NEW ISSUE — **Supplemental Official Statement No. 1**
Book Entry Only — **(To Official Statement dated September 15, 2021)**

RATINGS: Moody's: Aa1
S&P: AA
Fitch: AA
See **RATINGS** herein.

*In the opinion of Bricker & Eckler LLP, Bond Counsel, under existing law and assuming compliance with certain covenants, interest on the Series 2021 A Bonds is excluded from gross income for federal income tax purposes, is not treated as an item of tax preference for purposes of the alternative minimum income tax imposed on individuals under the Internal Revenue Code of 1986, as amended, and is exempt from certain taxes imposed by the State of Ohio. The Series 2021 A Bonds are not "private activity bonds" within the meaning of the Code. The University has not designated the Series 2021 A Bonds as "qualified tax exempt obligations" within the meaning of Section 265(b)(3) of the Code. Interest on the Series 2021 A Bonds may be subject to certain federal income taxes imposed on certain corporations, and certain taxpayers may have certain other adverse federal income tax consequences as a result of owning the Series 2021 A Bonds. See **TAX MATTERS** herein.*

$600,000,000
THE OHIO STATE UNIVERSITY
General Receipts Bonds
(Multiyear Debt Issuance Program II)
Series 2021 A (Green Bonds)

KESTREL VERIFIERS™

Dated: Date of Delivery — **Due: As shown on inside cover**

The General Receipts Bonds (Multiyear Debt Issuance Program II), Series 2021 A (Green Bonds) (the "Series 2021 A Bonds") are special obligations of The Ohio State University (the "University") issued to pay costs of capital facilities and costs of issuance of the Series 2021 A Bonds. See **THE PROJECT AND PLAN OF FINANCE.**

The Series 2021 A Bonds are the first series issued by the University pursuant to its Multiyear Debt Issuance Program II (the "Program"). The University is authorized by the Program II Resolution (as herein defined) to issue from time to time up to $800,000,000 of General Receipts Obligations, in one or more series, for the purpose of paying costs of capital facilities, and to issue additional General Receipts Obligations, in one or more series, for the purpose of retiring or refunding Outstanding General Receipts Obligations. Each series of General Receipts Obligations issued under the Program II Resolution will be referred to as "Program II Bonds". The specific terms of each series of Program II Bonds are set forth in one or more supplements to the Official Statement dated September 15, 2021 (the "Official Statement"), and this Supplemental Official Statement sets forth the terms for the Series 2021 A Bonds, which are an issuance of Program II Bonds. See **INTRODUCTORY STATEMENT – The Program** in the accompanying Official Statement. Except as otherwise defined herein, all capitalized terms used in this Supplemental Official Statement shall have the same meanings assigned to them in the accompanying Official Statement or the Amended and Restated Trust Indenture (as herein defined).

The Series 2021 A Bonds are issuable in the denomination of $5,000 or any integral multiple thereof. The principal of the Series 2021 A Bonds will be payable at the designated corporate trust office of the Trustee. Interest on the Series 2021 A Bonds is payable semi-annually on June 1 and December 1, commencing June 1, 2022. The Series 2021 A Bonds will be initially issued only as fully registered bonds issuable under a book entry system and registered initially in the name of The Depository Trust Company or its nominee ("DTC"). There will be no distribution of the Series 2021 A Bonds to the owners of book entry interests. So long as DTC or its nominee is the registered owner of the Series 2021 A Bonds, references herein to the Bondholders or registered owners shall mean DTC or its nominee, and not the owners of book entry interests in the Series 2021 A Bonds. See **APPENDIX C – BOOK ENTRY ONLY SYSTEM.**

The Series 2021 A Bonds are subject to redemption prior to maturity as more fully described herein. See **DESCRIPTION OF THE SERIES 2021 A BONDS – Redemption.**

The Series 2021 A Bonds have been designated as "Green Bonds" by Kestrel Verifiers. See **DESIGNATION OF SERIES 2021 A BONDS AS GREEN BONDS.**

The Series 2021 A Bonds are not obligations of the State of Ohio, are not general obligations of the University, and the full faith and credit of the University is not pledged to their payment. The owners of the Series 2021 A Bonds have no right to have any excises or taxes levied by the Ohio General Assembly for the payment of the principal, interest and redemption premium.

This cover page contains certain information for quick reference only. It is not intended to be a summary of this issue. Investors must read this entire Supplemental Official Statement and the accompanying Official Statement to obtain information essential to the making of an informed investment decision.

The Series 2021 A Bonds are offered when, as and if issued by the University and received by the Underwriters, subject to a receipt of an opinion on certain legal matters relating to their issuance by Bricker & Eckler LLP, bond counsel to the University. Certain legal matters will be passed upon for the University by its statutory counsel, the Attorney General of the State of Ohio, through Anne K. Garcia, Senior Vice President & General Counsel for the University and by Tucker Ellis LLP as Issuer and Disclosure Counsel to the University. Certain legal matters in connection with the Series 2021 A Bonds will be passed upon for the Underwriters by Dinsmore & Shohl LLP, counsel to the Underwriters. It is expected that the Series 2021 A Bonds will be available in definitive form for delivery through the facilities of DTC in New York, New York on or about September 30, 2021.

BARCLAYS

RBC Capital Markets — **Wells Fargo Securities**

Huntington Capital Markets — **Jefferies** — **JPMorgan** — **KeyBanc Capital Markets** — **Loop Capital Markets**

This Supplemental Official Statement is dated September 21, 2021.

MATURITY SCHEDULE

$600,000,000
THE OHIO STATE UNIVERSITY
General Receipts Bonds
(Multiyear Debt Issuance Program II)
Series 2021 A (Green Bonds)

SERIAL BONDS

Maturity Date	Principal Amount	Interest Rate	Yield	CUSIP†
12/1/2022	$9,415,000	5.000%	0.070%	677632K83
12/1/2023	9,895,000	5.000%	0.140%	677632K91
12/1/2024	10,405,000	5.000%	0.220%	677632L25
12/1/2025	10,935,000	5.000%	0.350%	677632L33
12/1/2026	11,495,000	5.000%	0.460%	677632L41
12/1/2027	12,085,000	5.000%	0.630%	677632L58
12/1/2028	12,705,000	5.000%	0.740%	677632L66
12/1/2029	13,360,000	5.000%	0.880%	677632L74
12/1/2030	14,045,000	5.000%	0.960%	677632L82
12/1/2031	14,765,000	5.000%	1.050%	677632L90
12/1/2032	15,520,000	5.000%	1.150%[c]	677632M24
12/1/2033	16,315,000	5.000%	1.230%[c]	677632M32
12/1/2034	17,155,000	5.000%	1.280%[c]	677632M40
12/1/2035	18,035,000	5.000%	1.320%[c]	677632M57
12/1/2036	18,960,000	5.000%	1.340%[c]	677632M65
12/1/2037	19,830,000	4.000%	1.550%[c]	677632M73
12/1/2038	20,635,000	4.000%	1.590%[c]	677632M81
12/1/2039	21,480,000	4.000%	1.630%[c]	677632M99
12/1/2040	22,355,000	4.000%	1.690%[c]	677632N23
12/1/2041	23,270,000	4.000%	1.720%[c]	677632N31
12/1/2042	24,220,000	4.000%	1.760%[c]	677632N49
12/1/2043	25,205,000	4.000%	1.800%[c]	677632N56
12/1/2044	26,105,000	3.000%	2.130%[c]	677632N64

TERM BONDS

$114,940,000 4.00% Term Bond maturing December 1, 2048, Yield 1.900%[c], Price 119.334. CUSIP 677632N72

$96,870,000 2.50% Term Bond maturing December 1, 2051, Yield 2.490%[c], Price 100.087. CUSIP 677632N80

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† CUSIP is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Global Market Intelligence and is an independent company not affiliated with the University. The University is not responsible for the selection or use of the CUSIP number referenced herein and no representation is made by the University as to its correctness. A CUSIP number is included solely for the convenience of the readers of this Supplemental Official Statement. The CUSIP number is subject to change after the issuance of the Series 2021 A Bonds.

[c] Calculated to the December 1, 2031 par call date.

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SERIES 2021 A SUPPLEMENTAL OFFICIAL STATEMENT

OFFICIAL STATEMENT

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REGARDING USE OF THIS SUPPLEMENTAL OFFICIAL STATEMENT

This Supplemental Official Statement, including the Appendices attached hereto, and the accompanying Official Statement, does not constitute an offering of any security other than the original offering by the University of the Series 2021 A Bonds identified on the cover hereof. No dealer, broker, salesman or other person has been authorized by the University to give any information or to make any representation with respect to the Series 2021 A Bonds other than those contained in this Supplemental Official Statement and the accompanying Official Statement and, if given or made, such other information or representations not so authorized must not be relied upon as having been given or authorized by the University. This Supplemental Official Statement, which includes the cover page and the Appendices attached hereto and the accompanying Official Statement, does not constitute an offer to sell or the solicitation of an offer to buy, and there shall not be any sale of the Series 2021 A Bonds by any person in any jurisdiction in which it is unlawful to make such offer, solicitation or sale.

The information and descriptions in this Supplemental Official Statement and the accompanying Official Statement do not purport to be comprehensive or definitive. Statements regarding specific documents, including the Series 2021 A Bonds, are summaries of and subject to the detailed provisions of such documents and are qualified in their entirety by reference to each such document, copies of which will be made available, upon request, for examination in the offices of the Underwriters during the initial offer of the Series 2021 A Bonds and thereafter at the designated corporate trust office of the Trustee.

The information and expressions of opinion in this Supplemental Official Statement and the accompanying Official Statement are subject to change without notice and neither the delivery of this Supplemental Official Statement and the accompanying Official Statement nor any sale of the Series 2021 A Bonds shall under any circumstances create any implication that there has been no change in the affairs of the University since the date of this Supplemental Official Statement.

Upon issuance, the Series 2021 A Bonds will not be registered by the University under the Securities Act of 1933, as amended (the "Securities Act") pursuant to the exemption afforded under Section 3(a)(2) of the Securities Act, or under any state securities law. The Series 2021 A Bonds will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state, or other governmental entity or agency, except the University, will have passed upon the accuracy or adequacy of this Supplemental Official Statement and the accompanying Official Statement or approved the Series 2021 A Bonds for sale. Any representation to the contrary is a criminal offense.

Certain statements included or incorporated by reference in this Supplemental Official Statement constitute "forward looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1955, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "budget," "intend," "projection" or other similar words. Such forward looking statements include, but are not limited to, certain statements contained in the information in APPENDIX A – THE OHIO STATE UNIVERSITY. A number of important factors, including factors affecting the University's financial condition and factors which are otherwise unrelated thereto, could cause actual results to differ materially from those stated in such forward looking statements, including but not limited to the ongoing effects of the COVID-19 pandemic as described in Appendix A under "FINANCIAL OPERATIONS OF THE UNIVERSITY – COVID-19 Pandemic." The impact of COVID-19 on University finances and operations may continue for at least the current fiscal year, depending on vaccination rates and whether the COVID-19 virus or variations of the virus continue to spread in the United States and around the world. THE UNIVERSITY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD LOOKING STATEMENTS IF OR WHEN

ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR.

The forward looking information and preliminary financial data set forth in this Supplemental Official Statement and in Appendix A were not prepared with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to forward looking information and preliminary financial data, but, in the view of the University's management, were prepared on a reasonable basis, reflect the best currently available estimates and judgments, and present, to the best of management's knowledge and belief, the expected course of action and the expected future financial performance of the University. However, this information is not fact and should not be relied upon as being necessarily indicative of future results, and readers of this Supplemental Official Statement are cautioned not to place undue reliance on the forward looking information and preliminary financial data.

The Underwriters have provided the following sentence for inclusion in this Supplemental Official Statement. The Underwriters have reviewed the information in this Supplemental Official Statement and the accompanying Official Statement in accordance with, and as a part of, their responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2021 A BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

SUMMARY OF THE OFFERING

Issuer:	The Ohio State University
Securities Offered:	$600,000,000 General Receipts Bonds (Multiyear Debt Issuance Program II) Series 2021 A (Green Bonds)
Priority of Pledge:	The Series 2021 A Bonds are being issued as Senior Lien Obligations under the Indenture. See **SECURITY AND SOURCES OF PAYMENT** in the accompanying Official Statement.
Interest Accrual Date:	Interest will accrue from the Date of Issuance
Interest Payment Dates:	June 1 and December 1, commencing June 1, 2022
Redemption:	The Series 2021 A Bonds are subject to redemption prior to maturity as set forth herein. See **DESCRIPTION OF THE SERIES 2021 A BONDS – Redemption** herein.
Date of Issuance:	September 30, 2021
Authorized Denominations:	$5,000 and any integral multiples thereof
Form and Securities Depository:	The Series 2021 A Bonds will be delivered solely in registered form under a book entry system through the facilities of DTC.
Use of Proceeds:	The Series 2021 A Bonds are being issued for the purpose of paying costs of capital facilities described herein and to pay costs of issuance of the Series 2021 A Bonds. See **THE PROJECT AND PLAN OF FINANCE** herein.
Ratings:*	**Moody's:** Aa1 **S&P:** AA **Fitch:** AA

* Note: A securities rating is not a recommendation to buy, hold or sell securities, and may be subject to revision or withdrawal at any time.

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$600,000,000
THE OHIO STATE UNIVERSITY
General Receipts Bonds
(Multiyear Debt Issuance Program II)
Series 2021 A (Green Bonds)

INTRODUCTORY STATEMENT

This Supplemental Official Statement has been prepared by The Ohio State University (the "University"), a state university of the State of Ohio, in connection with the issuance and sale by the University of $600,000,000 in aggregate principal amount of its General Receipts Bonds (Multiyear Debt Issuance Program II), Series 2021 A (Green Bonds) (the "Series 2021 A Bonds"). The Series 2021 A Bonds are being issued as Senior Lien Obligations under the Indenture (defined below) for the purpose of paying costs of capital facilities and paying costs of the issuance of the Series 2021 A Bonds, all described under **THE PROJECT AND PLAN OF FINANCE** herein.

The Series 2021 A Bonds are being issued pursuant to Sections 3345.11 and 3345.12 of the Ohio Revised Code (the "Act"), the General Bond Resolution adopted by the Board of Trustees of the University (the "Board") on November 5, 1999 (the "1999 Bond Resolution") and the Multiyear Debt Issuance Program II Bond Resolution (the "Program II Resolution"), adopted by the Board on August 19, 2021.

The Program II Resolution authorized the issuance and sale by the University of up to a maximum of $800,000,000 in aggregate principal amount of its Program II Bonds in one or more series from the date of adoption of the Program II Resolution until June 30, 2025 (the "Offering Period"). The maximum principal amount limitation in the Program II Resolution does not apply to Obligations issued to retire or refund Obligations previously issued by the University ("Refunding Obligations") and such Refunding Obligations are excluded for purposes of calculating the amount of Obligations issued pursuant to the authorization provided in the Program II Resolution. The Program II Resolution provides that the specific terms of each series of Program II Bonds issued during the Offering Period will be set forth in one or more supplements to the Official Statement dated September 15, 2021 (the "Official Statement"). This Supplemental Official Statement is such a supplement to the Official Statement and relates to the offering of the Series 2021 A Bonds.

The Series 2021 A Bonds are also issued pursuant to an Amended and Restated Trust Indenture (the "Amended and Restated Trust Indenture") dated as of December 1, 1999, as amended and supplemented to date, including by the Multiyear Debt Issuance Program II Supplement to Amended and Restated Trust Indenture dated as of September 1, 2021 (the "Program II Supplement") between the University and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the "Trustee") and a Certificate of Award dated September 21, 2021 (the "Certificate of Award"). The Program II Resolution, the Amended and Restated Trust Indenture and the Program II Supplement are collectively referred to in this Supplemental Official Statement as the "Indenture."

The University has previously authorized and issued Obligations secured by the Indenture. Upon issuance of the Series 2021 A Bonds, there will be 19 series of General Receipts Bonds secured by the Indenture outstanding of which $3,154,450,000 in aggregate principal amount will be Senior Lien Obligations and $337,955,000 in aggregate principal amount will be subordinated Special Purpose General Receipts Obligations. In addition, the University's obligations with respect to its interest rate swap agreements, including any obligation to make termination payments, are secured by a pledge of the University's General Receipts. See **GENERAL RECEIPTS OBLIGATIONS** in the accompanying Official Statement and **GENERAL RECEIPTS AND OUTSTANDING GENERAL RECEIPTS BONDS** herein.

As used herein, the following terms have the definitions provided:

“Auxiliary Facilities” means buildings, structures, and other improvements, and equipment, real estate and interests in real estate therefor, to be used for or in connection with student activity or student service facilities, dining halls, and other food service and preparation facilities, vehicular parking facilities, bookstores, athletic and recreational facilities, faculty centers, auditoriums, assembly and exhibit halls, hospitals, infirmaries and other medical and health facilities, research, and continuing education facilities.

“Bond” or “Bonds” means any bond, or all of the bonds, or an issue or series of bonds, as the case may be, of the University issued pursuant to the 1999 Bond Resolution, a Series Resolution and the Indenture, as amended by a supplemental indenture thereto or an amendment thereof as well as any bond or bonds outstanding and issued under the terms of the Amended and Restated Indenture.

“Debt Service Charges” means, for any applicable time period, the principal (including any mandatory sinking fund requirements), interest and redemption premium, if any, required to be paid by the University on the Obligations pursuant to any Series Resolution.

“Educational Facilities” means buildings, structures, and other improvements, and equipment, real estate and interests in real estate therefor, to be used for or in connection with 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.

“Housing and Dining Facilities” means buildings, structures, and other improvements, and equipment, real estate and interests in real estate therefor, to be used for or in connection with dormitories or other living quarters and accommodations, or related dining hall or other food service and preparation facilities, for students, members of the faculty, officers or employees of University, and their spouses and families.

“Notes or Note” means any note or all of the notes, or an issue of notes, as the case may be, including Commercial Paper, issued by the University in anticipation of the issuance of Bonds to pay costs of University Facilities pursuant to the Act, or to pay costs of refunding or retirement of Notes previously issued pursuant to the Act, the 1999 Bond Resolution, a Series Resolution and the Indenture, as amended by a supplemental indenture thereto or an amendment thereof, and including any note or notes issued pursuant to the terms of the Amended and Restated Indenture.

“Obligations” means Bonds or Notes.

“Senior Lien Obligation” means (a) the following issues of General Receipts Bonds: the Series 1997 Bonds, the Series 1999 B1 Bonds, the Series 2001 Bonds, the Series 2008 B Bonds, the Series 2010 C Bonds, the Series 2010 D Bonds, the Series 2010 E Bonds, the Series 2011 A Bonds, the Series 2012 A Bonds, the Series 2012 B Bonds, the Series 2014 A Bonds, the Series 2014 B-1 Bonds, the Series 2014 B-2 Bonds, the Series 2016 A Bonds, the Series 2016 B Bonds, the Series 2017 Bonds, the Series 2020 A Bonds, and upon their issuance, the Series 2021 A Bonds, and (b) any other Obligations issued from time to time under the Indenture and designated by the University as being secured by a lien on General Receipts senior to the lien on the Special Purpose Pledged Revenues securing the Special Purpose General Receipts Obligations.

“Series Resolution” means a resolution of the Board authorizing one or more series of Obligations and the execution and delivery of a Supplemental Indenture, all in accordance with the 1999 Bond Resolution and the Amended and Restated Indenture.

"Special Purpose General Receipts Obligations" means the Series 2013 A Bonds, and any other Obligations issued from time to time and secured by the Special Purpose Pledged Revenues.

"Special Purpose Pledged Revenues" means all revenues, fees, rentals, rates, charges, insurance proceeds and other moneys derived by the University from the ownership or operation of Special Purpose Revenue Facilities, subject and subordinate to the lien on General Receipts securing any Senior Lien Obligation.

"Special Purpose Revenue Facilities" means all Housing and Dining Facilities and such Auxiliary Facilities as shall constitute recreation facilities owned by the University.

"Supplemental Indenture" means any one or more supplemental indentures entered into pursuant to the Amended and Restated Indenture and a Series Resolution.

"University Facilities" means Housing and Dining Facilities or Auxiliary Facilities or Education Facilities, and includes any one, part of, or any combination of such facilities, and further includes site improvements, utilities, machinery, furnishings and any separate or connected buildings, structures, improvements, sites, open space and green space areas, utilities or equipment to be used in, or in connection with the operation or maintenance of, or supplementing or otherwise related to the services or facilities to be provided by such facilities.

This Supplemental Official Statement includes all Appendices hereto and the accompanying Official Statement, each of which are delivered herewith.

THE PROJECT AND PLAN OF FINANCE

The Project

The Series 2021 A Bonds are being issued for the purpose of paying a portion of the costs of the Project described below, and paying costs of the issuance of the Series 2021 A Bonds.

