

# **State of Ohio**

# **Comprehensive Annual Financial Report**

Fiscal Year Ended June 30, 2013



Office of Budget and Management

OBM Director Timothy S. Keen

Deputy Director Accounting James J. Kennedy CPA CISA CGFM

Prepared by OBM Division of State Accounting.

## ACKNOWLEDGMENTS

Report prepared by the  
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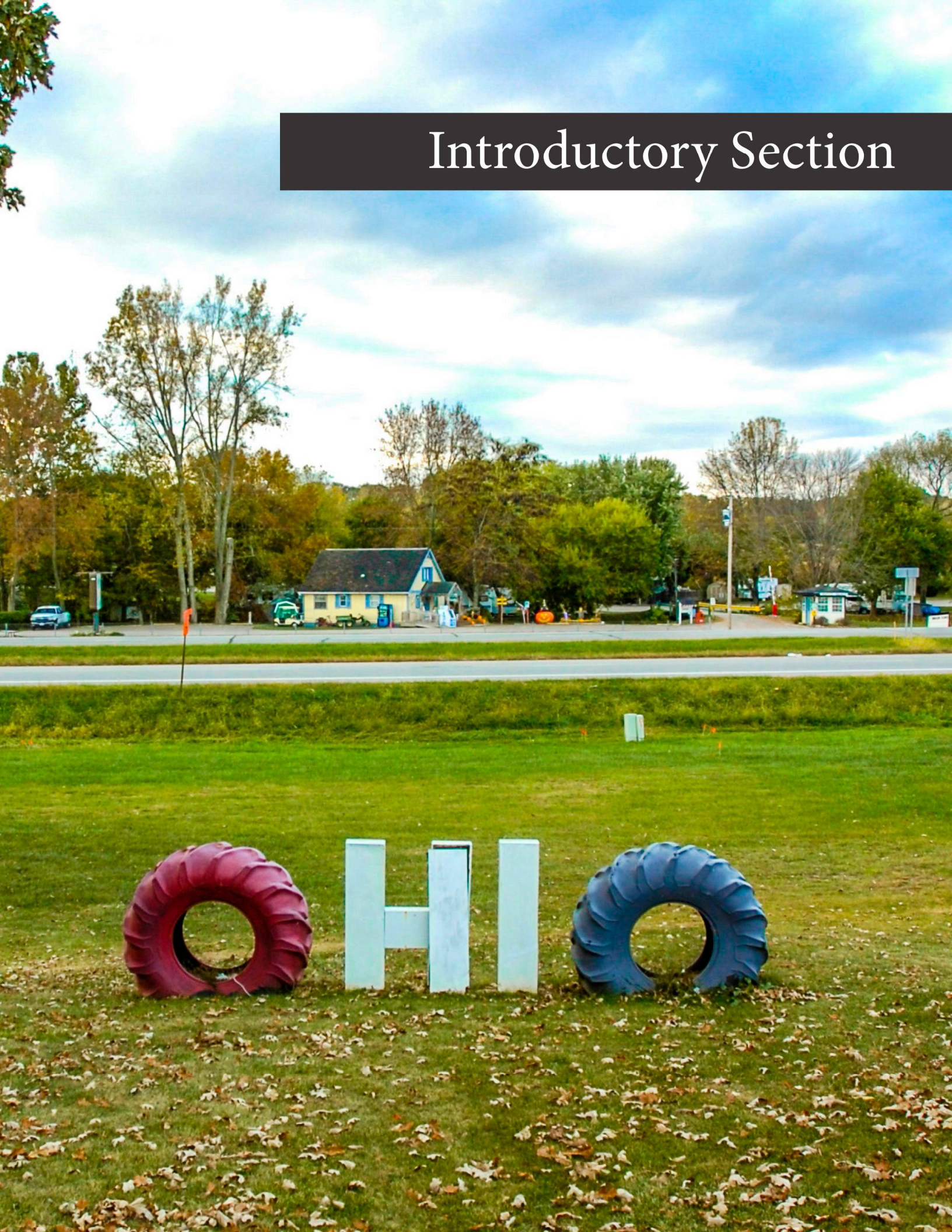
*David A. Kozlowsko*

*Amy K. Smith*

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



# Introductory Section





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# Office of Budget and Management

John R. Kasich  
Governor

Timothy S. Keen  
Director

December 20, 2013

To the Honorable John R. Kasich, Governor;  
Members of the Ohio General Assembly; and  
Citizens of Ohio:

It is my privilege to present the State of Ohio's Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2013, prepared in accordance with Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB).

