issued under and pursuant to Section 2i of Article VIII of the Ohio Constitution, Sections 3345.12 and 3354.121 of the Revised Code, and the Agreement.

Based on this examination we are of the opinion that, under existing law:

1. The Series 2018A Bonds are valid and legally binding special obligations of the College in accordance with their terms. The principal of and interest on the Series 2018A Bonds and General Receipts Bonds of the College heretofore or hereafter issued pursuant to the Agreement (collectively with the Series 2018A Bonds, the "Bonds"), are payable equally and ratably from and secured by a first pledge of and lien on the General Receipts of the College and the pledged Special Funds, as defined in and subject to the provisions of the Agreement. The owners of the Bonds are given no right to have any excises or taxes levied by the Ohio General Assembly for the payment of principal of or interest on the Bonds.

2. Interest on the Series 2018A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference under Section 57 of the Code for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, interest on the Series 2018A Bonds is included in the adjusted current earnings of corporations subject to the alternative minimum tax for tax years beginning prior to January 1, 2018. The interest on the Series 2018A Bonds, and any profit made on their sale, exchange or other disposition, are exempt from all Ohio state and local taxation, except the estate tax, the domestic insurance company tax, the dealers in intangibles tax, the tax levied on the basis of the total equity capital of financial institutions, and the net worth base of the corporate franchise tax. We express no opinion as to any other tax consequences regarding the Series 2018A Bonds.

In giving the foregoing opinion with respect to the treatment of interest on the Series 2018A Bonds under the federal tax laws, we have assumed and relied upon compliance with the College's covenants and the accuracy, which we have not independently verified, of the College's representations and certifications, all as contained in the Transcript. The accuracy of those representations and certifications, and compliance with those covenants, may be necessary for the interest to be and to remain excluded from gross income for federal income tax purposes. Failure to comply with certain of those covenants subsequent to issuance could cause the interest on the Series 2018A Bonds to be included in gross income for federal income tax purposes retroactively to their date of issuance.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Agreement are subject to bankruptcy, insolvency, arrangement, fraudulent conveyance or transfer, reorganization, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion, and to limitations on legal remedies against public entities.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. We bring to your attention the fact that our legal opinions are an expression of our professional judgment and are not a guarantee of a result.

Respectfully submitted,

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

THIS CONTINUING DISCLOSURE CERTIFICATE, dated as of June 28, 2018 (this "Certificate"), is made, signed and delivered by Columbus State Community College, a State Community College District of the State of Ohio (the "College"), for the benefit of the Holders and Beneficial Owners (as defined herein) from time to time of the $13,000,000 Columbus State Community College General Receipts Bonds, Series 2018A (the "Series 2018A Bonds").

RECITALS

WHEREAS, the College is a political subdivision of the State, owns and operates Columbus State Community College, a publicly owned and supported, and State-assisted, two-year community college with its main campus located in Franklin County, Ohio;

WHEREAS, pursuant to Sections 3345.12 and 3354.121 of the Ohio Revised Code (the "Act"), the College is authorized to construct "facilities" as defined in the Act, and to pay all or part of the costs of those facilities, and to refund, fund or retire prior obligations issued for that purpose, by the issuance of obligations payable from General Receipts of the College;

WHEREAS, the College, by a resolution adopted by the Board of Trustees of the College on March 22, 2018, has determined to issue the Series 2018A Bonds for the purpose of paying (i) a portion of the costs of acquiring, constructing, furnishing and equipping an approximately 80,000 square-foot, three-story building to house the College's hospitality management and culinary arts program, including all related costs constituting "costs of facilities" as defined in the Act (collectively, the "Series 2018 Project"), and (ii) the costs of issuance of the Series 2018A Bonds;

WHEREAS, KeyBanc Capital Markets Inc. (the "Underwriter") has agreed to provide those funds to the College by purchasing the Series 2018A Bonds; and

WHEREAS, as a condition to the purchase of the Series 2018A Bonds from the College and the sale of the Series 2018A Bonds to Holders and Beneficial Owners, the Underwriter is required to reasonably determine that the College has undertaken, in a written agreement for the benefit of Holders and Beneficial Owners of the Series 2018A Bonds, to provide certain information in accordance with the Rule (as defined herein).

NOW, THEREFORE, intending to be legally bound hereby, the College covenants and agrees as set forth in this Continuing Disclosure Certificate.

Section 1. Purpose of Continuing Disclosure Certificate. This Certificate is being entered into, signed and delivered for the benefit of the Holders and Beneficial Owners of the Series 2018A Bonds and in order to assist the Underwriter of the Series 2018A Bonds in complying with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission (SEC) pursuant to the Securities Exchange Act of 1934, as may be amended from time to time (the "Rule").

Section 2. Definitions. In addition to the definitions set forth above, the following capitalized terms shall have the following meanings in this Certificate, unless the context clearly otherwise requires. Reference to "Sections" shall mean sections of this Certificate.