From time to time the University issues bonds, notes, and other obligations secured by the pledge of its General Receipts to pay a portion of the costs of acquiring, constructing and installing University Facilities. Additional sources of funding for such purposes include gifts, donations, State appropriations and other funds of the University. See **APPENDIX A – GENERAL – Physical Plant** for a detailed description of the University's facilities.

The University Facilities to be financed with a portion of the proceeds of the Series 2021 A Bonds (the "Project") constitute the continuation of an ongoing program of improvement to the capital plant of the University. The Project will consist of the construction of a new inpatient hospital facility at The Ohio State University Wexner Medical Center. The new inpatient hospital facility will house up to 820 patient beds in private room settings, up to 60 neonatal intensive care units and state of the art diagnostic, treatment and inpatient service areas. The responsibility of the University to maintain its General Receipts at a level sufficient to pay the Debt Service Charges on the Series 2021 A Bonds and any other Obligations is neither subject to nor conditioned by the completion of the Project or any portion thereof.

The Series 2021 A Bonds have been certified as "Green Bonds." See **DESIGNATION OF SERIES 2021 A BONDS AS GREEN BONDS**.

Sources and Uses of Funds

The sources and uses of funds with respect to the Series 2021 A Bonds are summarized below:

Sources of Funds:	
Par Amount	$ 600,000,000.00
Net Original Issue Premium	118,541,483.50
Total Sources	$ 718,541,483.50
Uses of Funds:	
Deposit to Series 2021 A Facilities Account	$ 715,394,781.13
Issuance Expenses(1)	3,146,702.37
Total Uses	$ 718,541,483.50

(1) To pay issuance expenses of the Series 2021 A Bonds, including Underwriters' discount, legal fees, ratings fees, Trustee fees and miscellaneous costs.

DESCRIPTION OF THE SERIES 2021 A BONDS

Set forth below is a description of the specific terms of the Series 2021 A Bonds. This description supplements, and should be read together with, the description of the general terms of Senior Lien Obligations set forth in the accompanying Official Statement. The following description does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the description in the accompanying Official Statement.

General Terms

The Series 2021 A Bonds are being issued as fixed rate Senior Lien Obligations and will be dated as of the date of their issuance and delivery, as set forth on the inside cover page hereof. The Series 2021 A Bonds will bear interest at the rates set forth on the inside cover page hereof, payable semi-annually on June 1 and December 1, commencing on June 1, 2022, and will mature on the dates and in the principal amounts set forth in the inside cover page hereof. The Series 2021 A Bonds are issuable as fully registered bonds in denominations of $5,000 and integral multiples thereof. Interest on the Series 2021 A Bonds will be calculated based on a year of 360 days, consisting of twelve 30-day months.

The principal of the Series 2021 A Bonds is payable only to the registered owner, initially DTC or its nominee, at the designated corporate trust office of the Trustee. Except as otherwise provided in the agreement between DTC and the Trustee, interest will be paid on each June 1 and December 1 to the registered owner of a Series 2021 A Bond at the close of the 15th day of the calendar month next preceding that interest payment date (the "Regular Record Date") (i) by check or draft mailed to the registered owner at the owner's address as it appears on the registration books maintained by the Trustee, or (ii) by wire transfer to such account, if any, as requested by such registered owner of $1,000,000 or more in aggregate principal amount of the Series 2021 A Bonds, provided that notice of such request is given in writing by such owner to the Paying Agent not less than ten (10) days prior to an Interest Payment Date for which such notice shall be effective, such notice continuing in effect as to subsequent Interest Payment Dates until such time as an owner in writing notifies the Paying Agent to the contrary or until such time as such owner ceases to be an owner of the requisite principal amount of Series 2021 A Bonds.

Optional Redemption

The Series 2021 A Bonds maturing on or after December 1, 2032 are subject to optional redemption on any date on or after December 1, 2031 in whole or in part, at 100% of the principal amount thereof, plus accrued interest to the redemption date.

Mandatory Sinking Fund Redemption

The Series 2021 A Bonds maturing on December 1, 2048 (the "2048 Term Bonds") and on December 1, 2051 (the "2051 Term Bonds" and collectively with the 2048 Term Bonds, the "Term Bonds") are subject to mandatory sinking fund redemption at a redemption price of the principal amount to be redeemed, plus accrued interest to the date of redemption, on December 1 in the years and in the respective principal amounts as follows:

2048 Term Bond

Year	Principal Amount to Be Redeemed
2045	$27,035,000
2046	28,140,000
2047	29,285,000
2048*	30,480,000

2051 Term Bond

Year	Principal Amount to Be Redeemed
2049	$31,485,000
2050	32,285,000
2051*	33,100,000

*Maturity

Selection of Bonds to be Redeemed

If fewer than all of the outstanding Series 2021 A Bonds are called for redemption at one time, the maturities of the Series 2021 A Bonds to be called shall be selected by the University.

If less than all of an outstanding Series 2021 A Bond of a single maturity under a book entry system is called for redemption, the Trustee shall only give notice of redemption to DTC as registered owner. The selection of the book entry interests in that Series 2021 A Bond to be redeemed is discussed below under **Notice of Redemption; Effect**.

If bond certificates are issued to the ultimate owners, and if fewer than all of the Series 2021 A Bonds of a single maturity are to be redeemed, the selection of Series 2021 A Bonds to be redeemed, or portions of Series 2021 A Bonds, shall be made by lot by the Trustee in any manner which the Trustee may determine.

In the case of a partial redemption by lot when Series 2021 A 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 2021 A Bond in the denomination of $5,000.

Notice of Redemption; Effect

The Trustee is to cause notice of the call for redemption, identifying the Series 2021 A Bonds or portions of Series 2021 A 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 2021 A Bond to be redeemed at the address shown on the Register. Any defect in the notice or any failure to receive notice by mailing will not affect the validity of any proceedings for the redemption of any Series 2021 A Bonds.

On the date designated for redemption, Series 2021 A Bonds or portions of Series 2021 A Bonds called for redemption shall become due and payable. If the Trustee holds sufficient moneys for payment of debt service payable on that redemption date, interest on each Series 2021 A Bond (or portion of a Bond) so called for redemption will cease to accrue on that date.

So long as all Series 2021 A 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 2021 A 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 Participants and Indirect Participants and will be done by lot or otherwise as determined by the depository. Any failure of the depository to advise any Participant, or of any 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 2021 A Bonds or portions of Series 2021 A Bonds. See **APPENDIX C – BOOK-ENTRY-ONLY SYSTEM**.

GENERAL RECEIPTS AND OUTSTANDING GENERAL RECEIPTS BONDS

The University has issued from time to time (i) Senior Lien Obligations consisting of bonds secured by the pledge of its General Receipts and (ii) Special Purpose General Receipts Obligations consisting of bonds secured solely by Special Purpose Pledged Revenue. See **GENERAL RECEIPTS OBLIGATIONS** and **SECURITY AND SOURCES OF PAYMENT** in the accompanying Official Statement. The University has never failed to pay punctually and in full all amounts due on any indebtedness.

General Receipts of the University

General Receipts pledged to the security of the Series 2021 A Bonds include virtually all the receipts of the University, excepting only receipts expressly excluded by the Indenture. Among receipts expressly excluded are monies raised by taxation, State appropriations and 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 Debt Service Charges. See **GENERAL RECEIPTS OBLIGATIONS and SECURITY AND SOURCES OF PAYMENT** in the accompanying Official Statement for a more detailed description of the University's General Receipts.

General Receipts for the five most recent Fiscal Years is shown below. Historical collections of General Receipts should not be relied upon as being necessarily indicative of future results. Future results may be impacted by a number of factors including those resulting from the global COVID-19 pandemic. See **APPENDIX A - FINANCIAL OPERATIONS OF THE UNIVERSITY – COVID-19 Pandemic**.

General Receipts of the University
(dollars in thousands)

	2016	2017	2018	2019	2020
Tuition, Fees and Other Student Charges	$1,065,633	$1,106,385	$1,135,298	$1,188,569	$1,192,489
Unrestricted Government Grants & Contracts	76,580	82,051	84,258	89,762	95,394
Private Gifts and Grants	41,468	44,167	41,310	41,206	46,994
Unrestricted Endowment Income	18,272	22,859	28,792	41,291	37,515
Dept. & University Sales & Services	153,560	155,779	157,841	165,638	146,963
Auxiliary Sales & Services	295,554	346,260	369,891	384,556	344,870
Hospital Sales & Services	2,625,075	2,853,177	3,103,891	3,432,271	3,449,681
Other Sources	32,379	53,649	26,687	33,936	36,004
Total General Receipts	$4,308,521	$4,664,327	$4,947,968	$5,377,229	$5,349,910

Outstanding General Receipts Obligations

The University's outstanding General Receipts Bonds (including Senior Lien Obligations and Special Purpose General Receipts Obligations) as of the date hereof, consist of the following:

General Receipts Bonds	Original Amount	Amount Outstanding
Series 1997 Bonds	$79,540,000	$1,700,000
Series 1999 B1 Bonds	83,400,000	820,000
Series 2001 Bonds	76,950,000	3,450,000
Series 2008 B Bonds	127,770,000	9,000,000
Series 2010 C Bonds	654,785,000	654,785,000
Series 2010 D Bonds	88,335,000	79,990,000
Series 2010 E Bonds	150,000,000	125,000,000
Series 2011 A Bonds	500,000,000	500,000,000
Series 2012 A Bonds	91,165,000	41,440,000
Series 2012 B Bonds	23,170,000	8,985,000
Series 2013 A Bonds(1)	337,955,000	337,955,000
Series 2014 A Bonds	135,985,000	121,560,000
Series 2014 B-1 Bonds	75,000,000	75,000,000
Series 2014 B-2 Bonds	75,000,000	75,000,000
Series 2016 A Bonds	600,000,000	600,000,000
Series 2016 B Bonds	30,875,000	16,130,000
Series 2017 Bonds	69,950,000	55,595,000
Series 2020 A Bonds	185,995,000	185,995,000
Series 2021 A Bonds	600,000,000	600,000,000
Total:	**$3,985,875,000**	**$3,492,405,000**

(1) The Series 2013 A Bonds are currently the only outstanding series of Special Purpose General Receipts Obligations issued under the Indenture.

Interest Rate Swaps

As part of its debt management, the University is also party to the following forward-starting floating-to-fixed interest rate swap agreements with a total notional amount of $328,800,000:

Outstanding Notional Amount	Related Bond Series[1]	University Pays	University Receives	Counterparty	Effective Date	Termination Date
$164,400,000	Series 2013 A	1.188%	SIFMA[2]	Barclays	6/1/2023	6/1/2043
164,400,000	Series 2013 A	1.264	SIFMA[2]	Wells Fargo	6/1/2023	6/1/2043

[1] The forward-starting swaps were entered into to allow the University to lock in current favorable floating-to-fixed swap rates in connection with the planned refunding of the Series 2013 A Bonds in 2023.
[2] Securities Industry and Financial Markets Association (SIFMA) weekly variable rate index.

As part of its financial planning, the University continuously evaluates market opportunities to reduce or manage financial risk and lower borrowing costs, and may consider entering into additional interest rate swap agreements relating to one or more future issuances of the balance of the authorized Program II Bonds remaining after the issuance of the Series 2021 A Bonds.

The University's obligations with respect to its interest rate swap agreements, including any obligation to make termination payments, are secured by a pledge of the University's General Receipts on a parity with other General Receipts Obligations.

Annual Debt Service Charges and Coverage of Both Senior Lien Obligations and Special Purpose General Receipts Obligations

The following table represents the annual estimated Fiscal Year Debt Service Charges for all outstanding Obligations prior to the issuance of the Series 2021 A Bonds (and excluding commercial paper notes, certificates of participation, other debt not issued under the Indenture and obligations defeased under the Indenture).

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Estimated Debt Service Charges on all Senior Lien Obligations and Special Purpose General Receipts Obligations

Fiscal Year	Outstanding Senior Lien Obligations Debt Service(1, 2)	Outstanding Special Purpose General Receipts Bonds Debt Service(5)	Series 2021 A Principal	Series 2021 A Interest	Series 2021 A Total Debt Service	Total Debt Service(1, 2, 3)
2022	$ 165,193,657	$ 14,879,450	$ -	$ 16,292,136	$ 16,292,136	$ 196,365,243
2023	163,213,982	25,074,450	9,415,000	24,101,425	33,516,425	221,804,857
2024	154,533,953	25,074,700	9,895,000	23,618,675	33,513,675	213,122,328
2025	152,401,755	25,074,450	10,405,000	23,111,175	33,516,175	210,992,380
2026	136,519,773	25,072,450	10,935,000	22,577,675	33,512,675	195,104,898
2027	136,967,906	25,073,450	11,495,000	22,016,925	33,511,925	195,553,281
2028	137,403,179	25,073,800	12,085,000	21,427,425	33,512,425	195,989,404
2029	121,167,652	25,072,800	12,705,000	20,807,675	33,512,675	179,753,127
2030	192,090,715	25,072,000	13,360,000	20,156,050	33,516,050	250,678,765
2031	109,487,909	25,075,200	14,045,000	19,470,925	33,515,925	168,079,034
2032	101,300,144	25,071,400	14,765,000	18,750,675	33,515,675	159,887,219
2033	96,983,336	25,075,000	15,520,000	17,993,550	33,513,550	155,571,886
2034	92,824,544	25,074,800	16,315,000	17,197,675	33,512,675	151,412,019
2035	217,262,044	25,070,850	17,155,000	16,360,925	33,515,925	275,848,819
2036	90,010,544	25,071,100	18,035,000	15,481,175	33,516,175	148,597,819
2037	90,010,669	25,073,625	18,960,000	14,556,300	33,516,300	148,600,594
2038	90,011,669	25,071,425	19,830,000	13,685,700	33,515,700	148,598,794
2039	90,012,794	25,073,800	20,635,000	12,876,400	33,511,400	148,597,994
2040	794,235,794	25,072,450	21,480,000	12,034,100	33,514,100	852,822,344
2041	56,737,600	25,075,050	22,355,000	11,157,400	33,512,400	115,325,050
2042	56,738,000	25,070,850	23,270,000	10,244,900	33,514,900	115,323,750
2043	56,737,000	25,073,250	24,220,000	9,295,100	33,515,100	115,325,350
2044	56,739,100	-	25,205,000	8,306,600	33,511,600	90,250,700
2045	106,176,300	-	26,105,000	7,410,925	33,515,925	139,692,225
2046	47,413,000	-	27,035,000	6,478,650	33,513,650	80,926,650
2047	390,766,500	-	28,140,000	5,375,150	33,515,150	424,281,650
2048	34,120,000	-	29,285,000	4,226,650	33,511,650	67,631,650
2049	34,120,000	-	30,480,000	3,031,350	33,511,350	67,631,350
2050	34,120,000	-	31,485,000	2,028,188	33,513,188	67,633,188
2051	34,120,000	-	32,285,000	1,231,063	33,516,063	67,636,063
2052	34,120,000	-	33,100,000	413,750	33,513,750	67,633,750
2053	34,120,000	-	-	-	-	34,120,000
2054	34,120,000	-	-	-	-	34,120,000
2055	34,120,000	-	-	-	-	34,120,000
2056	34,120,000	-	-	-	-	34,120,000
2057	279,060,000	-	-	-	-	279,060,000
2058-2110(3)	24,000,000	-	-	-	-	1,272,000,000
2111	524,000,000	-	-	-	-	524,000,000
Total(4)	**$6,285,079,514**	**$541,416,350**	**$600,000,000**	**$421,716,311**	**$1,021,716,311**	**$7,848,212,175**

Notes:

1 Assumes a rate of 2.25% for the variable rate obligations of the University.
2 Debt service with respect to Build America Bonds issued by the University is shown without netting federal subsidy payments.
3 Debt Service on the Senior Lien Obligations for the period beginning in Fiscal Year 2058 and ending in Fiscal Year 2110 is $24,000,000 per year and the aggregate debt service over the period is $1,272,000,000.
4 Interest and total amounts may vary slightly from actual amounts payable due to rounding variances.
5 Table reflects existing debt service schedule for the Series 2013 A Bonds. The University plans to refund the Series 2013 A Bonds in 2023. See GENERAL RECEIPTS AND OUTSTANDING GENERAL RECEIPTS BONDS herein.

The maximum annual Debt Service Charges on the outstanding Obligations, including the Series 2021 A Bonds (assuming the assumptions stated in the above table), are $852,822,344 in Fiscal Year 2040. Prior to Fiscal Year 2040, the maximum annual Debt Service Charges on outstanding Obligations are $275,848,819 in Fiscal Year 2035. The University's General Receipts for Fiscal Year 2020, $5,349,910,000, were over 6.2 times the maximum annual Debt Service Charges in Fiscal Year 2040, and for the period prior to Fiscal Year 2040, over 19.3 times the maximum annual Debt Service Charges in Fiscal Year 2035. See **GENERAL RECEIPTS AND OUTSTANDING GENERAL RECEIPTS BONDS** above, and **SECURITY AND SOURCES OF PAYMENT** in the accompanying Official Statement.

TAX MATTERS

General

In the opinion of Bricker & Eckler LLP, Bond Counsel, under existing law, interest on the Series 2021 A 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 treated as an item of tax preference under Section 57 of the Code for purposes of the alternative minimum tax imposed on individuals. Further, the Series 2021 A Bonds are not "private activity bonds" as defined in Section 141(a) of the Code.

The Series 2021 A Bonds and the interest, transfer and any profit made on the sale or other disposition thereof are exempt from taxes levied by the State of Ohio and its political subdivisions. For purposes of this paragraph, "taxes" means any direct or indirect taxes, including income, ad valorem, transfer, excise taxes, commercial activities tax and the corporate franchise tax measured by net income of a corporation, but "taxes" does not mean or include: (i) the corporate franchise tax measured by net worth of a corporation; (ii) the estate tax; (iii) the taxes levied on insurance companies and dealers in intangibles pursuant to Chapter 5725 of the Ohio Revised Code; and (iv) the tax on shares of and capital employed by dealers in intangibles pursuant to Section 5707.03 of the Ohio Revised Code. Bond Counsel will express no opinion and make no representation regarding other federal, state or local income tax consequences resulting from the receipt or accrual of interest on the Series 2021 A Bonds.

The opinion on tax matters will be based on and will assume the accuracy of certain representations and certifications made by the University and others, and the compliance with certain covenants of the University, to be contained in the transcript of proceedings and which are intended to evidence and assure the foregoing, including that the Series 2021 A 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 University has not designated the Series 2021 A 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 University of certain investment earnings to the federal government, require future or continued compliance after issuance of the Series 2021 A Bonds 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 2021 A 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 University covenants in the Indenture to take such actions that may be required of it for the interest on the Series 2021 A 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 2021 A 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 deductions for certain taxpayers, including among them financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, and 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 2021 A Bonds. Bond Counsel will express no opinion and make no representation regarding such consequences.

General information reporting requirements will apply to interest payments made on the Series 2021 A Bonds. Recipients of interest payments must furnish their social security number or employer identification number and certify that it is correct (utilizing Form W 9, request for Taxpayer Identification Number and Certification or other form). Backup withholding will apply to such interest payments if the owner fails to provide accurate taxpayer identification number information or if notified by the Internal Revenue Service that backup withholding is required.

From time to time legislative proposals are pending in Congress or the Ohio legislature that would, if enacted, alter or amend one or more of the federal or state tax matters discussed herein in certain respects or that would adversely affect the market value of the Series 2021 A Bonds. In addition, federal or state judicial decisions may be rendered, or administrative actions taken by taxing authorities, which could also impact the federal or state tax matters discussed herein or that would adversely affect the market value of the Series 2021 A Bonds. Neither the form nor the enactment of any of such proposals can be predicted, and there can be no assurance that any such proposals or any judicial decisions or administrative actions will not apply, either retroactively or prospectively, to the Series 2021 A Bonds.

Prospective purchasers of the Series 2021 A Bonds should consult their own tax advisors regarding pending or proposed federal and state tax legislation and other court proceedings, and prospective purchasers of the Series 2021 A Bonds at other than their original issuance at the respective prices on the cover page of this Official Statement relating to the Series 2021 A Bonds should also consult their own tax advisers regarding other tax considerations such as the consequences of market discount, as to all of which Bond Counsel expresses no opinion.

Original Issue Premium

All of the Series 2021 A Bonds ("Premium Bonds") were sold to the public at a price in excess of their stated redemption price at maturity (the principal amount). That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Bond, based on the yield to maturity of that Premium Bond (or, in the case of Premium Bonds callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Bond), compounded semiannually. No portion of that bond premium is deductible by the owner of a Premium Bond. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Bond, the owner's tax basis in the Premium Bond is reduced by the amount of bond premium that is amortized during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Bond for an amount equal to or less than the amount paid by the owner for that Premium Bond. A purchaser of a Premium Bond in the initial public offering who holds that Premium Bond to maturity (or, in the case of a callable Premium Bond, to its earlier call date that results in the lowest yield on that Premium Bond) will realize no gain or loss upon the retirement of that Premium Bond.