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

To the best of our knowledge and belief, the information presented is accurate in all material respects and reported in a manner designed to present fairly the financial position and results of operations of the State of Ohio. All disclosures necessary for a reasonable understanding of the State's financial activities have been included.

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

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

The State's management is responsible for establishing and maintaining internal control designed to ensure that the State's assets are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived, and 2) the valuation of costs and benefits requires estimates and judgments by management.

## **INDEPENDENT AUDIT RESULTS**

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

Additionally, the State's Single Audit report is audited by the Office of the Auditor of State to meet the requirements of the federal Single Audit Act Amendments of 1996 and related Office of Management and Budget (OMB) Circular A-133. The Single Audit report will be issued separately from the State's CAFR.

## **PROFILE OF THE GOVERNMENT**

### **History**

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

### **Governmental Structure**

The executive branch consists of the Governor and Lieutenant Governor, who are jointly elected, and four additional statewide elected officials: the Attorney General, the Auditor of State, the Secretary of State, and the Treasurer of State. All of these officials are elected to four-year terms. The State Board of Education is also part of the executive branch. Approximately 100 departments, agencies, boards, and commissions are part of the executive branch of government and receive appropriations from the legislature, along with several judicial and legislative agencies. An organizational chart of state government can be found on pages x and xi.

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

Within the Judicial system, the Supreme Court is the court of last resort in Ohio. Most of its cases are appeals from the twelve district courts of appeal. The chief justice and six justices are elected to six-year terms on a nonpartisan ballot.

### **Reporting Entity and Its Services**

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

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

### **Retirement Systems**

Employees of the primary government or its component units may be eligible to participate in the Ohio Public Employees Retirement System, the State Teachers Retirement System of Ohio, the State Highway

Patrol Retirement System, or the Alternative Retirement Plan. Further information on the State's participation in the different retirement systems can be found in NOTE 9 to the financial statements.

### **Risk Management**

As discussed in NOTE 1P. to the financial statements, the State's primary government is self-insured for claims under its healthcare plan as well as its vehicle liability plan. Public official fidelity bonding is placed with a private insurer. The State self-funds tort liability and most property losses on a pay-as-you-go basis; however, selected state agencies have acquired private insurance for their property losses. Also, the State's primary government and its component units participate in a public entity risk pool, which is accounted for in the Workers' Compensation Enterprise Fund, for the financing of their workers' compensation liability.

### **Budgetary Control and Accounting System**

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

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

Budget-to-actual comparisons can be found in this report for each governmental fund for which an appropriated annual budget has been adopted. For the General Fund and the Job, Family and Other Human Services Special Revenue Fund, these comparisons are presented as part of the basic financial statements. For other budgeted non-major governmental funds with appropriated annual budgets, budget-to-actual comparisons are in the non-major governmental funds section of the CAFR.

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

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

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

## **ECONOMIC OVERVIEW AND OUTLOOK**

### **Overview**

The U.S. economic expansion continued through the third quarter of calendar year 2013, extending the string of positive quarterly changes in real GDP to 17. Real GDP growth remained uneven from quarter to quarter, and stayed close to the approximately 2 percent track it has been on since the end of the recession in mid-2009. For 2013, real GDP is on track to increase by 1.8 percent, similar to the average growth rate of 2.1 percent during the three previous years.