"Annual Filing" means any annual information filing provided by the College pursuant to, and as described in, Sections 3 and 4.

"Audited Financial Statements" means the audited basic financial statements of the College, prepared in conformity with generally accepted accounting principles.

"Beneficial Owner" means any person that (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2018A Bonds (including persons holding Series 2018A Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2018A Bonds for federal income tax purposes.

"EMMA" means the Electronic Municipal Market Access system of the MSRB; information regarding submissions to EMMA is available at http://emma.msrb.org.

"Filing Date" means the last day of March following the end of each Fiscal Year (or the next succeeding business day if that day is not a business day), beginning March 31, 2019.

"Fiscal Year" means the 12-month period ending on June 30 of each year or such other 12-month period as the College shall adopt as its fiscal year.

"Holder" means, with respect to the Series 2018A Bonds, the person in whose name a Series 2018A Bond is registered.

"MSRB" means the Municipal Securities Rulemaking Board.

"Obligated Person" means, any person, including the issuer of municipal securities (such as the Series 2018A Bonds), who is generally committed by contract or other arrangement to support payment of all or part of the obligations on the municipal securities being sold in an offering document (such as the Official Statement); the College is the only Obligated Person for the Series 2018A Bonds.

"Official Statement" means the Official Statement for the Series 2018A Bonds dated June 6, 2018.

"Specified Events" means any of the events with respect to the Series 2018A Bonds as set forth in Section 5(a).

"State" means the State of Ohio.

"Trust Agreement" means the Trust Agreement dated as of July 1, 1990, as supplemented by the Seventh Supplemental Trust Agreement dated as of June 1, 2018, each between the College and The Huntington National Bank, Columbus, Ohio, as Trustee.

Section 3. Provision of Annual Information.

(a) The College shall provide (or cause to be provided) not later than the Filing Date to the MSRB through EMMA an Annual Filing, which is consistent with the requirements of Section 4. The Annual Filing shall be submitted in an electronic format and contain such identifying information as is prescribed by the MSRB, and may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4; provided that the Audited Financial Statements may be submitted separately from the balance of the Annual Filing and later than the Filing Date if they are not available by that date. If the College's Fiscal Year changes, it shall give notice of such change in the same manner as for a Specified Event under Section 5.

(b) If the College is unable to provide to the MSRB an Annual Filing by the Filing Date, the College shall, in a timely manner, send a notice to the MSRB in an electronic format as prescribed by the MSRB.

Section 4. Content of Annual Filing. The College's Annual Filing shall contain or include by reference the following:

(a) Information about the College included in the Official Statement under the captions "SECURITY AND SOURCES OF PAYMENT — General Receipts Pledged to the Bonds" and "STATE CREDIT ENHANCEMENT PROGRAM – State Share of Instruction Payments to the College" and in APPENDIX A under the captions "GOVERNANCE & ADMINISTRATION - Faculty and Staff Employees," "ENROLLMENT – General," "ENROLLMENT – Student Fees and Charges," "ENROLLMENT – Student Financial Aid," "ENROLLMENT – Gifts, Grants and Contracts," "COLLEGE FINANCIAL OPERATIONS AND RESULTS – General," and "INDEBTEDNESS"; and

(b) The Audited Financial Statements of the College.

The foregoing shall not obligate the College to prepare or update projections of any financial information or operating data.

Any or all of the items listed above may be included by specific reference to other documents, including annual informational statements of the College or official statements of debt issues of the College or related public entities, which have been submitted to the MSRB or the SEC. The College shall clearly identify each such other document so included by reference.

Section 5. Reporting Specified Events.

The College shall provide to the MSRB, in an electronic format and containing such identifying information as is prescribed by the MSRB and in a timely manner but not later than ten business days after the occurrence of the event, notice of any of the following events with respect to the Series 2018A Bonds, as specified by the Rule:

(1) Principal and interest payment delinquencies;

(2) Non-payment-related defaults, if material;

(3) Unscheduled draws on debt service reserves reflecting financial difficulties; [a]

(4) Unscheduled draws on credit enhancements reflecting financial difficulties; [a]

(5) Substitution of credit or liquidity providers, or their failure to perform;

(6) (Issuance of) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security (*i.e.*, the Series 2018A Bonds), or other material events affecting the tax status of the security;

(7) Modifications to rights of security holders, if material;

(8) Bond calls, <u>if material</u>, and tender offers; [(a)]

(9) Defeasances;

(10) Release, substitution, or sale of property securing repayment of the securities, <u>if material</u>; [(b)]

(11) Rating changes;

(12) Bankruptcy, insolvency, receivership or similar event of the Obligated Person; Note: For the purposes of the event identified in this subparagraph, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

(13) The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, <u>if material</u>; and

(14) Appointment of a successor or additional trustee or the change of name of a trustee, <u>if material</u>.