Owners of Premium Bonds should consult their own tax advisers as to the determination for federal income tax purposes of the amount of bond premium properly amortizable in any period with respect to the Premium Bonds and as to other federal tax consequences and the treatment of bond premium for purposes of state and local taxes on, or based on, income.

TRANSCRIPT AND CLOSING DOCUMENTS

A complete transcript of proceedings and a certificate (described under **LITIGATION**) relating to litigation will be delivered by the University when the Series 2021 A Bonds are delivered by the University to the Underwriters. The University at that time will also provide to the Underwriters a certificate, signed by the University officials who sign this Supplemental Official Statement and addressed to the Underwriters, relating to the accuracy and completeness of this Supplemental Official Statement and the accompanying Official Statement and to it being a "final official statement" in the judgment of the University for purposes of paragraph (f)(3) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended.

LEGAL MATTERS

Legal matters incident to the validity of the Series 2021 A Bonds and certain other matters regarding the Series 2021 A Bonds are subject to the legal opinion of Bricker & Eckler LLP, Bond Counsel. See **TAX MATTERS** herein. The legal opinion, dated and premised on law in effect as of the date of issuance and delivery of the Series 2021 A Bonds, will be delivered to the Underwriters at the time of original delivery. The proposed text of the opinion of Bond Counsel is attached as **APPENDIX D** herein. The legal opinion to be delivered to the Underwriters at the time of issuance and delivery of the Series 2021 A Bonds may vary from that text if necessary to reflect facts and law on the date of issuance and delivery. The opinion will speak only as of its date, and subsequent distribution of it by recirculation of this Supplemental Official Statement and the accompanying Official Statement or otherwise shall create no implication that Bond Counsel has reviewed or expressed any opinion concerning any of the matters referred to in the opinion subsequent to its date.

In addition to rendering the legal opinion, Bond Counsel will assist the University in the preparation of and advise the University concerning documents for the bond transcript.

Certain legal matters will be passed upon for the University by its statutory counsel, the Attorney General of the State of Ohio, through Anne K. Garcia, Senior Vice President & General Counsel for the University and by Tucker Ellis LLP as Issuer and Disclosure Counsel to the University. In addition, certain other legal matters will be passed upon for the Underwriters by their counsel, Dinsmore & Shohl LLP.

LITIGATION

There is no litigation or administrative action or proceeding pending or threatened to restrain or enjoin, or seeking to restrain or enjoin, the issuance and delivery of the Series 2021 A Bonds or to question the proceedings and authority under which the Series 2021 A Bonds are authorized and are to be issued, sold executed or delivered, or the validity of the Series 2021 A Bonds. A no litigation certificate to such effect will be delivered by the University at the time of issuance and delivery of the Series 2021 A Bonds.

The University is a party to various legal proceedings seeking damages or injunctive relief and generally incidental to its operations but unrelated to the Series 2021 A Bonds. The ultimate disposition of such proceedings is not presently determinable, but will not, in the opinion of appropriate University officials, have a material adverse effect on the Series 2021 A Bonds or the security for the Series 2021 A Bonds.

INDEPENDENT ACCOUNTANTS

The financial statements of the University as of June 30, 2020 and 2019 and for the years then ended, included in this Supplemental Official Statement as **APPENDIX B**, have been audited by PricewaterhouseCoopers LLP, independent accountants, as stated in their report, appearing in **APPENDIX B**.

RISKS RELATING TO INFECTIOUS DISEASE OUTBREAK

The impact of the Novel Corona Virus Disease (COVID-19) outbreak on University finances and operations may continue to be felt for at least the current fiscal year, depending on vaccination rates and whether the COVID-19 virus or variations of the virus continue to spread in the United States and around the world. The continued spread of COVID-19 and variations of the virus will likely continue to have a material impact on the State and national economies and, accordingly, could have a material adverse impact on General Receipts of the University that are pledged as security for the Series 2021 A Bonds and other Obligations. For additional information regarding the anticipated impacts of COVID-19 on the University's operations, see **APPENDIX A - FINANCIAL OPERATIONS OF THE UNIVERSITY – COVID-19 Pandemic**.

RATINGS

Moody's Investors Service, Inc., S&P Global Ratings, Inc. and Fitch Ratings have assigned ratings of "Aa1", "AA" and "AA", respectively, the Series 2021 A Bonds. No application for a rating has been made by the University to any other rating service.

The ratings reflect only the respective views of the rating services and any explanation of the meaning or significance of the ratings may only be obtained from the respective rating service. The ratings are not recommendations to buy, sell or hold securities. The University furnished to each rating service certain information and materials, some of which may not have been included in this Supplemental Official Statement, relating to the Series 2021 A Bonds and the University. Generally, rating services base their ratings on such information and materials and on their own investigations, studies and assumptions. Each rating should be evaluated independently of any other 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. Any lowering or withdrawal of a rating may have an adverse effect on the marketability or market price of the Series 2021 A Bonds.

The University expects to furnish the rating services with information and materials that may be requested. However, the University assumes no obligation to furnish requested information and materials, and may issue debt for which a rating is not requested. Failure to furnish requested information and materials, or the issuance of debt for which a rating is not requested, may result in the suspension or withdrawal of a rating on the Series 2021 A Bonds.

DESIGNATION OF SERIES 2021 A BONDS AS GREEN BONDS

General

The Series 2021 A Bonds have been designated as "green bonds" (as referred to in this Section, the "Green Bonds"). This designation is intended to allow investors the opportunity to invest directly in bonds that finance environmentally-beneficial projects. This designation is not intended to provide or imply that the holders of the Green Bonds are entitled to any additional terms or security to those as described herein.

The University has retained Kestrel Verifiers, an Approved Verifier accredited by the Climate Bonds Initiative and an Observer for the International Capital Market Association ("ICMA"), to verify that the Green Bonds conform, in all material respects, with the ICMA Green Bond Principles (June 2021) (the "Green Bond Principles").

Green Bonds Designation

Per the ICMA, "green bonds" are any type of debt instrument where the proceeds will be exclusively applied to finance or re-finance, in part or in full, new and/or existing eligible green projects and which are aligned with the four core components of the Green Bond Principles. The four core components are: (1) Use of Proceeds; (2) Process for Project Evaluation and Selection; (3) Management of Proceeds; and (4) Reporting.

Kestrel Verifiers has determined that the Series 2021 A Bonds are aligned with the four core components of the ICMA Green Bond Principles and qualify for green bond designation, as described in Kestrel Verifiers' 'Second Party Opinion', which is attached hereto as APPENDIX E.

Independent Second Party Opinion on Green Bond Designation and Disclaimer

For over 20 years, Kestrel Verifiers, a division of Kestrel 360, Inc., has been consulting in sustainable finance. Kestrel Verifiers reviews transactions in all asset classes worldwide for alignment with ICMA Green Bond Principles, Social Bond Principles, Sustainability Bond Guidelines and the Climate Bonds Initiative Standards and criteria.

The Second Party Opinion issued by Kestrel Verifiers does not and is not intended to make any representation or give any assurance with respect to any other matter relating to the Series 2021 A Bonds. Designations by Kestrel Verifiers are not a recommendation to any person to purchase, hold, or sell the designated bonds and such labeling does not address the market price or suitability of these bonds for a particular investor and does not and is not in any way intended to address the likelihood of timely payment of interest or principal when due.

In issuing the Second Party Opinion, Kestrel Verifiers has assumed and relied upon the accuracy and completeness of the information made publicly available by the University or that was otherwise made available to Kestrel Verifiers.

CONTINUING DISCLOSURE

Continuing Disclosure Undertaking

In accordance with Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the "Rule"), the University (the "Obligated Person") will agree pursuant to a continuing disclosure agreement included in the Program II Supplement to cause the following information to be provided:

(i) to the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access System ("EMMA"), certain annual financial information, including financial statements, generally consistent with the information contained under the caption **GENERAL RECEIPTS AND OUTSTANDING GENERAL RECEIPTS BONDS - General Receipts of the University** in this Supplemental Official Statement and information contained in **APPENDIX A** under the captions **GENERAL, - Academic Structure, - Faculty and Employees, - Retirement Plans, - Enrollment, - Admissions, - Fees and Charges (but only information therein with respect to the University in the table captioned Instructional and General Fees 2020-2021 and the table captioned Estimated Annual**

Expenses 2021-22), - Financial Aid, - Physical Plant, - The Ohio State University Wexner Medical Center, and FINANCIAL OPERATIONS OF THE UNIVERSITY; such information shall be provided not later than the 180th day following the end of each Fiscal Year (or, if that is not a University business day, the next University business day), and with respect to audited financial statements, no later than thirty (30) days after the date on which such audited financial statements are accepted by the Ohio Auditor of State.

(ii) to EMMA, in a timely manner (but not in excess of 10 business days after the occurrence of the event), notice of the occurrence of any of the following events with respect to the Series 2021 A Bonds:

(a) Principal and interest payment delinquencies;

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

(c) Unscheduled draws on debt service reserves reflecting financial difficulties;

(d) Unscheduled draws on credit enhancements reflecting financial difficulties;

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

(f) 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 Series 2021 A Bonds, or other material events affecting the tax status of the Series 2021 A Bonds;

(g) Modifications to rights of holders of the Series 2021 A Bonds, if material;

(h) Bond calls (other than mandatory scheduled redemptions not otherwise contingent upon the occurrence of an event), if material, and tender offers;

(i) Defeasances of the Indenture or the Series Supplement entirely, as to all or a portion of the Series 2021 A Bonds;

(j) Release, substitution or sale of property securing repayment of the securities, if material;

(k) Rating changes;

(l) Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

(m) 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, if material;

(n) Appointment of a successor or additional trustee or the change of the name of a trustee, if material;

(o) Incurrence of a Financial Obligation (as defined below) of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligated Person, any of which affect security holders, if material; and

(p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Obligated Person, any of which reflect financial difficulties.

(iii) to EMMA, notice of a failure (of which the Obligated Person has knowledge) of an Obligated Person to provide the required annual financial information on or before the date specified in its written continuing disclosure undertaking.

For purposes of this transaction with respect to events as set forth in the Rule:

(a) there are no debt service reserve funds, credit enhancements, or liquidity providers applicable to the Series 2021 A Bonds;

(b) there is no property securing the repayment of the Series 2021 A Bonds; and

(c) the term "Financial Obligation" means (i) a debt obligation, (ii) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (iii) a guarantee of an obligation described in (i) or (ii). The term "Financial Obligation" does not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

The University reserves the right to amend the continuing disclosure agreement set forth in the Program II Supplement, and to obtain the waiver of noncompliance with any provision of such continuing disclosure agreement, as may be necessary or appropriate to achieve its compliance with any applicable federal securities law or rules, 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 University. Any such amendment or waiver will not be effective unless such continuing disclosure agreement (as amended or taking into account such waiver) would have complied with the requirements of the Rule at the time of the "primary offering" (within the meaning of the Rule) of the Series 2021 A Bonds, after taking into account any applicable amendments to or official interpretations of the Rule, as well as any change in circumstances, and until the University shall have received either (i) a written opinion of bond counsel or other qualified independent special counsel selected by the University that the amendment or waiver would not materially impair the interest of holders or beneficial owners of the Series 2021 A Bonds, or (ii) the written consent to the amendment, or waiver, by the holders of at least a majority of the aggregate outstanding principal amount of the Series 2021 A Bonds.

The continuing disclosure agreement will be solely for the benefit of the holders and beneficial owners of the Series 2021 A Bonds including holders of book-entry interests in them. The right to enforce the provisions of the continuing disclosure agreement may be limited to a right of the holders or beneficial owners to enforce to the extent permitted by law (by mandamus, or other suit, action or proceedings at law or in equity) the obligations and duties under it.

Any noncompliance with the continuing disclosure agreement will not be a default or failure to comply for purposes of the default provisions of the Indenture. The Trustee has no responsibility for monitoring compliance with such continuing disclosure agreement.

The performance by the University, as the only Obligated Person with respect to the Series 2021 A Bonds, of the continuing disclosure agreement will be subject to the annual appropriation by the Board of moneys for the applicable purposes.

The continuing disclosure agreement will remain in effect only for such period that the Series 2021 A Bonds are outstanding in accordance with their terms and the University remains an Obligated Person with respect to the Series 2021 A Bonds within the meaning of the Rule.

Historical Compliance

From time to time, the University has not fully complied with all terms of its existing continuing disclosure undertakings. Specifically, the annual financial information and financial statements for Fiscal Year 2018 were not associated with certain CUSIP numbers relating to the University's General Receipts Series 2010D Bonds and the annual financial information and financial statements for Fiscal Years 2017 and 2018 were not associated with certain CUSIP numbers relating to the University's General Receipts Series 2010A Bonds.

UNDERWRITING

The University has entered into a purchase contract with the Underwriters listed on the cover hereof for whom Barclays Capital Inc. is acting as a representative, and the Underwriters have agreed to purchase the Series 2021 A Bonds from the University subject to certain conditions precedent at purchase price of $716,266,271.13 (consisting of the principal amount of the Series 2021 A Bonds ($600,000,000), plus original issue premium of $118,541,483.50, less underwriters' discount of $2,275,212.37).

The purchase contract pursuant to which the Series 2021 A Bonds are being sold provides that the Underwriters will purchase not less than all of the Series 2021 A Bonds. The Underwriters' obligation to make such purchase is subject to certain terms and conditions set forth in the purchase contract, the approval of certain legal matters by counsel and certain other conditions.

The Underwriters may offer and sell the Series 2021 A Bonds to certain dealers and others at a price lower than the initial offering price. The offering price of Series 2021 A Bonds may be changed from time to time by the Underwriters.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, market making, financing and brokerage activities. Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various investment and commercial banking services for the University, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the University. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in such securities or investments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such securities and investments.

Huntington Capital Markets is a trade name under which securities and investment banking products and services of Huntington Bancshares Incorporated and its subsidiaries, including Huntington Securities, Inc. (“HSI”), are marketed. Municipal sales, trading and underwriting services are provided through HSI, which is a broker-dealer registered with the Securities and Exchange Commission.

Jefferies LLC (“Jefferies”) has entered into a distribution agreement with InspereX LLC (“InspereX”) for the retail distribution of municipal securities. Pursuant to the agreement, if Jefferies sells the Series 2021 A Bonds to InspereX, it will share a portion of its selling concession compensation with InspereX.

J.P. Morgan Securities LLC (“JPMS”), one of the Underwriters of the Series 2021 A Bonds, has entered into negotiated dealer agreements (each, a “Dealer Agreement”) with each of Charles Schwab & Co., Inc. (“CS&Co.”) and LPL Financial LLC (“LPL”) for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, each of CS&Co. and LPL may purchase Series 2021 A Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any Bonds that such firm sells.

Wells Fargo Corporate & Investment Banking (which may be referred to elsewhere as “CIB,” “Wells Fargo Securities” or “WFS”) are the trade names used for the corporate banking, capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association (“WFBNA”), a member of NFA, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, N.A. Municipal Finance Group, a separately identifiable department of WFBNA, registered with the U.S. Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

Wells Fargo Bank, National Association ("WFBNA"), acting through its Municipal Finance Group, one of the underwriters of the Series 2021 A Bonds, has entered into an agreement (the "WFA Distribution Agreement") with its affiliate, Wells Fargo Clearing Services, LLC (which uses the trade name “Wells Fargo Advisors”) ("WFA"), for the distribution of certain municipal securities offerings, including the Series 2021 A Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the Series 2021 A Bonds with WFA. WFBNA has also entered into an agreement (the “WFSLLC Distribution Agreement”) with its affiliate Wells Fargo Securities, LLC (“WFSLLC”), for the distribution of municipal securities offerings, including the Series 2021 A Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC’s expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

MUNICIPAL ADVISOR

The University has retained Swap Financial Group, LLC. (the “Municipal Advisor”) to provide municipal advisory services in connection with the University’s issuance of the Series 2021 A Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement. The Municipal Advisor is an independent advisory firm and a registered municipal advisor and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

CONCLUDING STATEMENT

Quotations in this Supplemental Official Statement taken from, and summaries and explanations of, the provisions of the Ohio Constitution, the Ohio Revised Code and other laws, the Program II Resolution, the Amended and Restated Trust Indenture, the Program II Supplement and the Continuing Disclosure 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. Such documents are available for review at the University during regular business hours at the office of the Treasurer of the University. During the initial offering period, copies of the documents will also be available for review at the offices of the Underwriters.

To the extent that any statements in this Supplemental Official Statement and the accompanying 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 Supplemental Official Statement and the accompanying Official Statement has been derived by the University from official and other sources and is believed by the University to be reliable, but information other than that obtained from official records of the University has not been independently confirmed or verified by the University and its accuracy is not guaranteed.

This Supplemental Official Statement and the accompanying 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 2021 A Bonds.

This Supplemental Official Statement has been duly prepared and delivered by the University, and executed for, and on behalf of, the University by the official identified below.

THE OHIO STATE UNIVERSITY

By: */s/ Michael Papadakis*
Michael Papadakis, Senior Vice President for Business and Finance

APPENDIX A

THE OHIO STATE UNIVERSITY

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NOTICE REGARDING FORWARD-LOOKING STATEMENTS

Forward-Looking Statements

Certain statements included or incorporated by reference in this Appendix A constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "budget," "intend," "projection" or other similar words. Such forward-looking statements include, but are not limited to, certain statements contained in the information in this Appendix A. A number of important factors, including factors affecting the University's financial condition and factors which are otherwise unrelated thereto could cause actual results to differ materially from those stated in such forward-looking statements. THE OHIO STATE UNIVERSITY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR.

Projections and Financial Data

The projections set forth in this Appendix A were not prepared with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to forward-looking information and preliminary financial data, but, in the view of the University's management, were prepared on a reasonable basis, reflect the best currently available estimates and judgments, and present, to the best of management's knowledge and belief, the expected course of action and the expected future financial performance of the University. However, this information is not fact and should not be relied upon as being necessarily indicative of future results, and readers of this Appendix A are cautioned not to place undue reliance on the forward-looking information and preliminary financial data.

Impact of COVID-19 on Forward Looking Statements, Projections, and Financial Data

In addition to other factors, certain information in this Appendix A may be impacted by the ongoing effects of the COVID-19 pandemic as described herein under "**COVID-19 Pandemic.**" The impact of COVID-19 on University finances and operations may continue for at least the current fiscal year, depending on vaccination rates and whether the COVID-19 virus or variations of the virus continue to spread in the United States and around the world. SEE "**COVID-19 Pandemic**" herein for additional information concerning the current status of the COVID-19 outbreak and its potential effect on the University's financial position and operations.

THE OHIO STATE UNIVERSITY

GENERAL

The Ohio State University (the "University") was founded in 1870 by the Ohio General Assembly under provisions of the Morrill Act as the Ohio Agricultural and Mechanical College (the "College"). The College was located on 331 acres of land approximately two miles north of Columbus. In 1878, the General Assembly designated the College a university and changed its name to The Ohio State University. That same year, the University graduated its first class. Through December 2020, the University has awarded 816,141 undergraduate and graduate degrees.

The University is one of 14 state-supported universities in Ohio and is declared by statute to be a body politic and corporate. The University's main campus is located in the City of Columbus on a 1,674-acre site containing 562 buildings (the "Columbus Campus"). Also in Columbus, the University owns two 18-hole regulation golf courses and the Don Scott Airport. In addition to the Columbus Campus, the University operates educational programs at Extended Campuses within the state located in Lima, Mansfield, Marion, and Newark (collectively, the "Extended Campuses") housed in 77 buildings on 1,482 acres. The University also operates the Ohio Agricultural Research and Development Center ("OARDC") in Wooster, Ohio and the Molly Caren Agriculture Center in London, Ohio, along with various other research farms throughout Ohio collectively comprising 10,784 acres and 397 buildings. An additional 298 buildings are located on 602 acres at various other locations across Ohio.

The Columbus Campus is the third largest individual campus of any public university or college in the United States in terms of both head count enrollment and full-time equivalent (FTE) enrollment. The enrollment for Autumn 2020 was 61,369 students for the Columbus Campus and 6,588 for the Extended Campuses, bringing the total enrollment for all campuses at that time to 67,957 students. During the academic year ending June 30, 2021, the University awarded a total of 17,807 degrees consisting of 11,919 baccalaureate degrees, 2,828 master's degrees, 900 doctorate degrees, 823 professional degrees, 1,067 associate degrees, and 270 post-baccalaureate degrees. The University has more than 500,000 living alumni. The University has one of the largest athletic departments in the country with 36 varsity sports. The Athletics Department is self-supported and generated approximately $228 million in revenues in Fiscal Year 2020. As of September 30, 2020, the University employed a total of 45,407 faculty and staff (including student employees) among its campuses.

The Board of Trustees

The University is governed by a Board of Trustees (the "Board") which, under Ohio law, is directed and granted authority to do all things necessary for the proper maintenance and successful and continuous operation of the University. Two of the Trustees must be students at the University. The Trustees, other than charter Trustees and student Trustees, are appointed by the Governor with the advice and consent of the State Senate for overlapping nine-year terms. The student Trustees are appointed by the Governor with the advice and consent of the State Senate for overlapping two-year terms. The charter Trustees, who are not residents of Ohio, are appointed by the other members of the Board for three-year terms. There may be up to three charter Trustees. Charter Trustees have no voting privileges on the Board and are not considered as members of the Board when determining whether a quorum is present.