Despite more than four years of uninterrupted growth, the cumulative gain in the economy remains well short of that experienced at this point in past recoveries. Real GDP has expanded at an annual rate of 2.3 percent during the first 17 quarters of this expansion, compared with an average of 4.4 percent for other expansions lasting at least 17 quarters in the postwar period. The pace is comparable to, but still notably slower than, the growth rates following the most recent two recessions. In addition, growth in real final sales has been the weakest on record by a notable margin.

The slow pace of growth in aggregate demand has coincided with low consumer price inflation. After decreasing by 0.3 percent on average in 2009 for the first annual decline since 1955, the Consumer Price Index (CPI) increased only 1.6 percent in 2010 and followed energy prices higher to 3.1 percent in 2011 before returning to 2.1 percent in 2012. The CPI was on track through October to rise by only 1.5 percent in 2013. Inflation was last this low for a five-year period in the mid-1960s.

The Federal Reserve continues to respond to persistently weak economic growth and lingering financial stresses by holding the federal funds rate target range at 0 percent to 0.25 percent and by making substantial additional bond purchases to support capital markets and lift household net worth by directly boosting prices of bonds and indirectly by boosting prices of stocks (popularly known as “quantitative easing”). In general, interest rates remained near long-time lows in 2013, but in many cases moved notably higher starting in the spring. The 30-year fixed mortgage rate rose by more than a full percentage point from a new all-time low of less than 3.5 percent in early January 2013 to as high as 4.5 percent by September in anticipation of a reduction in the amount of regular monthly purchases of mortgage-backed securities by the Federal Reserve.

Fiscal policy continued to add directly to aggregate demand in Fiscal Year 2013, as federal outlays amounted to 20.8 percent of GDP, compared with receipts amounting to 16.7 percent of GDP. The budget deficit as a percent of GDP declined for the fourth straight year, reaching 4.1 percent of GDP, but remained among the largest in history during peace time. The mix of the outlays and the high level of uncertainty about pending tax rate increases, and the implementation of the new federal health law might offset to some degree any positive effects of government spending on aggregate demand.

Extensive slack continued to characterize labor markets again in 2013, as the number of unemployed and under-employed people remained high, despite continuing reductions. Payrolls expanded throughout the year, gaining strength as the calendar year drew to a close. Growth in total nonfarm payrolls averaged 189,000 jobs per month through November 2013, and the unemployment rate declined from 7.8 percent at the end of 2012 to 7.0 percent in November 2013. Despite the positive trends in labor markets, the severity of unemployment remains extreme by a variety of measures, including the length of both average and median time out of work.

Ohio employment also continued growing in calendar year 2013, rising by 29,800 jobs, or 0.6 percent, through October, compared with an increase of 42,900 jobs, or 0.8 percent, during the same period in 2012. (Ohio employment had fallen by 452,800 jobs from its peak in March 2006 to its low point in February 2010.) All major sectors of the economy contributed to job growth through October 2013 with the exception of government, information, and construction, where employment fell by 9,600 jobs, 2,000 jobs, and 1,700 jobs, respectively. Growth was concentrated in leisure and hospitality (+14,700), education and health services (+10,100), professional and business services (+7,100), and manufacturing (+2,800).

The strengthening in labor markets translated into higher U.S. personal income through the first three quarters of calendar year 2013. Actions taken by taxpayers in late 2012 in anticipation of higher tax rates in 2013 added to income in 2012 at the expense of early 2013, complicating year-over-year comparisons. Nonetheless, personal income during the four quarters ending in the third quarter of 2013 increased 3.9 percent from the same period a year earlier, compared with a 4.0 percent during the same period a year earlier, suggesting that income growth remained on track despite the tax-related disruptions.

Ohio personal income slowed more, growing 2.8 percent from a year earlier during the four quarters ending in the second quarter of calendar year 2013, compared with 5.1 percent in the year earlier period. Growth in wage and salary disbursements has held up better, slowing from 4.7 percent to 3.5 percent on the same basis.