<u>*Note*</u>*:*

(a) Any scheduled redemption of Series 2018A Bonds pursuant to mandatory sinking fund redemption requirements does not constitute a specified event within the meaning of the Rule.

(b) Repayment of the Series 2018A Bonds is not secured by a lien on any property capable of release or sale or for which other property may be substituted.

For the Specified Events described in paragraph (2), (6) (as applicable), (7), (8) (as applicable), (10), (13) and (14), the College acknowledges that it must make a determination whether such Specified Event is material under applicable federal securities laws in order to determine whether a filing is required.

Section 6. <u>Amendments</u>. The College reserves the right to amend this Certificate, and noncompliance with any provision of this Certificate may be waived, as may be necessary or appropriate to achieve its compliance with any applicable federal securities law or rule, to cure any ambiguity, inconsistency or formal defect or omission, and to address any change in circumstances arising from a change in legal requirements, change in law, or change in the identity, nature, or status of the College, or type of business conducted by the College. Any such amendment or waiver shall not be effective unless the College shall have received a written opinion of qualified independent special counsel selected by the College that the Certificate (as amended or taking into account such waiver) would have materially complied with the requirements of the Rule at the time of the primary offering of the Series 2018A Bonds, after taking into account any applicable amendments to or official interpretations of the Rule, as well as any change in circumstances. An Annual Filing containing any revised operating data or financial information shall explain, in narrative form, the reasons for any such amendment or waiver and the impact of the change on the type of operating data or financial information being provided. If the amendment relates to the accounting principles to be followed in preparing Audited Financial Statements, the College shall provide notice of such change in the same manner as for a Specified Event under Section 5.

Section 7. Additional Information. Nothing in this Certificate shall be deemed to prevent the College from disseminating any other information, using the means of dissemination set forth in this Certificate or providing any other means of communication, or including any other information in any Annual Filing or providing notice of the occurrence of an event, in addition to that which is required by this Certificate. If the College chooses to include any information in any document or notice of occurrence of an event in addition to that which is specifically required by this Certificate, the College shall have no obligation under this Certificate to update such information or include it in any future Annual Filing or notice of occurrence of a Specified Event.

Section 8. Remedy for Breach. This Certificate shall be solely for the benefit of the Holders and Beneficial Owners from time to time of the Series 2018A Bonds. The exclusive remedy for any breach of the Certificate by the College shall be limited, to the extent permitted by law, to a right of Holders and Beneficial Owners to institute and maintain, or to cause to be instituted and maintained, such proceedings as may be authorized at law or in equity to obtain the specific performance by the College of its obligations under this Certificate, provided that any Holder or Beneficial Owner may exercise individually any such right to require the College to specifically perform its obligation to provide or cause to be provided a pertinent filing if such a filing is due and has not been made. Any Beneficial Owner seeking to require the College to comply with this Certificate shall first provide at least 30 days' prior written notice to the College of the College's failure, giving reasonable detail of such failure, following which notice the College shall have 30 days to comply. A default under this Certificate shall not be deemed an event of default under the Trust Agreement, and the sole remedy under this Certificate in the event of any failure of the College to comply with this Certificate shall be an action to compel performance. No person or entity shall be entitled to recover monetary damages under this Certificate.

Section 9. Termination. The obligations of the College under the Certificate shall remain in effect only for such period that the Series 2018A Bonds are outstanding in accordance with their terms and the College remains an Obligated Person with respect to the Series 2018A Bonds within the meaning of the Rule. The obligation of the College to provide the information and notices of the events described above shall terminate, if and when the College no longer remains such an Obligated Person. If any person, other than the College, becomes an Obligated Person relating to the Series 2018A Bonds, the College shall use its best efforts to require such Obligated Person to comply with all provisions of the Rule applicable to such Obligated Person.

Section 10. Dissemination Agent. The College may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under this Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 11. Beneficiaries. This Certificate shall inure solely to the benefit of the College, any dissemination agent, the Underwriter and Holders and Beneficial Owners from time to time of the Series 2018A Bonds, and shall create no rights in any other person or entity.

Section 12. **Recordkeeping**. The College shall maintain records of all Annual Filings and notices of Specified Events and other events including the content of such disclosure, the names of the entities with whom such disclosures were filed and the date of filing such disclosure.

Section 13. **Governing Law**. This Certificate shall be governed by the laws of the State.

IN WITNESS WHEREOF, the College has caused this Continuing Disclosure Certificate to be duly signed and delivered to the Underwriter, as part of the Series 2018A Bonds proceedings and in connection with the original delivery of the Series 2018A Bonds to the Underwriter, on its behalf by its official signing below, all as of the date set forth above, and the Holders and Beneficial Owners from time to time of the Series 2018A Bonds shall be deemed to have accepted this Continuing Disclosure Certificate made in accordance with the Rule.

Columbus State Community College

By: ________________________________
Name: ______________________________
Title: ______________________________

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COLUMBUS STATE

COMMUNITY COLLEGE