As of September 1, 2021, the officers and members of the Board and the years in which their respective terms expire are:

Gary R. Heminger, Chair (2027)	Former Chairman of the Board and Chief Executive Officer, Marathon Petroleum Corporation and MPLX GP LLC
Abigail S. Wexner, Vice Chair (2023)	Whitebarn Associates, Chief Executive Officer
Brent R. Porteus (2022)	Blair Porteus & Sons, Managing Partner
Erin P. Hoeflinger (2022)	Independent Board Director and Healthcare Executive
Alex R. Fischer (2023)	The Columbus Partnership, President and Chief Executive Officer
Hiroyuki Fujita (2024)	Quality Electrodynamics, Founder, President, Chief Executive Officer and Chairman of the Board
Alan A. Stockmeister (2025)	Foremost Management, Inc., President and Owner
John W. Zeiger (2026)	Zeiger, Tigges & Little LLP, Founding Partner
Elizabeth P. Kessler (2027)	Jones Day, Partner-in-charge, Columbus Office
Lewis Von Thaer (2028)	Battelle Memorial Institute, President and Chief Executive Officer
Jeff M.S. Kaplan (2028)	The Ohio State University, Former Secretary and Senior Advisor to the Board
Elizabeth A. Harsh (2029)	Ohio Cattlemen's Association and Ohio Beef Council, Executive Director
Reginald A. Wilkinson (2029)	Connecting the Dots, LLC, President
Michael F. Kiggin (2030)	Capitol Strategy Group, Principal
Tom B. Mitevski (2030)	DGD Group, Inc., Executive Vice President
James D. Klingbeil, Charter Trustee (2024)	Klingbeil Capital Management and The Klingbeil Company, Chairman and Klingbeil Medical Partners, Chief Executive Officer
Tanner R. Hunt (2023)	Undergraduate Student Trustee
Carly G. Sobol, Student (2022)	Graduate Student Trustee

The secretary of the Board is Jessica A. Eveland.

Senior Management

Biographical information regarding certain individuals who are part of or have been approved to serve as the senior management of the University as of September 10, 2021 is set forth below.

Dr. Kristina M. Johnson serves as President of the University. Her appointment commenced September 1, 2020. Dr. Johnson previously served as chancellor of the State University of New York (SUNY) and served in that role since 2017. As SUNY's chancellor, Dr. Johnson led a system of 64 public colleges and universities, including five academic health centers and three hospital systems, with 1.3 million students, 30,000 faculty and 90,000 employees. Prior to that, she founded and served as CEO of several successful science and technology companies. Dr. Johnson also served as undersecretary of energy at the U.S. Department of Energy and held academic leadership positions at institutions such as Johns Hopkins University where she was provost and senior vice president for academic affairs, Duke University where she was dean of the Pratt School of Engineering and the University of Colorado at Boulder where she served as a professor in the electrical and computer engineering department. Dr. Johnson has published nearly 150 referenced papers and proceedings and holds more than 100 U.S. and international patents. She has received the John Fritz Medal, one of the most prestigious honors in engineering, the Society of Women Engineers Lifetime Achievement Award and the Woman of Vision Award for Leadership. She earned her bachelor's degree, master's degree and doctorate in electrical engineering at Stanford University.

Dr. Melissa L. Gilliam serves as Executive Vice President and Provost for the University. Her appointment commenced August 1, 2021. Prior to joining the University, Dr. Gilliam served as the vice provost, the Ellen H. Block distinguished service professor of health justice and professor of obstetrics and gynecology and pediatrics at the University of Chicago. As vice provost at the University of Chicago since 2016, Dr. Gilliam led efforts focused on faculty development, chair development, recruitment and retention, graduate student mentoring, inclusive pedagogy, and diversity and inclusion. Her research and scholarship have resulted in over 100 peer-reviewed publications. Prior to her role as vice provost, she served in several roles at University of Chicago, including at the Center for Interdisciplinary Inquiry and Innovation in Sexual and Reproductive Health and at the University of Chicago Medicine. She began her higher education career as a faculty member at the University of Illinois Chicago, where she served as director of the Center for Reproductive Health, director of the fellowship in family planning and co-director, research and clinical cores, for the National Institutes of Health Center of Excellence in Women's Health. She earned her bachelor's degree in English literature from Yale University, her master's degree in philosophy and politics from the University of Oxford, a medical degree from Harvard University, and a master's degree in public health from the University of Illinois Chicago.

Dr. Harold L. Paz serves as Executive Vice President and Chancellor for Health Affairs for the University. Dr. Paz announced that he will be stepping down from that position, effective October 3, 2021. Mark Larmore, Chief Financial Officer of the Wexner Medical Center, and Dr. Andrew Thomas, Chief Clinical Officer and Senior Associate Vice President of Health Sciences, have been appointed the Wexner Medical Center's interim co-leaders while a national search is launched for the next permanent leader of the Wexner Medical Center. Effective immediately, Mr. Larmore will focus on operations and finance and Dr. Thomas will take the lead on clinical affairs and external relations. Each position will report directly to the University President.

Mark Larmore serves as interim co-leader of the Wexner Medical Center, focusing on finance and operations. Mr. Larmore currently is the Chief Financial Officer at the Wexner Medical Center. Mr. Larmore intends to retire from all positions at the University upon the appointment of the permanent replacement for Dr. Paz. As Chief Financial Officer, Mr. Larmore is responsible for strategic financial planning for the University's hospitals and clinics, College of Medicine, the Faculty Group Practice and all affiliated programs. Mr. Larmore joined the Wexner Medical Center in October 2015 with a strong background in healthcare finance, most recently as Chief Financial Officer, group senior vice president and treasurer of New York-Presbyterian Hospital. In that role since 2011, he provided ultimate financial oversight to hospital operations as well as strategic leadership and direction to multiple areas of business. Mr. Larmore spent over 25 years at New York-Presbyterian, beginning as director of finance in 1989. He was promoted in 1994 to vice president of finance and became senior vice president of finance and assistant treasurer in 2007. Mr. Larmore earned a bachelor's degree in accounting and finance from the State University of New York at Oswego and is a certified public accountant.

Dr. Andrew Thomas serves as interim co-leader of the Wexner Medical Center, focusing on clinical affairs and external relations. Dr. Thomas currently is Chief Clinical Officer and Senior Associate Vice President of Health Sciences for the Wexner Medical Center. In his role as Chief Clinical Officer, Dr. Thomas is responsible and has authority for all patient care services (inpatient, outpatient and emergency department services), outpatient clinics, specialized care facilities and medical staff administration. Dr. Thomas has been at the forefront of the University's and the State of Ohio's response to the COVID-19 pandemic. Previously, Dr. Thomas served as medical director of University Hospital from 2010-2013, assistant medical director for University Hospital from 1999-2010 and assistant dean for Graduate Medical Education from 2001-2010. Dr. Thomas earned a bachelor's degree in history and science from Harvard University, and a medical degree and a master's in business administration from the University.

Dr. "Grace" Jinliu Wang serves as Executive Vice President for Research, Innovation and Knowledge Enterprise for the University. Her appointment commenced in December 2020. In this newly-established position, Dr. Wang plays a lead role in expanding the University's research, creative expression and scholarship as well as in building strategic partnerships. Dr. Wang has consolidated and leveraged a number of existing offices and programs into one unit, including the Office of Research, Corporate Engagement and Technology Commercialization Offices, the Keenan Center for Entrepreneurship and the West Campus Innovation District. Prior to joining the University, Dr. Wang held dual roles as senior vice chancellor for research and economic development at the State University of New York (SUNY) System and interim president of SUNY Polytechnic Institute. Prior to joining SUNY, Dr. Wang served as acting assistant director for engineering at the National Science Foundation. Dr. Wang began her career at IBM/Hitachi Global Storage Technologies, focusing on research and development of magnetic thin film and carbon overcoat for data storage. Dr. Wang earned her doctorate in materials science and engineering at Northwestern University.

Michael Papadakis serves as Senior Vice President for Business and Finance and Chief Financial Officer for the University. Mr. Papadakis joined the University in June of 2011 as Treasurer and Vice President of Financial Services, was subsequently elevated to Deputy Chief Financial Officer, Treasurer and Vice President of Financial Services & Innovation and served as Interim Senior Vice President for Business and Finance and Chief Financial Officer for a year prior to his permanent appointment. Prior to joining the University, he served as a Director of energy investment banking at KeyBanc Capital Markets. Additionally, Mr. Papadakis held previous roles in corporate tax at Deloitte & Touche, strategic business valuation at Arthur Andersen and is a Certified Public Accountant. He earned his master's in finance from the Fisher College of Business at the University and a bachelor's of business administration in accounting from the University of Cincinnati and has completed the General Management Program at Harvard Business School.

Anne K. Garcia serves as Senior Vice President and General Counsel for the University. Her appointment commenced in September 2020. Ms. Garcia serves as the chief legal adviser to the president, Board of Trustees and the University, including the Wexner Medical Center. In addition, Ms. Garcia oversees the Office of University Compliance and Integrity, which is responsible for compliance efforts across the University, including the Wexner Medical Center. As an attorney for a state university of the State of Ohio, she is also an Assistant Attorney General for the State of Ohio. Prior to her current appointment, Ms. Garcia served as Interim Vice President and General Counsel since November 2019 and prior to that as senior associate general counsel and Vice President for Legal and Compliance for the Wexner Medical Center. An experienced healthcare lawyer, Ms. Garcia came to the University in 2016 from Saint Louis University, where she worked for six years and most recently served as senior associate general counsel and executive director of compliance. While there, she led the team that negotiated the reinvestment of the university hospital into a new joint venture with SSM Healthcare. She also served in private practice, defending physicians, nurses and hospitals involved in medical malpractice litigation. Ms. Garcia earned her J.D. degree from Tulane University School of Law and her bachelor's degree from the University of Notre Dame.

Jay Kasey serves as Senior Vice President for Administration and Planning at the University. Prior to his appointment to this post, Mr. Kasey had management responsibility for elements of the OSU Health System hospitals. He has also been instrumental in leading the medical center expansion project. Mr. Kasey has worked in senior level healthcare positions since 1985. After serving as the COO or CEO of two different five-hundred bed community hospitals, Mr. Kasey joined The Hunter Group, a consulting firm specializing in hospital and health systems operations.

Michael Eicher was named Senior Vice President for Advancement in September 2012. He oversees the full integration of the University's fundraising, alumni relations, and communications efforts. He joined the University from Johns Hopkins University, where he served as senior vice president for external affairs and development. Prior to working at Johns Hopkins, Mr. Eicher was vice chancellor at the University of California, Los Angeles. Mr. Eicher graduated from the University of California, San Diego.

Eugene D. Smith serves as Senior Vice President and Wolfe Foundation Endowed Athletics Director. Mr. Smith was named the University's Director of Athletics in March of 2005 and was elevated to his current position in May of 2016. Prior to joining the University, Mr. Smith served as athletic director at Arizona State University from 2000 to 2005, athletic director at Iowa State University from 1993 to 2000 and athletic director at Eastern Michigan University from 1986 to 1993. Mr. Smith earned his bachelor's degree in business administration from the University of Notre Dame in 1977.

Dr. Melissa Shivers serves as Senior Vice President for Student Life. Dr. Shivers joined the University as Vice President for Student Life in January of 2020 and was elevated to her current position as of December 1, 2020. Prior to joining the University, Dr. Shivers served as Vice President for Student Life at the University of Iowa where she focused on strategic initiatives related to student life and student success, especially those with a focus on health, safety, and well-being. Prior to that, Dr. Shivers spent seven years at the University of Tennessee where she held various roles, including associate vice chancellor for student life and dean of students. Dr. Shivers also held positions at the University of Georgia, Clemson University and Georgia Southern University. Dr. Shivers earned her bachelor's degree in communication arts from Georgia Southern University, her master's degree in education, counseling and guidance services from Clemson University and her PhD in counseling and student personnel services from the University of Georgia.

Dr. Jeff Risinger serves as Senior Vice Present of Talent, Culture and Human Resources. His appointment commenced August 16, 2021. Dr. Risinger will provide leadership across the University to support the University's values, help advance its diversity and inclusion efforts, and continue to foster a Buckeye culture that positively impacts our entire community. Prior to joining the University, Dr. Risinger was vice president for human resources and organizational effectiveness at Texas A&M since April 2019. At Texas A&M, Dr. Risinger led efforts to increase diverse recruitment for faculty and staff, created new leadership development and coaching programs, and established human resources as a university-wide strategic partner. From 2014 until April 2019, he served as chief human resources officer and vice chancellor of the University of Arkansas for Medical Sciences, a 12,000-employee academic medical center. Prior to that, he was chief human capital officer at the Federal Housing Finance Agency, and chief human capital officer at the U.S. Securities and Exchange Commission. Dr. Risinger received his bachelor of science degree in psychology from East Texas State University—Texarkana (now Texas A&M University—Texarkana), his master of business administration from Texas A&M, his master of arts degree in human resource management from Louisiana Tech University—Ruston and his Ph.D. in human resource development from the University of Texas-Tyler.

Elizabeth Parkinson serves as Senior Vice President for Marketing and Communications. Her appointment commenced in March 2021. In this newly-created position, Ms. Parkinson has consolidated the University's marketing and communications efforts into one unit responsible for brand, marketing and communications strategy and implementation. She leads an integrated team of strategic marketing and communications leaders focused on centralized centers of expertise, as well as college and unit-based professionals who support the distinct needs of their organizations. Prior to joining the University, Ms. Parkinson served as assistant vice president for marketing communications at the University of Michigan for five years, where she was responsible for the overall marketing and brand strategy for the university with direct oversight of creative, photography and video, digital media and brand management. Prior to joining the University of Michigan, Ms. Parkinson served as senior vice president of marketing and partnerships for the Detroit Lions, where she led a 30-person team. She previously served as senior vice president of marketing and communications for the Michigan Economic Development Corporation, led marketing and public relations for Ann Arbor SPARK and worked for the public relations agency Edelman. Ms. Parkinson earned her bachelor's degree from Alma College.

Academic Structure

The academic organization of the University consists of 15 colleges, seven schools, the Graduate School and the Agricultural Technical Institute. The University offers more than 200 undergraduate majors, 166 programs leading to the master's degree, 120 programs leading to the doctoral degree, and over 12,000 different courses.

The 15 colleges within the University are:

Arts and Sciences	Food, Agricultural and Environmental Sciences	Pharmacy
Business	Law	Public Affairs
Dentistry	Medicine	Public Health
Education and Human Ecology	Nursing	Social Work
Engineering	Optometry	Veterinary Medicine

The seven schools within the University's colleges are:

Architecture	Environment and Natural Resources
Biomedical Science	Health and Rehabilitation Sciences
Communication	Music
Earth Sciences	

University Libraries consists of the Thompson Library and ten department library and special collections locations on the Columbus campus. The libraries on the Columbus campus have a combined collection size of over 5.8 million volumes. The University Libraries website provides access to more than 11.5 million books and journal volumes in print and microformat, as well as an extensive collection of electronic databases.

Accreditations and Memberships

The Ohio State University has been accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools (NCA) since 1913, and in 2017, the University underwent its decennial reaffirmation of accreditation. Additionally, the University has programs, departments and colleges that are accredited by 38 specialized accrediting bodies. The University is a member of both the Association of American Universities and the Association of Public and Land-Grant Universities.

Faculty and Employees

As of September 30, 2020, the University had a faculty and non-instructional staff of 45,407 full and part-time employees on all campuses. The numbers of staff members for the Columbus Campus and the Extended Campuses as of September 30, 2020 were as follows:

Instructional Staff	Columbus Campus	Extended Campuses	Total University
Regular Faculty(1):			
Professor	1,200	73	1,273
Associate Professor	778	139	917
Assistant Professor	573	56	629
Instructor	7	1	8
Total Regular Faculty	2,558	269	2,827
Other Faculty:			
Clinical Faculty(2)	2,005	4	2,009
Auxiliary Faculty(3)	2,375	280	2,655
Research Faculty(4)	104	1	105
Total Other Faculty	4,484	285	4,769
Total Instructional	**7,042**	**554**	**7,596**
Non-Instructional Staff			
Unclassified Staff	22,199	892	23,091
Classified Civil Service Staff	4,756	354	5,110
Professional & Technical Staff	43	0	43
Graduate Associates	4,176	69	4,245
Other Students(5)	5,127	195	5,322
Total Non-Instructional Staff	**36,301**	**1,510**	**37,811**
Total Staff	43,343	2,064	45,407

(1) Regular faculty are tenure track with at least 50% FTE.
(2) Clinical faculty includes the following titles: Professor-Clinical, Associate Professor-Clinical, Assistant Professor-Clinical, and Instructor Clinical with at least (>10% FTE).
(3) Auxiliary faculty includes all other instructional staff including Lecturers, House Staff and Visiting Faculty.
(4) Research faculty includes: Research Professor, Research Associate Professor, and Research Assistant Professor with >50% FTE.
(5) Decline versus prior year reflects reduced use of students as a result of virtual learning and de-densification of campus due to COVID-19.

The University faculty membership in distinguished academic societies includes the National Academy of Sciences (10 members), the National Academy of Engineering (9 members), and the Institute of Medicine (7 members). The faculty also includes 20 members of the American Academy of Arts and Sciences and more than 100 fellows of the American Association for the Advancement of Science. Many Fulbright Fellowships have been awarded to University faculty and graduate students each year.

The University is a party to collective bargaining agreements with the Communications Workers of America, the Fraternal Order of Police and the Ohio Nurses Association, which agreements cover only some of its employees. The remaining University employees, including faculty and other instructional staff, have not elected to join a bargaining unit.

Retirement Plans

The University participates in contributory retirement plans administered by the State Teachers Retirement System of Ohio ("STRS") and the Ohio Public Employees Retirement System ("OPERS"). As an alternative to STRS and OPERS, eligible employees may elect to participate in the University's Alternative Retirement Plan ("ARP"). The ARP was approved by the University's Board of Trustees in February 1999. The number of OSU employees who contributed to the various retirement plans during calendar year 2020 is as follows:

OPERS	40,738
STRS	5,497
ARP	7,014

STRS and OPERS are two of five statewide public employee retirement systems created by and operating pursuant to Ohio law, all of which currently have unfunded actuarial accrued liabilities. The Ohio General Assembly has the power to amend the format of those systems and to revise rates and methods of contributions to be made by public employers and their employees and eligibility criteria, benefits or benefit levels for members.

STRS and OPERS both offer three separate retirement plans: a defined benefit plan, a defined contribution plan, and a combined plan.

- The STRS and OPERS defined benefit plans are cost-sharing multiple-employer defined benefit pension plans. Subject to eligibility requirements, the defined benefit plans currently provide for retirement benefits, disability benefits, postretirement health care coverage, and death benefits.
- The STRS and OPERS defined contribution plans are plans in which the member selects where both member and employer contributions are invested.
- The STRS and OPERS combined plans have features of both a defined contribution plan and a defined benefit plan. Subject to eligibility requirements, the combined plans currently provide for retirement benefits, disability benefits, postretirement health care coverage, and death benefits.

Ohio law requires the University to offer the ARP to certain employees. The ARP is a tax-qualified, defined contribution plan under Section 401(a) of the Internal Revenue Code and is maintained for eligible full-time faculty and staff.

STRS, OPERS and the ARP are funded by both employee and employer contributions at rates established under Ohio law. Currently, the statutory employee contribution rate is 10% of eligible compensation for OPERS and 14% of eligible compensation for STRS and the employer contribution rate is 14% of eligible compensation for both OPERS and STRS. Law enforcement employees contribute 13% of eligible compensation to OPERS and the University contributes 18.1%. Employee and employer contributions to the ARP are equal to the amount the University would have contributed to STRS or OPERS, as applicable to the employee, less any amount required to be paid by the University to the applicable state retirement system ("mitigating rate"). The mitigating rate is charged independently by OPERS and STRS and may differ between OPERS and STRS. A mitigating rate also applies to the OPERS and STRS defined contribution plans and can differ from the rate applied to the ARP. Contributions to STRS, OPERS and the ARP are subject to limits under the Internal Revenue Code.

The University also maintains a tax-qualified retirement plan and a related Section 415(m) plan for eligible employees whose contributions to STRS, OPERS or the ARP are limited under the Internal Revenue Code. Contributions may be funded from both employee and employer contributions. In addition, optional supplemental retirement programs (403(b) and 457(b) plans) are available for eligible employees.

Federal law requires University employees hired after March 31, 1986, to participate in the federal Medicare program. The current rate for Medicare is 1.45% of covered wages for both the employer and the employee. Otherwise, University employees do not currently contribute to the federal Social Security system.