## **Outlook**

The economy is expected to continue expanding in calendar year 2014. Real GDP will expand by 2.5 percent in 2014, following a projected gain of 1.8 percent in 2013, according to the November 2013 forecast by IHS Global Insight. The Ohio economy is also expected to grow in 2014, as measured by employment, personal income, and real gross state product, according to the February IHS Global Insight forecast.

Ohio employment is projected to increase for the fifth year in a row in 2014 on a fourth quarter-to-fourth quarter basis. After decreasing for four years in a row, culminating with a 5.3 percent decline in 2009, Ohio employment increased by 1.0 percent in 2010, 1.4 percent in 2011, and 1.0 percent in 2012. IHS Global Insight projects Ohio employment growth to increase 0.9 percent in 2013 and 1.3 percent in 2014.

Driven by rising employment and earnings per worker, Ohio personal income is projected to increase 2.7 percent in calendar year 2013 and 4.3 percent in calendar year 2014, following a decrease of 2.3 percent in 2009, and increases of 2.2 percent in 2010, 6.6 percent in 2011 and 3.7 percent in 2012.

Real Ohio gross state product gained 2.2 percent in calendar year 2012 after a decrease of 5.7 percent in 2009 and increases of 2.1 percent in 2010 and 2.9 percent in 2011. Growth is estimated to have continued at a modest pace of 0.8 percent in 2013 and is projected to increase to 1.7 percent in 2014.

Overall economic growth during 2014 is anticipated to increase at a pace closer to the 3.2 percent rate achieved during 1947-2012 for several reasons:

- The paying down of debt by households and businesses will subtract from growth instead of adding to growth as the accumulation of debt did during the expansion of the 2000s;
- The tremendous decrease in wealth from the decline in financial markets and housing prices will suppress consumption, although this factor has been increasingly offset by recent and substantial increases in prices of financial assets; and
- Housing construction will remain relatively subdued due to the large supply of unoccupied houses and low expectations for price appreciation.

As the effects of these factors dissipate, economic growth is projected to average close to the historical trend rate of 3.2 percent during 2015 and beyond, according to IHS Global Insight.

The future economic situation is uncertain. In the near term, U.S. economic growth could be stronger than previously anticipated for a time before ultimately giving way to more moderate growth longer term. The economy could benefit more than is widely anticipated in the near term from the following:

- Extraordinarily accommodative monetary policy, which is pegging short-term interest rates at generational lows and engaging in policies designed to lower longer-term interest rates and support asset prices;
- Rapid growth in corporate profits and strong corporate balance sheets;
- Improvements in consumer confidence and household balance sheets; and
- The potential for a domestic energy boom that could lower energy costs generally and lead to many years of enhanced productivity growth.

## **Risks to the Outlook**

However, risks to the economic outlook include:

- An abrupt reversal of the extraordinarily monetary policy that has been associated with historically low interest rates;
- The inability of federal lawmakers to enact a budget consistent with long-term economic growth;
- Renewed financial stress among European nations and U.S. state and local governments; and;
- Large direct and indirect costs of new regulations in health care, energy and financial services.

## MAJOR INITIATIVES AND PROJECTS

Going forward, major initiatives by the State of Ohio, will continue to build on pro-growth policies of the Fiscal Year 2012-2013 budget, which closed a \$7.7 billion fiscal imbalance without raising taxes, and the Fiscal Year 2014-2015 budget, which takes further steps to transform Ohio for jobs and growth. Chief among these initiatives:

- New Resources for Classroom Achievement: The Kasich Administration continues to champion ongoing initiatives to strengthen Ohio's schools, including the Third Grade Reading Guarantee and innovative school plans in Cleveland and Columbus. Such efforts continue, through the *Achievement Everywhere* Plan, which significantly increases state funding and puts more dollars in the classroom in ways that help teachers respond to each student's unique learning needs. As a result, aggregate state funding for education in FY 2015 will exceed FY 2011 actual state spending. To encourage innovation in the classroom, a new \$250 million *Straight A Fund* is providing one-time grants to encourage school districts with innovative strategies for increasing operational efficiency and helping students improve achievement levels.
- Tax Reduction and Reform: Ohioans will benefit from more than \$2.7 billion in tax relief, including a 10 percent reduction, over three years, in personal income tax rates and a 50 percent tax cut for nearly all small businesses. Other reforms ease Ohio's past reliance on income taxes by placing greater emphasis on consumption taxes, closing loopholes and making the tax system fairer and more supportive of a jobs-friendly economic climate.
- Transforming Medicaid and Health Care Delivery: Building on Ohio's progress, begun in the Fiscal Years 2012 and 2013 budget, reforms taking effect over the coming year will continue the nationally recognized transformation of Ohio's Medicaid program, ensure better care for vulnerable Ohioans, streamline health and human services programs and improve overall health system performance. In 2014, the State is extending Medicaid coverage to 275,000 lower-income residents, helping to keep working Ohioans in jobs, put Ohio's federal taxes to work here at home and create a ladder up and out of public assistance.
- Incentivizing State Colleges to Increase Graduation Rates: Through a new funding formula based less on how many students enroll and more on how many students complete their degrees, the State rewards graduation and completion at Ohio's public colleges and universities. Going forward, the new budget also caps in-state undergraduate tuition to keep tuition affordable for Ohio families.
- The Ohio Jobs and Transportation Plan: authorized in the Fiscal Year 2012-2013 budget and implemented by H.B. 51, signed on April 1, 2013, leverages the value of the State's Ohio Turnpike asset to support bonds for transportation projects. This plan positions Ohio to move forward with the design and construction of essential transportation infrastructure projects that would have otherwise been held off for years, given the slow decline of traditional transportation revenue streams.

During Fiscal Year 2014, the Office of Budget and Management is leading state agencies through a comprehensive Mid-Biennium Review (MBR), a top-to-bottom analysis of state agency budgets, operations and programs. This follows a pattern set by Ohio's first-ever MBR, which was undertaken by the Kasich Administration in 2012 and produced hundreds of recommendations for efficiencies and reforms to reduce the cost of government and revitalize Ohio's ability to keep and attract jobs. Early in February 2014, the Governor will introduce his capital budget proposal for the 2015 and 2016 fiscal biennium, identifying spending priorities to maintain and improve the state's educational and public service infrastructure in ways that help keep Ohio a leader in the competitive world economy.

Overall, Ohio continues to keep its fiscal house in order by aligning its fiscal resources in ways that best serve our citizens' needs. Prudent fiscal management over the past two years has allowed the State to return a portion of its improving revenues to citizens in the form of reduced taxes and restore the State's Budget Stabilization Fund to its statutory maximum of \$1.48 billion (from an 89-cents balance in 2010).

Additional discussion of these and other initiatives is provided in the General Fund Budgetary Highlights section of the MD&A.

## **AWARDS AND ACKNOWLEDGEMENTS**

### **Certificate of Achievement**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the State of Ohio for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2012. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

### **Acknowledgments**

In conclusion, I wish to express my appreciation to the Financial Reporting staff of OBM's State Accounting Section and staffs of the various state agencies whose time and dedicated efforts made this report possible. I encourage you to access Ohio's Comprehensive Annual Financial Report at <http://www.obm.ohio.gov>.

Respectfully submitted,

A handwritten signature in blue ink, reading "Timothy S. Keen". The signature is fluid and cursive, with the first name "Timothy" and last name "Keen" clearly legible.