In accordance with GASB Statement Nos. 68 and 75, employers participating in cost-sharing multiple-employer plans are required to recognize a proportionate share of the collective net pension and other post-employment benefit (OPEB) liabilities of the plans. Although changes in net pension and OPEB liabilities generally are recognized as expense in the current period, GASB 68 and 75 require certain items to be deferred and recognized as expense in future periods. Deferrals for differences between projected and actual investment returns are amortized to pension expense over five years. Deferrals for employer contributions subsequent to the measurement date are amortized in the following period (one year). Other deferrals are amortized over the estimated remaining service lives of both active and inactive employees (amortization periods range from 3 to 9 years).

The collective net pension liabilities of the retirement systems and the University's proportionate share of these liabilities as of June 30, 2021 are as follows (dollars in thousands):[1]

	STRS-Ohio	OPERS	Total
Net pension liability – all employers	$24,196,442	$14,500,930	-
Proportion of the net pension liability – University	4.9%	10.4%	-
Proportionate share of net pension liability	$1,175,835	$1,503,497	$2,679,333

[1] The preliminary financial data included in this Appendix A has been prepared by and is the responsibility of the University's management. PricewaterhouseCoopers LLP has not audited, reviewed, compiled, or applied agreed-upon procedures with respect to the preliminary financial data and, accordingly, does not express an opinion or any other form of assurance with respect thereto.

The collective net OPEB assets of the retirement systems and the University's proportionate share of these assets as of June 30, 2021 are as follows (dollars in thousands):[2]

	STRS-Ohio	OPERS	Total
Net OPEB assets – all employers	$(1,757,498)	$(1,781,580)	-
Proportion of the net OPEB assets – University	4.9%	10.7%	-
Proportionate share of net OPEB assets	$(85,406)	$(189,776)	$(275,182)

Enrollment

The University attracts students from a variety of backgrounds and geographical locations, with representation in the Autumn Semester of 2020 from all 50 states and 114 foreign countries. Ohio residents represent 75.0% of the University's enrollment, while 16.8% are from other states and 8.2% are international students. The head count enrollment (full-time and part-time students) for each of the Columbus Campus and the Extended Campuses of the University for the Autumn Semesters of 2016 through 2020 is shown below:

Academic Year	Columbus Campus	Extended Campuses	Total Enrollment
2016-17	59,482	6,564	66,046
2017-18	59,837	6,607	66,444
2018-19	61,170	6,930	68,100
2019-20	61,391	6,871	68,262
2020-21	61,369	6,588	67,957

The following table shows the total Autumn head count enrollment for undergraduate and graduate students for all campuses, and for students enrolled in professional programs, as well as the aggregate FTE enrollment for all campuses.

Academic Year	Undergraduate	Graduate	Professional	Total	Full-Time Equivalent
2016-17	52,349	10,529	3,168	66,046	60,040
2017-18	52,517	10,708	3,219	66,444	60,427
2018-19	53,734	11.113	3,253	68,100	61,654
2019-20	53,669	11,305	3,288	68,262	61,631
2020-21	53,557	11,110	3,290	67,957	61,179

In 1969, the General Assembly, upon recommendation of the Ohio Board of Regents, set enrollment limitations for several of the larger state universities. The limitation for the Columbus Campus is 42,000 FTE resident undergraduate enrollment. Excluded from this enrollment calculation is the FTE enrollment in certain categories, including Medical Sciences (Medicine, Dentistry, Veterinary Medicine, Nursing, Allied Medicine and Optometry) and Agriculture programs, and part-time commuter students in evening courses. With these exclusions, the FTE enrollment for the Columbus Campus is substantially below the enrollment limitation.

Prior to 1987, the University practiced open admissions for freshmen, accepting applications on a first-come, first-served basis. Admissions would "close" when the number of applications received reached the FTE enrollment limitation. Because of increased demands for the Columbus Campus, the University adopted a selective admissions policy beginning with applications for Autumn Quarter 1987.

The application deadline is fixed at February 1st of each year. All resident and nonresident applicants are considered within a competitive process. Primary criteria for admission are the applicant's high school college preparatory program and performance as measured by class rank, and standardized test scores. Other factors include courses exceeding the minimum in mathematics, natural sciences and foreign languages, competitiveness of high school, leadership, special talents, or special circumstances. In addition, special consideration is given to students who will provide cultural, racial, economic, and geographic diversity to the University.

[2] The preliminary financial data included in this Appendix A has been prepared by and is the responsibility of the University's management. PricewaterhouseCoopers LLP has not audited, reviewed, compiled, or applied agreed-upon procedures with respect to the preliminary financial data and, accordingly, does not express an opinion or any other form of assurance with respect thereto.

Admissions

The table below sets forth, for the Columbus Campus, the number of completed freshman applications received and accepted, the percentage of applicants accepted for admission, the number of freshmen enrolled, the percentage of accepted applicants who enrolled and the average ACT scores and retention rates of enrollees in the Autumn Quarters or Semesters of the academic years indicated.

Academic Year	Applications Completed	Applicants Accepted	Percent Accepted	Applicants Enrolled	Percent Enrolled	Average ACT	Retention Rate
2016-17	44,821	24,240	54.1%	7,885	32.5%	29.1	94.2%
2017-18	47,758	22,939	48.0%	7,136	31.1%	29.2	94.5%
2018-19	48,033	24,943	51.9%	7,851	31.5%	29.3	94.1%
2019-20	47,675	25,606	53.7%	7,630	29.8%	29.5	93.9%
2020-21	49,068	33,598	68.5%	8,602	25.6%	28.8	TBD
2021-22	58,161	33,247	57.2%	8,340*	25.1%*	28.6*	TBD

**Reflects number of freshman registered for Autumn 2021 classes as of August 31, 2021. Actual Autumn 2021 enrollment will differ from this registration-based estimate.*

The average freshman composite scores on the Scholastic Aptitude Test (SAT critical reading and math) for the Columbus Campus was 1,336 for the Autumn Semester 2021; the average ACT Composite was 28.6. With the exception of the 2020-21 and 2021-22 academic years, which were impacted by the COVID-19 pandemic, these averages have steadily increased over the past decade as the University invested in strategic recruitment initiatives. Per the goals of the University Strategic Enrollment Plan, the composition of the freshman class has become increasingly more diverse. Non-Ohio resident freshman enrollment was 28.9% for Autumn Semester 2020.

Fees and Charges

Approved instructional and general fee increases for the 2021-22 academic year include a 3.8% increase for incoming undergraduate students in the Tuition Guarantee Program (see "**Recent Developments"** below for a discussion of the Tuition Guarantee Program) and a 5.0% increase in the non-resident surcharge for out-of-state undergraduate and graduate students, while the international student surcharge is being held flat. Beginning in the 2021-22 academic year, the surcharge applicable to non-resident students reflects the full non-resident surcharge ($11,541 for undergrads and $12,976 for most graduate programs per semester) across both on-line (excluding designated on-line programs) and in-person modes of instruction. Base instructional fees for Master's and Ph.D. students will not increase in the 2021-22 academic year, though some graduate and professional programs will charge a differential instructional fee based on market demand and pricing.

The instructional and general fees per full-time student (including the tuition surcharge paid by non-resident students) for the Columbus Campus for academic years 2017-18 through 2021-22 are shown below.

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Columbus Campus		2017-18	2018-19	2019-20	2020-21	2021-22
Resident	Undergraduate Tuition Guarantee 2018-19(1)	$NA	10,224	10,224	10,224	10,224
	Undergraduate Tuition Guarantee 2019-20(1)	NA	NA	10,582	10,582	10,582
	Undergraduate Tuition Guarantee 2020-21(1)	NA	NA	NA	11,016	11,016
	Undergraduate Tuition Guarantee 2021-22(1)	NA	NA	NA	NA	11,434
	Undergraduate-Non-Guarantee	9,540	9,540	9,540	9,540	9,540
	Graduate	11,928	11,928	11,928	11,928	11,928
	MHRM (Formerly MLHR)	16,568	16,568	16,568	17,378	17,378
	MBA	30,120	30,120	30,120	30,120	30,120
	Working Professional MBA	25,512	25,512	25,512	25,512	25,512
	EMBA	48,032	64,987	48,032	64,987	56,471
	Masters of Accounting	31,824	31,824	31,824	31,824	31,824
	Masters of Audiology	12,504	12,504	12,504	12,504	12,504
	MSLP	12,504	12,504	12,504	12,504	12,504
	Masters of Health Admin.	14,336	14,336	14,336	14,336	14,336
	Masters of Public Health	12,760	12,760	12,760	12,760	12,760
	Public Health PEP	12,760	12,760	12,760	12,760	12,760
	MPT/DPT	13,368	13,368	13,368	13,368	13,368
	MOT/DOT – Ranks 1-2	12,472	13,440	13,440	13,440	13,440
	MSW	12,600	12,600	12,600	12,600	12,600
	MBOE	34,646	34,710	34,518	37,079	35,371
	SMB Finance	55,632	55,632	55,632	55,632	55,632
	MBLE	27,552	27,552	27,552	27,552	27,552
	MAEE-DL	14,712	14,712	14,712	14,712	14,712
	GC Med	19,504	19,504	19,504	19,504	19,504
	GMB	11,828	11,828	11,828	23,656	23,656
	MGEL	17,072	17,072	17,072	17,072	17,488
	SMB-Analytics	NA	35,189	35,189	35,189	27,700
	Law-MSL	NA	NA	16,552	16,552	14,720
	MS-Nursing	NA	NA	15,928	15,928	15,928
	DNP-Nursing	NA	NA	15,928	15,928	15,928
Non-Resident	Undergraduate Tuition Guarantee 2018-19(1)	NA	30,240	31,201	32,208	33,307
	Undergraduate Tuition Guarantee 2019-20(1)	NA	NA	31,559	32,566	33,665
	Undergraduate Tuition Guarantee 2020-21(1)	NA	NA	NA	33,000	34,099
	Undergraduate Tuition Guarantee 2021-22(1)	NA	NA	NA	NA	34,517
	Undergraduate-Non-Guarantee	28,644	29,556	30,517	31,524	32,623
	Graduate	33,400	34,432	35,512	36,644	37,880
	MHRM (Formerly MLHR)	36,312	37,256	38,250	40,100	41,236
	MBA	51,592	52,624	53,704	54,836	56,072
	Working Professional MBA	44,592	45,504	46,464	47,470	48,568
	EMBA	48,042	64,997	48,042	64,997	56,481
	Masters of Accounting	53,296	54,328	55,408	56,540	57,776
	Masters of Audiology	33,976	35,008	36,088	37,220	38,456
	MSLP	33,976	35,008	36,088	37,220	38,456
	Masters of Health Admin.	35,808	36,840	37,920	39,052	40,288
	Masters of Public Health	34,232	35,264	36,344	37,476	38,712
	Public Health PEP	34,232	35,264	36,344	37,476	13,160
	MPT/DPT	31,536	32,408	33,322	34,280	35,326
	MOT/DOT – Ranks 1-2	30,640	31,608	32,480	33,394	34,392
	MSW	34,072	35,104	36,184	37,316	38,552
	MBOE	34,656	34,720	34,528	34,528	35,381
	SMB Finance	55,642	55,642	55,642	55,642	55,642
	MBLE	46,632	47,544	48,504	49,510	50,608
	MAEE-DL	14,722	14,722	14,722	15,112	15,112
	GC Med	41,552	31,552	32,130	32,736	33,398
	GMB	11,833	11,833	11,833	23,666	23,666
	MGEL	17,082	17,082	17,082	17,472	17,888
	SMB-Analytics	NA	35,199	35,199	35,589	28,100
	Law-MSL	NA	NA	31,504	31,804	29,972
	MS-Nursing	NA	NA	39,512	40,644	41,880
	DNP-Nursing	NA	NA	15,938	15,938	16,328

Professional Schools		**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**
Resident	Law	29,768	30,352	30,952	31,564	32,188
	Medicine - Rank 1	29,648	30,008	30,008	30,008	30,452
	Medicine - Rank 2	29,648	30,008	30,008	30,008	30,563
	Medicine - Rank 3	29,648	30,008	30,008	30,008	30,263
	Medicine - Rank 4	29,648	30,008	30,008	30,008	30,008
	Dentistry - Rank 1	34,128	35,144	36,708	38,888	40,432
	Dentistry - Ranks 2-4	30,264	31,168	32,248	33,368	34,032
	Optometry - Ranks 1	26,264	26,776	27,304	27,304	27,304
	Optometry - Ranks 2	26,264	26,776	27,304	27,304	27,304
	Optometry - Ranks 3-4	23,320	23,776	24,240	24,240	24,240
	Veterinary Medicine - Ranks 1	30,688	31,288	31,904	32,536	33,178
	Veterinary Medicine - Rank 2-4	30,688	31,288	31,904	32,536	33,178
	Pharmacy - Ranks 1	22,000	22,864	23,760	24,696	25,668
	Pharmacy Rank 2-4	22,000	22,864	23,760	24,696	25,668
Non-Resident	Law	44,720	45,304	45,904	46,816	47,440
	Medicine - Rank 1	51,296	52,696	53,786	54,928	55,372
	Medicine - Rank 2	51,296	52,696	53,786	54,928	55,483
	Medicine - Rank 3	51,296	52,696	53,786	54,928	55,183
	Medicine - Rank 4	51,296	52,696	53,786	54,928	54,928
	Dentistry - Rank 1	74,112	76,328	79,128	82,580	85,434
	Dentistry - Ranks 2-4	65,720	67,688	69,864	72,112	73,938
	Optometry - Ranks 1	47,320	47,832	48,360	48,360	48,360
	Optometry – Ranks 2	NA	NA	NA	27,314	27,314
	Optometry - Ranks 3-4	41,144	41,600	42,064	24,250	24,250
	Veterinary Medicine - Ranks 1	69,064	69,664	71,240	71,872	73,300
	Veterinary Medicine - Rank 2-4	69,064	69,664	71,240	32,546	33,188
	Pharmacy - Ranks 1	44,608	46,560	48,594	50,722	52,996
	Pharmacy Rank 2-4	44,608	46,560	48,594	50,722	25,678
Extended Campuses						
Resident	Undergraduate Tuition Guarantee 2018-19[(1)]	NA	7,644	7,644	7,644	7,644
	Undergraduate Tuition Guarantee 2019-20[(1)]	NA	NA	7,912	7,912	7,912
	Undergraduate Tuition Guarantee 2020-21[(1)]	NA	NA	NA	8,237	8,237
	Undergraduate Tuition Guarantee 2021-22[(1)]	NA	NA	NA	NA	8,550
	Undergraduate (Non-Guarantee)	7,140	7,140	7,140	7,140	7,140
	Graduate	11,736	11,736	11,736	11,736	11,736
	ATI-Tuition Guarantee-2018-19[(1)]	NA	7,608	7,608	7,608	7,608
	ATI-Tuition Guarantee-2019-20[(1)]	NA	NA	7,874	7,874	7,874
	ATI-Tuition Guarantee-2020-21[(1)]	NA	NA	NA	8,197	8,197
	ATI-Tuition Guarantee-2021-22[(1)]	NA	NA	NA	NA	8,508
	ATI (Non-Guarantee)	7,104	7,104	7,104	7,104	7,104
Non-Resident	Undergraduate Guarantee 2018-19[(1)]	NA	27,660	28,621	29,628	30,727
	Undergraduate Guarantee 2019-20[(1)]	NA	NA	28,889	29,896	30,995
	Undergraduate Guarantee 2020-21[(1)]	NA	NA	NA	30,221	30,221
	Undergraduate Guarantee 2021-22[(1)]	NA	NA	NA	NA	31,633
	Undergraduate (Non-Guarantee)	26,244	27,156	28,117	29,124	30,223
	Graduate	33,208	34,240	35,320	36,452	37,888
	ATI Guarantee 2018-19[(1)]	NA	27,624	28,585	29,592	30,691
	ATI Guarantee 2019-20[(1)]	NA	NA	28,851	29,858	30,957
	ATI Guarantee 2020-21[(1)]	NA	NA	NA	30,181	30,181
	ATI Guarantee 2021-22[(1)]	NA	NA	NA	NA	31,591
	ATI (Non-Guarantee)	26,208	27,120	28,081	29,088	30,187

[(1)] First-year students who started their college careers on or after the 2017-18 academic year were enrolled under the Ohio State Tuition Guarantee, which provides certainty for those students and their families about the cost of -n-state tuition, general fees, and housing and dining for four years. There is a non-resident surcharge that is not covered by the Tuition Guarantee Program that may result in annual increases for non-resident students.

Comparative information concerning the academic year 2020-21 instructional and general fees charged Ohio residents by the University and the other state universities are set forth below.

Instructional and General Fees 2020-21*

Institution	Undergraduate	Graduate
Bowling Green State University	$11,471	$12,770
Central State University	6,600	NA
Cleveland State University	10,274	15,017
Kent State University	10,359	11,766
Miami University	14,839	14,656
The Ohio State University	**10,037**	**12,425**
Ohio University	10,810	9,510
Shawnee State University	7,838	10,156
University of Akron	10,815	9,362
University of Cincinnati	11,000	14,902
University of Toledo	10,027	16,165
Wright State University	9,132	14,298
Youngstown State University	8,766	12,688

* Based on Fall 2020 full-time charges or 15 credit hours and 2 semesters. Amounts shown include both Instructional and General Fees and certain other fees that are not uniform to all state universities.
Source: Ohio Department of Higher Education Fall 2020 Survey of Student Charges.

The following student budget has been used by the University's Office of Financial Aid and represents estimated average undergraduate student costs at the Columbus Campus for academic year 2021-22.

Estimated Annual Expenses 2021-22

Basic Fees	Per Student
Tuition and fees for In-State Residents	$11,936
Tuition and fees for Out-of-State-Residents*	35,018
Room and Board**	13,392
Books and Supplies	1,012
Miscellaneous Costs, Personal Expenses, Phone, etc.	2,682
Additional Out-of-State Travel	818
Total In-State Expenses	$29,022
Total Out-of-State Expenses	$52,922

* Includes the non-resident tuition surcharge
** Based on the most popular room and board plan

Financial Aid

Approximately 80% of the students of the University receive some form of financial assistance. The primary responsibility for this function is placed with the Office of Student Financial Aid. During Fiscal Year 2020, students received total assistance amounting to $1.20 billion. The primary sources included the Pell Grant Program, Ford Federal Direct Student Loan Programs, Federal Work Study, Federal Supplemental Educational Opportunity Grants, Ohio College Opportunity Grants, and the University scholarships, loans, employment, and graduate student fee waivers.

The following table summarizes the financial aid provided to University students for the five fiscal years ended June 30, 2020. A portion of funds provided are derived from sources outside the University. All programs assisted by the federal and state governments are subject to appropriation and funding by those governments.

Student Financial Aid
(dollars in thousands)

Source	2016	2017	2018	2019	2020
Scholarships and Grants					
University	$401,132	$ 423,481	$ 442,194	$469,848	$502,355
State Funds	15,028	14,741	16,465	16,615	20,062
Pell Grants	51,449	50,654	55,365	57,645	58,688
Other Federal Grants	3,076	4,551	3,717	4,661	9,079
Other Funds	50,612	51,138	52,686	54,071	50,174
Total Scholarships and Grants	$521,297	$544,565	$570,427	$602,839	$640,358
Loan					
University	$1,082	$885	$ 724	$818	$904
Federal Perkins	4,103	6,632	7,084	0	0
Federal Stafford & PLUS	345,442	347,692	343,700	338,591	332,629
Other Loans	45,788	46,934	45,089	48,196	50,056
Total Loans	$396,415	$402,143	$396,596	$387,605	$383,589
Student Employment					
Federal Work-Study	$2,614	$2,865	$ 2,842	$3,360	3,392
University Student Payroll	158,655	164,014	168,740	173,282	171,151
Total Student Employment	$161,269	$166,879	$171,583	$176,642	$174,543
Total Financial Assistance	$1,078,982	$1,113,587	$1,138,606	$1,167,086	$1,198,490

Physical Plant

In total the University consists of 1,334 buildings and structures on 16,095 acres. The Columbus Campus programs are housed in 562 structures on the 1,674 acre campus. There are 77 additional structures located on 1,482 acres at the University's Extended Campuses. The OARDC has 365 buildings on 8,652 acres in Wooster, Ohio and eight other research farms throughout Ohio. The Molly Caren Agricultural Center in London, Ohio comprises 32 buildings on 2,092 acres. An additional 298 buildings, including county extension buildings, are located on 602 acres across Ohio. The total estimated replacement value of the University's buildings and infrastructure, all of which are either owned by the University or by the State for the use and benefit of the University is $16.2 billion. The replacement value of the Columbus Campus alone is nearly $14.1 billion. In 2013, the University entered into a 50-year lease and concession agreement with QIC Global Infrastructure pursuant to which the University, among other things, leased its parking lots and garages.

In July 2017, the University entered into a 50-year agreement to lease the University's utility system to Ohio State Energy Partners LLC (the "Concessionaire") and granted the Concessionaire the exclusive right to operate, maintain and make capital investments in the utility system and to charge the University a utility fee in connection therewith, which includes fixed, variable, and operating and maintenance components. The variable rate portion of the utility fee reflects the University's obligation to reimburse the Concessionaire over time for costs incurred by the Concessionaire in completing approved capital projects. The University's Board of Trustees has approved capital projects for the University's utility system through Fiscal Year 2021 in an aggregate amount of $611.0 million. Certain of those projects require additional Board approval. The variable rate portion of the utility fee for Fiscal Year 2021 was $16.8 million.

The Columbus Campus includes 1,674 acres comprising the east and west academic campuses, two 18-hole golf courses across 485-acres, and the 1,338-acre Don Scott Field. The Don Scott Field area contains the airport and experimental and demonstration farms and research areas on 801 acres and has 595 acres of undeveloped land. The Columbus Campus includes numerous academic and laboratory buildings and facilities, a 645 staffed bed University Hospital (does not include 356 staffed beds at the Arthur G. James Cancer Hospital and Richard J. Solove Research Institute or the 193 staffed beds at the University Hospital East), one of the largest academic research libraries in North America, 41 residence hall buildings which can house approximately 14,750 students and a 102,082 seat stadium.

In pursuit of its teaching, research, and public service missions, the University continues to make significant investments in its facilities. As of June 30, 2021, the net book value of the University's land, buildings, improvements, equipment, library books, and construction in progress was $6.37 billion (preliminary and unaudited). In Fiscal Year 2021, University capital expenditures totaled $926 million of which $452 million went toward University projects and $474 million supported health system projects. Several major construction projects are under way including new Arts District facilities, the Interdisciplinary Research facility, the Interdisciplinary Health Sciences center, various athletic facilities, and the relocation of Cannon Drive. Major health system capital projects include a new 820-bed inpatient hospital (and associated parking garage and central sterile supply building) and three outpatient care facilities (one on west campus and two regional facilities). The University's estimated future capital commitments, based on contracts and purchase orders, total approximately $1.7 billion at June 30, 2021.

The Ohio State University Wexner Medical Center

Part of one of the most comprehensive health sciences campuses in the country, The Ohio State University Wexner Medical Center includes the College of Medicine and its School of Health and Rehabilitation Sciences; the Office of Health Sciences, including the OSU Faculty Group Practice; various research centers, programs and institutes; and the Ohio State Health System (the "Health System"), which includes the Arthur G. James Cancer Hospital and Richard J. Solove Research Institute, University Hospital, East Hospital, Ohio State Harding Hospital, the Richard M. Ross Heart Hospital, Dodd Rehabilitation Hospital, the Ohio State Brain and Spine Hospital, the Ohio State Primary Care Network, Outpatient Care multispecialty facilities and Ohio State Same Day Care locations. The University's Wexner Medical Center hospitals served more than 62,900 adult inpatients and more than 2.1 million outpatients in Fiscal Year 2021.

In 2020, *U.S. News & World Report* named the Wexner Medical Center to its list of America's "Best Hospitals," based on structure, patient experience, outcomes and reputation, for the 28th consecutive year. The Wexner Medical Center was also among the 9% of hospitals in the U.S. to receive the highest rating of five stars in the most recent update to the Centers for Medicare and Medicaid Services' Hospitals Compare website.

The Ohio State University Wexner Medical Center is at the forefront of medicine, where discovery and ingenuity in research laboratories make unique, effective therapies available to patients months, even years, before other hospitals. One of the nation's leading academic health centers, The Ohio State University Wexner Medical Center offers healthcare services in virtually every specialty and subspecialty in medicine. Thousands of patients come to the Wexner Medical Center each month for treatments and services they cannot find anywhere else. The Wexner Medical Center is dedicated to improving health in Ohio and across the world through innovation in research, education and patient care.

A comparative summary of The Ohio State University Wexner Medical Center patient activity statistics for the five years ended June 30 is as follows:

	2017	2018	2019	2020	2021
Inpatient Admissions	61,701	64,529	64,534	62,352	62,916
Outpatient Visits	1,763,707	1,815,070	1,915,176	1,868,222	2,116,454
Surgeries	44,090	44,888	46,703	44,741	50,741

University Hospital specialties include organ and tissue transplantation, women and infants, digestive diseases, bariatric surgery and minimally invasive surgery. In addition to having a Level I Trauma Center as designated by the American College of Surgeons, University Hospital is also home to a Level III Neonatal Intensive Care Unit, central Ohio's only adult burn center and the only adult solid organ transplant program in central Ohio. University Hospital has been re-designated a Magnet® hospital by the American Nurses Credentialing Center; one of the highest awards a hospital can receive for outstanding nursing services.

Ohio State East Hospital blends academic medicine with a community-based setting in a comprehensive outpatient facility and a 200-bed hospital on Columbus's East Side. The hospital provides a full range of medical and surgical services to patients throughout central Ohio, including orthopedics, general surgery, vascular surgery, plastic surgery, ENT, cardiovascular and pulmonary care, family medicine, general internal medicine and emergency medicine. Additionally, patients at East Hospital have access to central Ohio's leading alcohol and drug addiction recovery services, a comprehensive wound-healing center with limb preservation program, digestive disease treatment, a full-range of diagnostic services, a sleep disorders center and outpatient oncology services.

The Ohio State Heart and Vascular Center comprises the Richard M. Ross Heart Hospital and Dorothy M. Davis Heart and Lung Research Institute (DHLRI) and is dedicated to advancing the field of cardiovascular medicine and surgery. The University's Ross Heart Hospital is a 150-inpatient-bed facility that offers comprehensive heart and vascular care spanning every specialty from open heart surgery to electrophysiology, vascular surgery, advanced heart failure care and emergency cardiac care. The DHLRI is one of the nation's few free-standing facilities devoted entirely to the research of diseases affecting the heart, lungs and blood vessels.

Ohio State Harding Hospital offers counseling services along with the most comprehensive inpatient and outpatient mental health and behavioral health services in central Ohio. Programs are available for adolescents, adults and older adults with complex psychiatric disorders. Ohio State Harding Hospital's team includes psychiatrists, psychologists, social workers, registered nurses, occupational therapists, recreational therapists, chaplains and licensed counselors. Treatment for anxiety disorders, panic attacks, post-traumatic stress disorders, depression, bipolar disorder, schizophrenia, ADHD and trauma occurs in a supportive environment emphasizing family participation and a return to independent living.

The only free-standing cancer hospital in central Ohio and the first in the Midwest, the University's Comprehensive Cancer Center – Arthur G. James Cancer Hospital and Richard J. Solove Research Institute (OSUCCC – James) is an international leader in cancer prevention, detection and treatment. The OSUCCC – James is a 356-bed cancer hospital, one of only 51 comprehensive cancer centers designated by the National Cancer Institute (NCI) and one of only a few institutions nationally funded by the NCI to conduct both phase I and phase II clinical trials on novel anticancer agents sponsored by the NCI. The OSUCCC – James achieved Magnet® status in 2013.

Ohio State University Physicians, Inc. (OSUP) is a physician-led affiliated entity of The Ohio State University established in 2002 designated by the Board as the faculty practice plan for the College of Medicine. The University's Faculty Group Practice (FGP) is a business unit of the Office of Health Sciences that represents the majority of the physicians delivering care to patients at The Ohio State University Wexner Medical Center. Both OSUP and FGP physicians have an employment relationship with the College of Medicine in support of its teaching, patient care and research mission areas.

The Ohio State Brain and Spine Hospital has 116 beds, bringing together a multidisciplinary team of physicians, nurses and scientists committed to meeting the specialized needs of patients with brain and spine disorders by restoring function, optimizing recovery and providing hope. The hospital includes more than 60,000 square feet of space with dedicated units for stroke care, neurotrauma and traumatic brain injuries, spinal cord injuries and spine surgery, epilepsy, chronic pain, acute rehabilitation, neurosurgery and sleep medicine.

Dodd Rehabilitation Hospital is home to Ohio State's high-performing and nationally accredited rehabilitation inpatient program specializing in stroke, brain and spinal cord rehabilitation. The program was the first in Ohio and is dedicated to physical medicine and rehabilitation research, training and treatment. Our Department of Physical Medicine and Rehabilitation works to restore function for a person who has been disabled as a result of a disease, disorder or injury.

On November 14, 2018, the Wexner Medical Center and Mercy Health launched Healthy State Alliance. Healthy State Alliance brings together two organizations with complementary missions, capabilities and talents to leverage their respective strengths, significantly expand access to life-changing care and improve the health of all those they serve. Early efforts are focused on addressing the opioid epidemic and increasing access to cancer and transplant care.

As part of its strategic planning and development process, the University and its Wexner Medical Center are continually evaluating opportunities that may involve the addition or acquisition of, or affiliation with, other organizations and enterprises including acute care hospital facilities, long-term care entities and other healthcare enterprises, or the divestiture of enterprises, operations or facilities that the University's Wexner Medical Center currently owns or operates. In addition, the University's Wexner Medical Center may engage in such discussions with health insurers, HMOs, preferred provider organizations, third-party administrators and other health insurance-related businesses. Because the healthcare field is rapidly evolving, the Wexner Medical Center is often simultaneously discussing or evaluating a variety of potential acquisitions, divestitures, combinations, affiliations, expansions and joint ventures. Many of those discussions and evaluations never progress to an actual agreement, and the University does not typically disclose such discussions or evaluations unless and until a definitive agreement is reached.

Other Public Institutions

Publicly owned higher education institutions in Ohio now include 14 state universities (with a total of 24 branches), one freestanding medical college (in addition to five at state universities) and 23 community and technical colleges. Those institutions all receive State assistance and conduct full-time educational programs in permanent facilities.

Ohio Department of Higher Education

The Ohio Department of Higher Education (formerly known as the Ohio Board of Regents) is a cabinet-level agency for the Governor of the State of Ohio that oversees higher education for the State. The Chancellor of the Ohio Department of Higher Education is an appointee of the Governor, with the advice and consent of the State Senate. The current Chancellor is Randy Gardner. The Chancellor has statewide coordinating, recommendatory, advisory and directory powers with respect to state-supported and state-assisted institutions of higher education. Among the Chancellor'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 prepare a state plan for and be the state agency responsible for participation in federal programs relative to the construction of higher education academic facilities; 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 review and recommend the elimination of graduate and professional programs; to approve increases in fees and fee pledges of higher education institutions related to the issuance of new debt, 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 Ohio Board of Regents acts as an advisory board to the Chancellor. The Ohio Board of Regents consists of nine voting members appointed to six-year terms by the Governor with the advice and consent of the State Senate. Ex-officio non-voting members are the chairpersons of the respective education committees of the State Senate and the State House of Representatives.

FINANCIAL OPERATIONS OF THE UNIVERSITY

General

The financial statements of the University are prepared in a "business type activity" format in Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments and GASB Statement No. 35, Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities - an amendment of GASB Statement No. 34*. GASB Statement No. 35 defines business type activities as those financed in whole or in part by fees charged to external parties for goods and services. Most public colleges and universities have elected to use the business type activity format. For further information see the audited financial statements of the University as of June 30, 2020 and 2019.

Summary of Revenues, Expenses, and Other Changes in Net Position

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 the University. This is primarily due to the way operating and non-operating items are defined under GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*. Operating expenses include virtually all University expenses, except for interest on long-term debt. Operating revenues, however, exclude certain significant revenue streams that the University and other public institutions have traditionally relied upon to fund current operations, including state instructional support, current-use gifts, and investment income.

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The following "Summary of Revenues, Expenses and Other Changes in Net Position" presents summary financial information for Fiscal Years 2016 through 2020.

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

	2016	2017	2018	2019	2020
Operating Revenues:					
Tuition and fees, net*	$884,805	$927,317	$935,893	$969,633	$953,569
Grants and contracts	683,809	737,060	757,036	789,873	796,229
Auxiliary enterprises sales and services, net	261,761	309,497	328,692	339,615	298,064
OSU Health System sales and services, net	2,625,075	2,844,327	3,103,891	3,432,271	3,449,681
OSU Physicians sales and services, net	487,429	496,364	525,796	560,322	584,222
Departmental sales and other operating revenues	182,639	213,026	193,292	211,223	196,443
Total operating revenues	$5,125,518	$5,527,591	$5,844,600	$6,302,937	$6,278,208
Operating Expenses:					
Educational and general	$2,418,561	$2,495,255	$2,062,211	2,724,436	2,867,230
Auxiliary enterprises	254,137	313,185	322,149	361,346	320,392
OSU Health System	2,242,256	2,595,797	2,720,988	3,109,070	3,345,167
OSU Physicians	441,333	444,361	484,132	507,366	563,200
Depreciation	358,326	381,753	402,135	421,816	435,284
Total operating expenses	$5,714,613	$6,230,351	$5,991,615	$7,124,034	$7,531,273
Net operating income (loss)	($589,095)	($702,760)	($147,015)	($821,097)	($1,253,065)
Non-Operating Revenues (Expenses):					
State share of instruction and line-item appropriations	$456,063	$473,061	$475,593	$469,679	$461,838
Gifts - current use	156,737	181,212	168,209	160,102	157,511
Net investment income (loss)	(10,376)	543,300	440,393	232,287	233,115
CARES Act assistance**	-	-	-	-	169,863
Grants, interest expense and other non-operating	(26,586)	(61,632)	(29,027)	(39,464)	4,528
Income (loss) before changes in net position	(13,257)	433,181	908,153	1,507	(226,210)
Changes in Net Position:					
State capital appropriations	36,381	68,270	83,217	64,900	69,905
Private capital gifts	10,422	26,761	15,470	26,565	77,425
Additions to permanent endowments	64,537	60,177	61,708	68,696	88,273
Increase (decrease) in net position	98,083	588,389	1,068,548	161,668	9,393
Net Position - beginning of year	$4,992,309	$5,090,392	$5,666,558	$5,494,631	$5,672,928
Effect of GASB 81 (Irrevocable Split Interest Agreements)***		(12,223)			
Effect of GASB 75 (OPEB)****			(1,225,012)		
Effect of GASB 83 (Certain Asset Retirement Obligation) *****			(15,463)		
Effect of Change in Financial Reporting Entity (Sci Tech)				16,629	
Net Position-end of year	$5,090,392	$5,666,558	$5,494,631	$5,672,928	$5,682,321

* Net of scholarship allowances of $180,828, $179,071, $199,405, $218,936, and $238,920 respectively.

** See **COVID-19 Pandemic** below for a discussion concerning CARES Act assistance.

*** In Fiscal Year 2017, the University implemented GASB Standard No.81, Irrevocable Split-Interest Agreements. The cumulative effect of adopting GASB No. 81 was a $12,223 reduction in the University's net position as of July 1, 2016.

**** In Fiscal Year 2018, the University implemented GASB Standard No.75, Accounting and Financial Reporting for OPEB. The effect of adopting GASB 75 was a reduction in the University's net position as of July 1, 2017. Balances reported for the year ended June 30, 2017 and all prior fiscal years presented have not been restated due to limitations on the information available from the retirement systems.

*****In Fiscal Year 2018, the University implemented GASB Standard No. 83, Certain Asset Retirement Obligation. The cumulative effect of adopting GASB No. 83 was a $15,463 reduction in the University's net position as of July 1, 2017.

The following Net Position (Equity) Summary presents net investment in capital assets, restricted – nonexpendable, restricted – expendable and unrestricted net position balances for Fiscal Years 2016 through 2020.

Net Position (Equity) Summary
(dollars in thousands)

	2016	2017	2018	2019	2020
Net Investment in Capital Assets	$2,382,715	$2,364,637	$2,488,574	$2,764,692	$3,226,206
Restricted – Nonexpendable	1,370,064	1,473,074	1,551,278	1,580,115	1,622,782
Restricted – Expendable	908,953	1,190,162	1,328,793	1,303,269	1,125,359
Unrestricted*	428,660	638,685	125,986	24,852	(292,026)
Total Net Position	$5,090,392	$5,666,558	$5,494,631	$5,672,928	$5,682,321

* The decreases in unrestricted net position relate to the implementation of the GASB 68 pension and GASB 75 OPEB standards.

General Receipts of the University

General Receipts pledged to the security of the Bonds and to the University's payment obligations under its swaps/derivative agreements (including termination payments if any) include virtually all the receipts of the University, excepting only receipts expressly excluded by the Indenture. Among receipts expressly excluded are State appropriations and 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 Debt Service Charges.

General Receipts for the five most recent fiscal years were as follows:

General Receipts of the University*
(dollars in thousands)

	2017	2018	2019	2020	2021[3]
Tuition, Fees and Other Student Charges	$1,106,385	$1,135,298	$1,188,569	$1,192,489	$1,104,466
Unrestricted Government Grants & Contracts	82,051	84,258	89,762	95,394	67,207
Private Gifts and Grants	44,167	41,310	41,206	46,994	55,784
Unrestricted Endowment Income	22,859	28,792	41,291	37,515	4,707
Dept. & University Sales & Services	155,779	157,841	165,638	146,963	173,942
Auxiliary Sales & Services	346,260	369,891	384,556	344,870	202,336
Hospital Sales & Services	2,853,177	3,103,891	3,432,271	3,449,681	3,853,048
Other Sources	53,649	26,687	33,936	36,004	20,857
Total General Receipts	$4,664,327	$4,947,968	$5,377,229	$5,349,910	$5,482,347

**Reflects preliminary and unaudited FY 2021 financial results*

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[3] The preliminary financial data included in this Appendix A has been prepared by and is the responsibility of the University's management. PricewaterhouseCoopers LLP has not audited, reviewed, compiled, or applied agreed-upon procedures with respect to the preliminary financial data and, accordingly, does not express an opinion or any other form of assurance with respect thereto.

Outstanding General Receipts Obligations

The University's General Receipts Bonds (including Senior Lien Obligations and Special Purpose General Receipts Obligations) as of June 30, 2021 consist of the following:

General Receipts Bonds	Original Amount	Amount Outstanding
Series 1997 Bonds	$79,540,000	$1,700,000
Series 1999 B1 Bonds	83,400,000	820,000
Series 2001 Bonds	76,950,000	3,450,000
Series 2008 B Bonds	127,770,000	9,000,000
Series 2010 C Bonds	654,785,000	654,785,000
Series 2010 D Bonds	88,335,000	79,990,000
Series 2010 E Bonds	150,000,000	125,000,000
Series 2011 A Bonds	500,000,000	500,000,000
Series 2012 A Bonds	91,165,000	41,440,000
Series 2012 B Bonds	23,170,000	8,985,000
Series 2013 A Bonds*	337,955,000	337,955,000
Series 2014 A Bonds	135,985,000	121,560,000
Series 2014 B1 Bonds	75,000,000	75,000,000
Series 2014 B2 Bonds	75,000,000	75,000,000
Series 2016 A Bonds	600,000,000	600,000,000
Series 2016 B Bonds	30,875,000	16,130,000
Series 2017 Bonds	69,950,000	55,595,000
Series 2020 A Bonds	185,995,00	185,995,000
Total:	$3,385,875,000	$2,892,405,000

* The Series 2013 A Bonds are the only outstanding series of Special Purpose General Receipts Obligations backed by a pledge of the gross revenues of Special Purpose Revenue Facilities (i.e., all housing, dining, and recreation facilities owned by the University). Special Purpose General Receipts pledged to the Series 2013A bonds totaled $185.4 million in Fiscal Year 2020.

Interest Rate Swaps

As part of its debt management, the University is also party to the following forward-starting floating-to-fixed interest rate swap agreements with a total notional amount of $328,800,000:

Outstanding Notional Amount	Related Bond Series[1]	University Pays	University Receives	Counterparty	Effective Date	Termination Date
$164,400,000	Series 2013 A	1.188%	SIFMA[2]	Barclays	6/1/2023	6/1/2043
$164,400,000	Series 2013 A	1.264	SIFMA[2]	Wells Fargo	6/1/2023	6/1/2043

[1] The forward-starting swaps were entered into to allow the University to lock in favorable fixed swap rates in connection with the planned refunding of the Series 2013 A Bonds in June 2023.
[2] Securities Industry and Financial Markets Association (SIFMA) weekly variable rate index.

The University's obligations with respect to its interest rate swap agreements, including any obligation to make termination payments, are secured by a pledge of the University's General Receipts on a parity with other General Receipts Obligations.

General Operating Budget Procedures

For its Fiscal Year 2022 Financial Plan, the University continued its long-standing approach of adopting a budget that encompasses all operating funds of the University. This approach affords a holistic view of all operations of the University in an easily understood format that enables the University to highlight the evolution of funding sources which allows leadership to make informed strategic decisions in a timely manner.

The University divides its operating funds budget into a general fund budget (Columbus Campus and, separately, Extended Campuses and the Agricultural Technical Institute), an earnings fund budget, and a restricted fund budget. The general fund budget includes instruction and departmental research, separately budgeted research, public service, student services, general administration, plant operation and maintenance, student aid, and reserves. General fund operating revenues are derived from two primary sources: student tuition/fees and State appropriations. Over the last decade, student tuition/fees have increased at a faster pace than State appropriations and have become the University's largest source of general fund revenue. The earnings fund budget includes all expenditures supported by the hospitals and student-generated revenues, including room and board, bookstore, intercollegiate athletics, and related income. The restricted fund budget includes all expenditures supported by revenues from grants, contracts, gifts, and donations, and appropriations from the State intended for specific purposes.