Timothy S. Keen  
Director

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# **STATE OF OHIO OFFICIALS**

As of June 30, 2013

## **EXECUTIVE**

John Kasich  
Governor

Mary Taylor  
Lieutenant Governor

Mike Dewine  
Attorney General

Dave Yost  
Auditor of State

Josh Mandel  
Treasurer of State

Jon Husted  
Secretary of State

## **LEGISLATIVE**

Keith Faber  
President of the Senate

William G. Batchelder  
Speaker of the House

## **JUDICIAL**

Maureen O'Connor  
Chief Justice  
Supreme Court

# STATE OF OHIO ORGANIZATION CHART

FINANCIAL REPORTING ENTITY		
PRIMARY GOVERNMENT		
<p style="text-align: center;"><b>LEGISLATIVE</b></p> <p style="text-align: center;"><b>Senate</b> (33 Members)</p> <p style="text-align: center;"><b>House of Representatives</b> (99 Members)</p>	<p style="text-align: center;"><b>EXECUTIVE</b></p> <p style="text-align: center;"><b>Governor</b> <b>Lieutenant Governor</b> <b>Attorney General</b> <b>Auditor of State</b> <b>Secretary of State</b> <b>Treasurer of State</b> <b>State Board of Education</b> (11 Elected Members, and 6 At-Large Members)</p>	<p style="text-align: center;"><b>JUDICIAL</b></p> <p style="text-align: center;"><b>Supreme Court</b> Chief Justice and 6 Justices</p>
<p><b>Governmental Activities:</b> <i>General Government:</i> Senate House of Representatives Legislative Service Commission Legislative Committees</p>	<p><b>Governmental Activities:</b> <i>Primary, Secondary and Other Education:</i> Arts Council Department of Education Educational Telecommunications School for the Blind School for the Deaf State Library Board</p> <p><i>Higher Education Support:</i> Board of Regents Career Colleges and Schools Board</p> <p><i>Public Assistance and Medicaid:</i> Department of Job and Family Services</p> <p><i>Health and Human Services:</i> Department of Aging Department of Alcohol and Drug Addiction Services Department of Health Department of Mental Health Department of Developmental Disabilities Department of Veteran Services Hispanic-Latino Affairs Commission Legal Rights Service Minority Health Commission Rehabilitation Services Commission</p> <p><i>Justice and Public Protection:</i> Adjutant General Board of Tax Appeals Civil Rights Commission Department of Public Safety Department of Rehabilitation and Correction Department of Youth Services Ethics Commission Office of the Attorney General Public Defender Commission</p> <p><i>Environmental Protection and Natural Resources:</i> Department of Natural Resources Environmental Protection Agency Environmental Review Appeals Lake Erie Commission</p> <p><i>Transportation:</i> Department of Transportation</p>	<p><b>Governmental Activities:</b> <i>Justice and Public Protection:</i> Supreme Court Judicial Conference Judiciary Court of Claims</p>

## PRIMARY GOVERNMENT (Continued)

	<p><i>General Government:</i>            Capitol Square Review &amp; Advisory Board            Consumers' Counsel            Department of Administrative Services            Department of Commerce            Department of Insurance            Department of Taxation            Office of Budget and Management            Office of the Governor            Office of the Inspector General            Office of the Lieutenant Governor            Office of the Secretary of State            Office of the Treasurer of State            Public Utilities Commission            Racing Commission            Sinking Fund Commission            Other Boards and Commissions</p> <p><i>Community and Economic Development:</i>            Department of Agriculture            Development Services Agency            Expositions Commission            Public Works Commission            Southern Ohio Agricultural &amp; Community            Development Foundation</p> <p><b>Business-Type Activities:</b>            Bureau of Workers' Compensation            and Industrial Commission            Department of Commerce—            Liquor Control Division            Department of Job and Family Services—            Unemployment Compensation Program            Lottery Commission            Office of the Auditor of State            Tuition Trust Authority</p>	
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## COMPONENT UNITS

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

Great Lakes Protection Fund Local Community Colleges Technical Colleges
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## RELATED ORGANIZATIONS

Higher Education Facility Commission Ohio Housing Finance Agency Ohio Legal Assistance Foundation Ohio Turnpike Commission Ohio Water Development Authority Petroleum Underground Storage Tank Release Compensation Board
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Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**State of Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2012**

A handwritten signature in black ink, reading "Jeffrey R. Emen". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Executive Director/CEO