The University adopts a general fund operating budget for each fiscal year by allocating to the colleges the increases (or decreases) in State Share of Instruction, student tuition/fees, and indirect cost recoveries collected on research projects. These allocations are based on the enrollments and research efforts adjusted for each college's share of administrative, space, research, and student services costs. Recommendations concerning fees, salaries, benefits, other revenues and expenditures, as well as budget requests for the colleges and support units are developed by the President and senior staff in consultation with the Council of Deans, Senate Fiscal Committee, and other University constituencies and are subject to review and approval by the Board of Trustees.

Fiscal Year 2021 Financial Results and Fiscal Year 2022 Financial Plan

Fiscal Year 2021 preliminary unaudited financial results indicate that the University's financial position remains strong. The University's size, diversity of operations, and expenditure discipline enabled continued fiscal strength during the unprecedented disruptions caused by the COVID-19 pandemic. Fiscal Year 2021 outperformed Fiscal Year 2020, driven primarily by strong investment performance, decreases in pension and other post-employment benefit (OPEB) liabilities, and a positive margin at the Health System from increased patient volumes.

The following Summaries of Net Position (Equity) and of Revenues, Expenses and Other Changes in Net Position present preliminary unaudited financial results for the year ending June 30, 2021.[4]

Net Position (Equity) Summary
(dollars in thousands)

	2021[4]	2020
Net Investment in Capital Assets	$3,311,377	$3,226,206
Restricted – Nonexpendable	2,944,165	1,622,782
Restricted – Expendable	1,433,749	1,125,359
Unrestricted	904,512	(292,026)
Total Net Position	$8,643,803	$5,682,321

Revenues, Expenses, and Other Changes in Net Position Summary
(dollars in thousands)

	2021[4]	2020
Total Operating Revenues	$6,564,358	$6,278,208
Total Operating Expenses	6,167,340	7,531,273
Net Non-Operating Revenues	2,410,905	1,026,855
Total Other Changes in Net Position	153,559	235,603
Increase in Net Position	$2,961,482	$9,393

[4] The preliminary financial data included in this Appendix A has been prepared by and is the responsibility of the University's management. PricewaterhouseCoopers LLP has not audited, reviewed, compiled, or applied agreed-upon procedures with respect to the preliminary financial data and, accordingly, does not express an opinion or any other form of assurance with respect thereto.

The University's Fiscal Year 2021 preliminary unaudited financial results show total operating and net non-operating revenues of $8.97 billion, an increase of $1.67 billion over Fiscal Year 2020 driven by investment returns and sales and services revenues within the Health System (including OSU Physicians). Declines in academic and auxiliary revenues and increases in COVID-19 related expenses were offset by a combination of cost reductions and federal assistance. Preliminary unaudited results show a Fiscal Year 2021 decline in total operating expenses of $1.36 billion reflecting a significant decline in pension and OPEB accruals, with the Health System (including OSU Physicians) being the only notable category of expense growth. Taken together with other changes in net position, the result was an increase in total net position of $2.96 billion in Fiscal Year 2021 versus growth of $9 million in Fiscal Year 2020. Fiscal Year 2021 interim financial reports for each quarter are presented to the Audit, Finance & Investment Committee at each meeting of the Board of Trustees and are available following those meetings on the University's Office of Business and Finance website: https://busfin.osu.edu/university-business/debt-management/investor-relations-continuing-disclosure.*

The University's Fiscal Year 2022 Financial Plan reflects an estimated $8.45 billion of revenues and $7.89 billion of spending. The University's budget presentation is based on a modified cashflow approach for both revenues and spending that removes the impact of non-cash accruals and depreciation. The Fiscal Year 2022 Financial Plan projects total revenue growth of 9.6% reflecting an expected post-pandemic rebound for University operations with students returning to housing and dining, normal attendance at athletic and other events, and for the Health System, increases in patient volume and some rate increases. Fiscal Year 2022 uses are projected to increase by 9.3% reflecting compensation and benefit increases and strategic hiring across the enterprise.

The University also approved a $3.43 billion Fiscal Years 2022-2027 Capital Investment Plan which includes $246 million for new projects for FY 2022 and $3.18 billion of remaining spending for projects approved in prior fiscal years. Major capital projects approved in prior capital budgets that are currently in various stages of construction include: the Arts District facility, the Interdisciplinary Research facility, the Wexner Medical Center Inpatient Hospital, three Outpatient Care facilities, and the Interdisciplinary Health Sciences Center. New projects approved for Fiscal Year 2022 consist largely of cash funded renovation projects and equipment purchases within the Health System. Capital projects are funded from a variety of sources including gifts, state appropriations, debt financing, and University funds. The following table summarizes estimated spending by fiscal year for projects included in the Fiscal Years 2022-2027 Capital Investment Plan.

($ in millions)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Prior Commitment Remaining Spend	$875.2	$1,038.3	$597.0	$351.5	$164.5	$153.9	$3,180.3
New FY 2022 Projects	$187.1	$33.4	$20.2	$5.0	$0.6	$0.0	$246.4
Total Estimated Capital Spend	$1,062.3	$1,071.7	$617.2	$356.5	$165.1	$153.9	$3,426.7

The Fiscal Year 2022 Financial Plan is available on the University's Office of Business and Finance website: https://busfin.osu.edu/university-business/financial-planning-analysis/university-operating-budget.*

** The Fiscal Year 2021 interim financial reports and the Fiscal Year 2022 financial plan are not incorporated into and do not constitute a part of this Appendix A.*

State Operating Appropriations

All State universities in Ohio receive financial assistance for both operations and designated capital improvements through appropriations by the Ohio General Assembly. These appropriations constitute a portion of the University's annual operating budget and contribute substantially to the successful operation and maintenance of the University. State operating appropriations are allocated across State universities based on their share of enrollment and degree completions, indexed for financially and academically at risk resident undergraduate students, medical and doctoral subsidy as well as other criteria intended to advance the goals of the state. The following table shows historical State operating appropriations to the University for Fiscal Years 2017 through 2021.

Fiscal Year	State Operating Appropriations*
2017	$478,846,500
2018	478,443,500
2019	473,125,900
2020	466,930,500
2021	491,065,200

* Total University, including all campuses.

State Capital Appropriations

Every year the University updates its five-year capital investment plan. Administrators work with colleges and central offices to prioritize capital needs, based on standing criteria and areas of emphasis. This provides the basis for a State capital appropriation request which is submitted every other year to the Chancellor of the Ohio Department of Higher Education. The request identifies the projects proposed to be financed with State appropriations by the General Assembly and the purpose, priority, amount, and source of funds for those projects. The Chancellor of the Ohio Department of Higher Education may approve, modify or disapprove aspects of the University's capital appropriation request.

The following table shows capital spending funded, and for Fiscal 2021-2022 expected to be funded, from State capital appropriations to the University for the past five fiscal biennia.

Fiscal Biennium	State Capital Appropriations
2013-14	$129,935,000
2015-16	77,249,000
2017-18	151,487,000
2019-20	134,805,000
2021-22	155,830,670

State appropriations constitute a portion of the University's annual operating and capital budgets. Under the Ohio Constitution, an appropriation may not be made for more than a two-year period. There can be no assurance that State appropriated funds for operating or capital improvement purposes will be made available in the amounts requested or required by the University. The General Assembly has the responsibility of determining such appropriations biennially and is not under a legal obligation to make appropriations in accordance with the budget requests of the University. State income and budget constraints may from time to time compel a stabilization or reduction of the level of State assistance and support for higher education in general and the University in particular. In addition, such appropriations (and other similar appropriations) are subject to subsequent limitations pursuant to an Ohio Revised Code section, implemented by the Governor from time to time in the past, which provides in part that if the Governor ascertains that the available revenue receipts and balances for the current fiscal year will in all probability be less than the appropriations for the year, he shall issue such orders to the State agencies to prevent their expenditures and incurred obligations from exceeding such revenue receipts and balances.

Recent Developments

The State ended Fiscal Year 2021 with a General Revenue Fund (GRF) ending fund balance of $4.03 billion, an increase of $3.25 billion over Fiscal Year 2020. Tax receipts came in $1.54 billion above estimate driven primarily by the performance of the sales tax and personal income tax which ended the year above estimate by $1.01 billion (9.0%) and $436 million (4.5%), respectively. Performance of the sales tax is attributed to a market shift in consumption from services (most of which are excluded from the sales tax) to taxable goods/products including automobiles. The personal income tax benefited from a strong Ohio labor market with withholding collections for the fiscal year above estimate by $502 million (5.5%). On the expenditure side, the State implemented a number of GRF cost containment measures totaling $775 million, including a $109 million (~20%) reduction in State Share of Instruction (SSI) funding for higher education. In January 2021 and based on revenue performance year-to-date, the K-12 and higher education portion of those cuts were restored to their original Fiscal Year 2021 levels. For Fiscal Year 2021, total GRF spending came in $780 million (2.1%) below estimate with underspending occurring across all functional categories with the exception of education which exceeded its estimates by $190 million.

The University continues to make significant investments in access and affordability through both merit and needs-based financial aid programs and through the Ohio State Tuition Guarantee. The University has focused its financial aid programs on Ohio students who demonstrate financial need and has increased financial aid for low to moderate income Ohio students by $150 million over the last five years. The University also established the Buckeye Opportunity Program in Autumn 2018, ensuring that Ohio students who qualify for Pell Grants receive an aid package that covers the full cost of tuition and mandatory fees. The program supports an estimated 4,200 students per year and is funded through an endowment created from proceeds of the Comprehensive Energy Management partnership.

The Ohio State Tuition Guarantee Program continued into its fifth year in Fiscal Year 2022. The Tuition Guarantee Program freezes the cost of tuition, housing and dining, and general fees for four years for each incoming freshman cohort. For Fiscal Year 2022, the total cost of resident tuition and mandatory fees will increase 3.8% on the

Columbus and regional campuses, compared with the previous cohort. Continuing undergraduate students who are part of prior Tuition Guarantee cohorts will not see an increase. Tuition and fees support approximately 75% of the cost of instruction with the remainder funded through State Share of Instruction.

In support of its Digital Flagship program, the University has integrated learning technology throughout the Ohio State experience. Beginning in Autumn 2018 and continuing through Autumn 2021, incoming first-year students at all campuses receive an iPad Pro as part of their academic toolkit. Faculty members have ramped up courses specifically designed to take advantage of widespread access to this technology. Additionally, the University continues to expand its investments in programs that support teaching excellence, such as the University Institute for Teaching and Learning. The Institute works with faculty throughout the University to extend best practices and instruction.

In October 2019, the University launched its most ambitious community-building and fundraising endeavor in history. *Time and Change: The Ohio State Campaign* strives to engage a record one million supporters with a financial goal of $4.5 billion. The campaign focuses on three core areas: i) student success; ii) research and discovery; and iii) healthy, vibrant communities. Since the start of the campaign, more than $2.7 billion has been raised from more than 597,000 supporters.

The University remains committed to protecting and enhancing student affordability and to attracting and retaining outstanding faculty. In her first State of the University address in February 2021, President Johnson presented several long-term strategic initiatives, including: i) a goal of hiring 350 new tenure-track faculty members, including a substantially larger number of faculty from underrepresented groups, ii) substantial investments in cutting edge research and innovation, particularly in emerging scientific, medical and engineering disciplines, and iii) a goal of being able to provide debt-free undergraduate degrees to all students within the next ten years.

After receiving a complaint from a former student-athlete in April 2018, the University initiated an independent investigation into allegations of sexual misconduct by a former University physician, Dr. Richard Strauss. Strauss was employed from 1978-1998 and died in 2005. In May 2019, the University released a report from the independent investigators that detailed acts of sexual abuse against at least 177 former students by Strauss during his employment with the University.

To date, the University has reached settlements totaling $46.7 million with 185 individual claimants. On May 7, 2021, the University launched an individual settlement program for eligible plaintiffs in five active legal cases with the program closing on September 4, 2021. As of September 10, 2021, there were 344 remaining plaintiffs. No taxpayer, tuition or donor funds will be utilized to pay any settlement amounts for the settled actions. All funds to be paid as part of the settlement will be drawn from existing institutional discretionary funding.

It is possible that additional lawsuits could be filed. While litigation is inherently unpredictable and the outcome of the pending and potential litigation cannot be determined at this time, management of the University is of the opinion that the aggregate amount that may ultimately be paid by the University with respect to these legal actions will not have a material adverse effect on the University's ability to meet its obligations to holders of General Receipts Obligations or to satisfy its other financial commitments.

COVID-19 Pandemic

The information set forth below is current as of the date of this Appendix A. Because of the evolving nature of the circumstances described below, it is likely those circumstances will continue to change.

COVID-19 in Ohio

As widely reported, the outbreak of COVID-19, a new strain of coronavirus that can result in severe respiratory disease, was first detected in December of 2019 and subsequently spread across six continents impacting many countries, including the United States. The COVID-19 outbreak has altered the behavior of businesses and people in a manner that has had and is expected to continue to have effects on global and local economies, including the State of Ohio.

The University's Response

On March 13, 2020, the University announced that it would suspend face-to face instruction and transition to remote instruction for the remainder of the spring semester. On April 1, 2020, the University announced that the suspension of face-to-face instruction would extend through the summer semester. With limited exceptions, all University events scheduled to occur during the summer months of 2020, including summer camps and sports camps, were cancelled. Nearly all University housing and dining facilities were closed on March 22, 2020 and remained closed through the summer 2020 semester. The University provided students housing and dining reimbursement and reimbursement of certain fees (i.e., recreational fees) on a pro rata basis from March 16, 2020 through the end of spring semester. The approximate cost of the housing, dining, and recreational fee refunds were $22 million, $10 million, and $2.4 million, respectively. Class action lawsuits were brought against the University seeking refunds for tuition and fees for the spring 2020 semester after the University closed its campus and transitioned to online classes due to the COVID-19 pandemic. The complaints allege that the University breached its agreement with students by failing to provide in-person educational services and access to facilities and assert, alternatively, claims for unjust enrichment. It is possible that additional lawsuits could be filed. While litigation is inherently unpredictable and the outcome of the pending and potential litigation cannot be determined at this time, management of the University is of the opinion that the aggregate amount that may ultimately be paid by the University with respect to these legal actions will not have a material adverse effect on the University's ability to meet its obligations to holders of General Receipts Obligations or to satisfy its other financial commitments.

In accordance with the policy of the University's Office of Human Resources relating to disaster preparedness, on March 22, 2020 the President of the University declared a "University State of Emergency" that allowed flexibility for employees to continue to telework while enabling University senior leadership and college deans to make determinations of who may work on campus to maintain critical services and research. This declaration applied to the Columbus campus, regional campuses and the Wexner Medical Center. A weekly determination was made concerning the continuation of the declaration and based on those determinations the declaration remained in place from March 22, 2020 until the declaration was lifted effective July 1, 2021.

On June 3, 2020, the University announced that based on guidance from state and local health authorities and recommendations of the Safe Campus and Scientific Advisory Subgroup of the University's COVID-19 Transition Task Force, the University would resume in-person classes for the Autumn 2020 semester, with a mix of on-line, in-person and blended courses to reduce the number of students, faculty and staff that would be on campus at any one time. Students were given the choice to opt for all on-line instruction. Out-of-state students choosing the all on-line instruction option were charged a lower tuition surcharge than out-of-state students registering for in-person or blended courses.

During the 2020-2021 academic year, the University implemented certain cost containment measures to address expected and potential revenue losses. These measures included a hiring pause with exceptions for essential services and key faculty and research positions, a pause in merit-based compensation increases, restrictions on University travel, limited furloughs within select departments, and greater stringency around non-essential procurement and other operating expenditures. Merit-based compensation increases resumed for the 2021-2022 academic year, and certain travel restrictions have been lifted.

The Coronavirus Aid, Relief and Economic Security Act (CARES Act) was a $2.2 trillion stimulus bill signed into law on March 27, 2020. Approximately $14 billion was designated for higher education through the Higher Education Emergency Relief Fund (HEERF). The University's share of the CARES Act allocation to higher education institutions was $42.9 million (with 50% of such allocation required to be provided to students in the form of emergency financial aid grants). The CARES Act also established a $175 billion allocation for a health care provider relief fund with distributions to health care systems occurring across six rounds. Initial round distributions were based on percentages of total Medicare payments received in federal Fiscal Year 2019 and prior year net patient revenue, with later rounds based on COVID-19 patient volumes and levels of disproportionate low income patients or uncompensated care costs. The University hospital system and the James Cancer Hospital have received total funding of $178 million. The U.S. Department of Health and Human Services also provided accelerated advance payments of Medicare reimbursements to health systems that, in effect, provide an interest free loan for one year, with repayments set to occur by netting the advanced amount against future Medicare claim amounts. The University and its affiliates received a total of $287 million in accelerated advance payments of Medicare reimbursements. The recoupment of this temporary advance started in April 2021 and $35 million has been recouped as of June 30, 2021. Additional stimulus support was provided by the State of Ohio by way of the Coronavirus Relief Fund which was a $150 billion fund established for state, local and tribal governments by the CARES Act. The State of Ohio awarded the University $27 million in August and another $15 million in October of 2020 for a total of $42 million. Finally, the University received nearly $3 million in stimulus for various other aspects of its operation and services.

The Coronavirus Response and Relief Supplemental Appropriations Act 2021 (CRRSAA) was signed into law on December 27, 2020. This act authorized $82 billion in support for education through HEERF II, which allocated $65 million to the University, comprised of $21 million for direct student aid and $44 million allocated to the institution. The American Rescue Plan Act (ARP Act) was signed into law on March 11, 2021. This act authorized an additional $40 billion to higher education institutions with the University's allocation estimated to total $114 million, with that amount split nearly equally between direct student aid and institutional support. This fund will be administered by the National Association of Student Financial Aid Administration (NASFAA). The University has not yet started drawing down this award as of June 30, 2021.

In total, the University and its hospital system have been awarded $734 million in stimulus funding ($287 million is considered temporary) of which approximately $121 million has not yet been drawn down. The University expects to fully draw down all remaining funds as it incurs qualifying expenses during the applicable time period.

The University conducted extensive testing of students, faculty and staff throughout the 2020-2021 academic year. Prior to commencement of the Spring 2021 semester, the University implemented a COVID-19 testing policy that required on-campus students and fraternity and sorority students to be tested at home before returning to campus and then re-tested upon arrival. Two negative tests were required prior to any student returning to in-person classes or any on-campus activities. Students living off-campus were provided testing by the University prior to commencement of the Spring semester, and all students, including students living off campus, were required to be tested weekly throughout the semester. No student was permitted to attend in-person classes or on-campus activities without having two consecutive negative tests. All other on-campus protocols (masking, social distancing and limits on group gatherings) remained in place, and throughout the Spring 2021 semester, the University observed a low positivity rate among its students.

In January 2021, the University announced that the Wexner Medical Center would utilize the Jerome Schottenstein Center on campus as a mass vaccination site both for its front-line health care workers and for the general public. In February 2021, the University announced that in-person events of 10 or fewer people on and off campus could be held provided all safety and health protocols continued to be followed. On March 17, 2021, the University announced plans to have a modified in-person Spring commencement with a limited number of attendees to allow for physical distancing.

As vaccination rates continued to increase and other health and safety protocols remained effective, the University announced that it expected to return to more of a traditional University experience for the Autumn 2021 semester, with engaged in-classroom learning, thriving student activities, university athletic, and community events that bring the University community together. The University also announced that the calendar for the 2021-2022 academic year will reinstitute a fall break, a one-week spring break and a return to campus after the Thanksgiving break.

While vaccination rates have continued to increase and other health and safety protocols have remained effective, the University has made certain recent policy changes in response to the increased spread of the Delta variant of the COVID-19 virus, which is more contagious than previous versions of the virus. On August 2, 2021 the University announced that due to the increased spread of the Delta variant in Ohio and around the nation, the University was reinstating mask requirements that had been lifted for vaccinated individuals in June, 2021. As of August 2, 2021 all students, faculty, staff and visitors to all University campuses will be required to wear masks indoors, regardless of vaccination status. In addition, all students, faculty and staff are required to report their vaccination status to the University to allow the University to make public health decisions including decisions relating to the frequency of testing and the continuation of masking and social distancing requirements.

On August 3, 2021, in response to the continued spread of the Delta variant in Ohio, the University announced that all faculty, staff, students and other healthcare personnel working or studying at the Wexner Medical Center, the College of Medicine and OSU Physicians, Inc. who are required to receive the influenza vaccine will be required to receive the first dose of the COVID-19 vaccine, or obtain an approved exemption from the vaccine requirement, by October 15, 2021

On August 24, 2021, in response to news that the U.S. Food and Drug Administration had granted full approval to the Pfizer vaccine, the University announced a requirement that every student, faculty and staff member will be required to be vaccinated against COVID-19 or obtain an approved exemption from the vaccine requirement. The deadline for the first dose of the vaccine for those individuals receiving a two-dose sequence is October 15, 2021.

The second dose deadline is November 15, 2021. As of September 14, 2021, more than 81% of the University's faculty, staff, and students have been completely vaccinated.

Potential Future Impact of COVID-19 Pandemic on the University's Financial Position

The impact of COVID-19 on University finances and operations may continue for at least the current fiscal year, depending on vaccination rates and whether the COVID-19 virus or variations of the virus continue to spread in the United States and around the world. Future adverse consequences of the COVID-19 pandemic may include, but are not limited to: a decline in enrollment (including a disproportional decline in enrollment by international students); a decline in demand for University housing; a decline in demand for University programs that involve travel or that have international connections; cancellation, postponement and/or reduced attendance for athletic events; and an increase in costs associated with purchasing of personal protective equipment and implementing community-wide testing programs.

Investments and Liquidity

Financial markets have experienced increased turbulence attributable to the impact of COVID-19 on world economies. This may in turn result in greater variability in the University's investment returns. As of June 30, 2021, the University had total operating fund cash and investments valued at approximately $4.96 billion, of which $1.25 billion can be converted to cash on a same day basis, $1.67 billion can be converted to cash on a next-day basis and $2.04 billion can be converted to cash in between 2 and 7 days.[5] As of June 30, 2021, and based on Fiscal Year 2021 average daily spending, the University has liquid assets on hand to cover approximately 259 days of spending.

Grants and Contracts

During Fiscal Year 2020, the University's expenditures on research totaled $968 million.[6] Over half of these expenditures ($539 million) came from various federal agencies. The National Institutes of Health ($266 million), the National Science Foundation ($58 million), the Department of Energy ($28 million), the Department of Defense ($38 million), and the Department of Agriculture ($38 million) were the primary federal sponsors. The remaining $429 million came from non-federal sources (industry, state, other non-governmental entities and institutional funds) with institutional funds ($152 million) and industrial sponsors ($150 million) being the primary sources.

The University's total research expenditures, as reported to the National Science Foundation, are managed by a number of administrative units. The primary administrative unit for external funding awarded to the University's investigators in Fiscal Year 2020 was the Ohio State University Office of Sponsored Programs, which managed the majority of the awards to academic units. In addition, some funds (primarily block grants from the U.S. Department of Agriculture) are administered by the OARDC. Research expenditures by the University's investigators at the Research Institute at Nationwide Children's Hospital and the Transportation Research Center are also included in the University's total research expenditures. Institutional funds reflect the University's investment in the research enterprise and include cost-sharing on grants for items such as facilities, equipment and graduate associate tuition.

The following tables show grant and contract expenditures for sponsored projects for Fiscal Years 2016-2020 by administering unit and grant and contract awards for the same time period. Note that total awards and total expenditures will not precisely match, because awards often include multiple years of funding, whereas expenditures reflect activity in a single fiscal year. In addition, institutional contributions are not included in the awards table.

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[5] The preliminary financial data included in this Appendix A has been prepared by, and is the responsibility of, the University's management. PricewaterhouseCoopers LLP has not audited, reviewed, compiled, or applied agreed-upon procedures with respect to the preliminary financial data and, accordingly, does not express an opinion or any other form of assurance with respect thereto.

[6] This measure is calculated on a cash-basis and is not defined by generally accepted accounting principles. As a result, it may not be comparable to similarly titled measures used by other organizations.

Grant and Contract Expenditures by Administering Unit
(dollars in thousands)

	2016	2017	2018	2019	2020
Office of Sponsored Programs	$515,613	$534,629	$539,660	$582,492	$591,971
Ohio Agricultural R&D Center	30,719	31,525	30,278	30,178	28,962
Research Institute at Nationwide Children's Hospital	63,873	74,003	74,911	88,887	87,442
Transportation Research Center	39,161	45,515	48,240	38,633	35,445
Institution	144,158	127,297	128,966	138,213	151,627
Others	53,569	51,358	52,959	52,713	72,813
Total	$847,093	$864,327	$875,014	$931,116	$968,260

Grant and Contract Awards by Administering Unit
(dollars in thousands)

	2016	2017	2018	2019	2020
Office of Sponsored Programs	$549,747	$571,910	$575,470	$621,174	$684,121
Ohio Agricultural R&D Center	33,790	35,279	33,723	32,013	32,912
Research Institute at Nationwide Children's Hospital	66,308	72,552	51,480	103,824	100,245
Transportation Research Center	39,161	45,515	48,240	39,125	35,445
Others	72,049	82,623	85,925	94,411	119,826
Total	$761,055	$807,879	$794,838	$890,547	$972,549

The following table shows grant and contract expenditures for Fiscal Years 2016-2020 by source of funds.

Grant and Contract Expenditures by Source
(dollars in thousands)

	2016	2017	2018	2019	2020
Federal Sponsors					
National Institutes of Health	$204,530	$217,471	$221,833	$241,206	$265,890
National Science Foundation	53,077	50,740	50,971	51,067	57,879
Department of Education	22,124	17,221	13,096	11,912	10,626
Department of Defense	31,672	31,139	34,579	39,550	38,504
Department of Energy	19,104	21,563	25,163	26,718	27,688
Department of Labor	15,369	12,047	12,489	12,600	12,173
Department of Agriculture	31,461	32,136	34,553	33,905	37,563
National Aeronautics and Space Administration	7,330	7,288	8,721	10,014	9,913
Other Federal Agencies	72,186	74,706	73,589	70,740	79,123
Total Federal Sources	$456,853	$464,311	$474,994	$497,712	$539,359
Industry	127,738	146,317	138,916	158,151	150,200
State of Ohio	52,637	54,591	58,211	61,167	47,997
Other Non-Federal Agencies	65,706	71,811	73,927	75,873	79,076
Institutional funds	144,159	127,297	128,966	138,213	151,628
Total Non-Federal Sources	$390,240	$400,016	$400,020	$433,404	$428,901
Total All Sources	$847,093	$864,327	$875,014	$931,116	$968,260

The following table shows total grant and contract awards for Fiscal Years 2016-2020 by source of funds.

Grant and Contract Awards by Source
(dollars in thousands)

	2016	2017	2018	2019	2020
Federal Sponsors					
National Institutes of Health	$217,585	$237,513	$226,048	$298,983	$310,929
National Science Foundation	56,925	59,359	54,139	52,607	72,608
Department of Education	20,666	16,105	12,239	11,923	13,091
Department of Defense	31,537	33,149	44,116	50,235	46,209
Department of Energy	25,098	26,685	32,505	30,061	26,154
Department of Labor	9,005	13,926	13,266	12,928	11,366
Department of Agriculture	30,017	34,255	34,020	46,859	40,894
National Aeronautics and Space Administration	8,991	7,095	10,793	9,493	11,084
Other Federal Agencies	77,283	78,663	71,627	81,359	91,680
Total Federal Sources	$477,107	$506,750	$498,753	$594,448	$624,015
Industry	128,163	140,469	144,421	136,818	166,251
State of Ohio	76,394	53,241	57,421	46,165	53,097
Other Non-Federal Agencies	79,391	107,419	94,243	113,116	129,186
Total Non-Federal Sources	$283,948	$301,129	$296,085	$296,099	$348,534
Total All Sources	$761,055	$807,879	$794,838	$890,547	$972,549

The Office of University Advancement

The Ohio State University Foundation (the "Foundation") is a not-for-profit organization formed in April 1985 which operates exclusively for the benefit of the University. The Ohio State University Foundation is the primary fundraising and gift receipting organization for the University. Through the Foundation and the Office of University Advancement, contributions to the University can be made for current use or to the Endowment Fund. The University will accept gifts and bequests of cash, securities, real estate, tangible and intangible property, life insurance, and life income programs such as pooled income funds, charitable remainder annuity trusts, or charitable remainder unitrusts and gift annuities.

The following table shows gifts and bequests to the University from individuals, businesses and other organizations during each of the fiscal years listed below (dollars in thousands):

Fiscal Year	Gifts	Endowment Contributions	Private Capital Gifts	Total
2016	$156,737	$64,537	$10,422	$231,696
2017	$181,212	$52,458	$26,761	$260,431
2018	$168,209	$55,579	$15,470	$239,258
2019	$160,102	$45,533	$26,565	$232,200
2020	$157,511	$63,695	$77,425	$298,631

The University Endowment Fund

The University Endowment Fund is comprised of 2,742 individual funds and contains all endowment funds that were established before April 1985. The Fund is invested in the Long-Term Investment Pool and is comprised of a diversified portfolio consisting of equity, fixed income and alternative investments. The market value of the Fund at June 30 of each of the past five fiscal years was:

Fiscal Year	Market Value
2016	$977,172,750
2017	$1,062,320,663
2018	$1,104,235,903
2019	$1,070,008,194
2020	$1,038,113,170

As of June 30, 2021, the preliminary market value of the fund was $1,290,733,109.[7]

The Ohio State University Foundation

The Foundation administers Unrestricted, Restricted, Endowment and Trusts and Pooled Income Funds for the benefit of the University. The market value of the 3,195 endowment funds held by the Foundation that are invested in the Long-Term Investment Pool at June 30 for the past five fiscal years was:

Fiscal Year	Market Value
2016	$763,331,888
2017	$877,261,330
2018	$958,749,667
2019	$969,428,976
2020	$996,177,321

As of June 30, 2021, the preliminary market value of the fund was $1,301,593,910.[7]

The Long-Term Investment Pool

The University's Long-Term Investment Pool (which includes the University Endowment Fund, Foundation Endowments, certain operating funds and designated quasi endowments) is the sixth largest endowment fund of any public university or college in the United States based on information reported for Fiscal Year 2020 as part of the 2020 NACUBO-TIAA Study of Endowments. The market value of the Long-Term Investment Pool at June 30 for the past five fiscal years was:

Fiscal Year	Market Value
2016	$3,616,562,386
2017	$4,253,459,135
2018	$5,211,434,116
2019	$5,256,758,783*
2020	$5,287,131,203

* LTIP market value was impacted by a combination of below benchmark performance across asset classes and a $101 million reduction in the fair value of certain natural resources and oil and gas investments.

As of June 30, 2021, the preliminary market value of the LTIP was $6,814,412,522 consisting of the following investment types and market values:[7]

Investment Type	Market Value
Equity	$2,913,311,853
Private Equity	1,874,850,736
Real Assets	720,866,131
Absolute Return/Hedge	565,437,452
Fixed Income	601,720,822
Cash	138,225,528
Total	$6,814,412,522

[7] The preliminary financial data included in this Appendix A has been prepared by, and is the responsibility of, the University's management. PricewaterhouseCoopers LLP has not audited, reviewed, compiled, or applied agreed-upon procedures with respect to the preliminary financial data and, accordingly, does not express an opinion or any other form of assurance with respect thereto.

Preliminary total returns on the LTIP net of investment fees through the month ending June 30, 2021 were:[8]

One-year	29.24%
Three-year	9.74%
Five-year	10.26%

The University distributed approximately $246.8 million and $231.1 million of endowment funds for operations in Fiscal Years ending June 30, 2021 and 2020, respectively.

The Short- and Intermediate-Term Pool

The University's Short and Intermediate-Term Pool represents funds available for operating and capital purposes. The market value of the Short and Intermediate-Term Investment Pool at June 30 for the past five fiscal years was:

Fiscal Year	Market Value
2016	$2,621,075,390
2017	$2,695,253,693
2018	$3,354,477,321
2019	$3,552,872,175
2020	$3,811,323,351

As of June 30, 2021, the preliminary market value of the Short and Intermediate-Term Pool was $3,386,481,976 and the pool consisted of the following investment types and market values:[8]

Investment Type	Market Value
Bank Accounts	$711,632,290
Money Market Funds	139,537,938
U.S. Gov't & Agency Bonds	355,179,166
Asset Backed Securities	452,100,722
Corporate Bonds	1,554,534,268
Municipal Bonds	47,991,287
Other Fixed Income	125,506,305
Total	$3,386,481,976

Insurance Coverage

All real and business property (buildings and their contents) of the University are insured under a blanket (all risk) insurance policy. The policy insures all buildings and their contents on a replacement cost basis. The policy also includes business interruption, boilers and machinery breakdown. The University self-funds all policy deductibles. Buildings under construction are insured under Builders Risk policies obtained by the individual contractors or in some cases by Builders Risk policies owned by the University.

With limited exceptions, all owned, leased, rented or borrowed motor vehicles are self-insured for property damage. Liability coverage is provided by the University's Excess Liability program, which includes automobiles subject to a self-insured retention. All owned or leased aircraft are insured under an aviation hull and liability policy.

Workers' Compensation is self-insured by the University with the purchase of excess insurance for a catastrophic loss. The University also maintains a self-insurance program for potential medical malpractice liabilities arising from operation of the University's Medical Center. The University has purchased a separate human clinical trials liability insurance policy.

The University has a high deductible Cyber Liability insurance policy, and our property policy includes some cyber coverage. Subject to the deductible and the policy limits, the policies will reimburse costs for corrupted, erased and altered electronic data arising out of cyber peril or other covered loss worldwide. It will pay for covered equipment, electronic devices and storage media that was rendered useless for its intended purpose, due to the introduction of malicious code. Coverage also includes reimbursement from Denial of Service attacks.

[8] The preliminary financial data included in this Appendix A has been prepared by, and is the responsibility of, the University's management. PricewaterhouseCoopers LLP has not audited, reviewed, compiled, or applied agreed-upon procedures with respect to the preliminary financial data and, accordingly, does not express an opinion or any other form of assurance with respect thereto.

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APPENDIX B

AUDITED FINANCIAL STATEMENTS OF THE UNIVERSITY FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019

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The Ohio State University

(A Component Unit of the State of Ohio)

Financial Statements

As of and for the Years Ended June 30, 2020 and 2019

And Report of Independent Auditors

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Report of Independent Auditors

To the Board of Trustees of
The Ohio State University

Report on the Financial Statements

We have audited the accompanying financial statements of the primary institution and of the aggregate discretely presented component units of The Ohio State University (the "University"), a component unit of the State of Ohio, which comprise the statements of net position as of June 30, 2020 and 2019, and the related statements of revenues, expenses and changes in net position and of cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise the University's basic financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on the financial statements based on our audits. We conducted our audits 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 our 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, we consider internal control relevant to the University'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 University'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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the primary institution and the aggregate discretely presented component units of The Ohio State University as of June 30, 2020 and 2019, 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

The accompanying management's discussion and analysis on pages 3 through 22, the Required Supplementary Information on GASB 68 Pension Liabilities on page 100, the Required Supplementary Information on GASB 75 Net OPEB Liabilities on page 101, and the Notes to Required Supplementary Information on page 102 are required by accounting principles generally accepted in the United States of America 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 audits 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 Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the University's basic financial statements. The accompanying other information on the long-term investment pool on pages 103 through 104 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2020 on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters for the year ended June 30, 2020. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of 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 University's internal control over financial reporting and compliance.

PricewaterhouseCoopers LLP

November 21, 2020

The following Management's Discussion and Analysis, or MD&A, provides an overview of the financial position and activities of The Ohio State University (the "university") for the year ended June 30, 2020, with comparative information for the years ended June 30, 2019 and June 30, 2018. We encourage you to read this MD&A section in conjunction with the audited financial statements and footnotes appearing in this report.

About The Ohio State University

The Ohio State University is the State of Ohio's flagship research institution and one of the largest universities in the United States of America, with over 68,000 students, 7,500 faculty members and 28,000 staff members. Founded in 1870 under the Morrill Land Grant Act, the university – which was originally known as the Ohio Agricultural and Mechanical College -- has grown over the years into a comprehensive public institution of higher learning, with over 250 undergraduate majors, 171 master's degree programs, 113 doctoral programs and nine professional degree programs.

The university is governed by a board of trustees who are responsible for oversight of academic programs, budgets, general administration, and employment of faculty and staff. The university's 15 colleges, four regional campuses, the Wexner Medical Center and various academic support units operate largely on a decentralized basis. The Board approves annual budgets for university operations, but these budgets are managed at the college and department level.

The Ohio State University Wexner Medical Center ("the Medical Center") is one of the largest and most diverse academic medical centers in the country and the only academic medical center in central Ohio. As a part of the Wexner Medical Center, the Health System operates under the governance of The Ohio State University Board of Trustees and is comprised of seven hospitals and a network of ambulatory care locations. The Health System provides care across the spectrum from primary care to quaternary specialized care. Key clinical care locations and facilities at the Health System include:

- ***University Hospital***: the Wexner Medical Center's flagship hospital is a leader in minimally invasive surgery, a Level I Trauma Center and one of the busiest kidney and pancreas transplant centers in the world.
- ***Arthur G. James Cancer Hospital and Solove Research Institute ("The James"):*** one of the nation's premier centers for prevention, detection and treatment of cancer.
- ***Richard M. Ross Heart Hospital ("The Ross"):*** a leader in cardiology and heart surgery, the Ross Heart Hospital is the only nationally ranked heart hospital in the area, according to U.S. News & World Report.
- ***OSU Harding Hospital:*** offers the most comprehensive inpatient and outpatient mental health and behavioral health services in central Ohio.
- ***Ohio State East Hospital:*** offers renowned Ohio State services in orthopedic care, emergency services, cancer care, addiction services, ear, nose and throat care, heart care, radiology and imaging services, rehabilitation and wound healing.
- ***Dodd Hall:*** home to Ohio State's nationally recognized and accredited rehabilitation inpatient program, specializing in stroke, brain and spinal cord rehabilitation.

- ***Brain and Spine Hospital:*** home to central Ohio's top-ranked Neurology/Neurosurgery program, according to U.S. News & World Report. Patients benefit from the expertise of a world-renowned team of doctors, nurses and scientists, each specializing in just one disorder.
- ***Ambulatory Services:*** offering primary care and many specialized health services in numerous convenient locations throughout Ohio. Primary care, sports medicine, orthopedics, mammography, imaging, wound care and other specialties are provided with the compassionate and nationally ranked expert care that is synonymous with The Ohio State University Wexner Medical Center.

The Health System provided services to approximately 62,000 adult inpatients and 1,868,000 outpatients during fiscal year 2020 and 64,500 adult inpatients and 1,915,000 outpatients during fiscal year 2019. The decline in patient volumes reflects the temporary suspension of elective procedures in response to the outbreak of COVID-19.

The following financial statements reflect all assets, liabilities, deferred inflows/outflows and net position (equity) of the university, the Ohio State University Wexner Medical Center, the Ohio Agricultural Research and Development Center (OARDC) and the Ohio Technology Consortium (OH-TECH), which is an umbrella organization that includes the Ohio Academic Resources Network (OARnet), the Ohio Supercomputer Center and the Ohio Library and Information Network (OhioLINK). These entities constitute the "primary government" for financial reporting purposes. In addition, the financial statements include consolidated financial results for a number of "component units", which are legally separate entities that meet the financial accountability criteria set forth in Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 61, *The Financial Reporting Entity: Omnibus* and Statement No. 80, *Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14*.

The following component units are considered to "exclusively benefit" the university and are shown in a blended presentation with the primary government:

- The OSU Foundation (a fundraising foundation operating exclusively for the benefit of the university)
- OSU Health Plan (a non-profit organization – formerly known as OSU Managed Health Care Systems – that administers university health care benefits)
- Oval Limited (captive insurer that provides medical malpractice coverage to university hospitals and physicians)
- Pelotonia (a new fundraising organization operating exclusively for the benefit of the university – operations of the original Pelotonia LLC organization were transferred to the new Pelotonia organization in FY2020)

The GASB has indicated that, under the amended consolidation standards, the “exclusive benefit” criterion for blending is not met when a component unit provides services to parties external to the primary government. As a result, the university presents the following component units in a discrete presentation:

- OSU Physicians, Inc. (the practice group for physician faculty members of the Colleges of Medicine and Public Health)
- Campus Partners for Community Urban Redevelopment (a non-profit organization participating in the redevelopment of neighborhoods adjacent to the main Columbus campus)
- Transportation Research Center, Inc. (an automotive research and testing facility in East Liberty, Ohio)
- Dental Faculty Practice Association (the practice group for faculty members of the College of Dentistry)
- Science and Technology Campus Corporation (a non-profit organization established to further development of the university’s Science and Technology Campus)

In March 2020, Science and Technology Campus Corporation (SciTech) adopted new governance provisions on board composition and reserved powers for directors appointed by the university. As a result of these changes, SciTech is considered fiscally dependent on the university and is now subject to consolidation in the university’s financial reports as a discretely presented component unit. Comparative financial information for discretely presented component units for the year ended June 30, 2019 has been restated to reflect this change in the financial reporting entity.

Condensed financial information for both blended and discretely presented component units is provided in the Notes to the Financial Statements. The university is considered a component unit of the State of Ohio and is included in the State of Ohio’s Comprehensive Annual Financial Report.

About the Financial Statements

The university presents its financial statements in a “business type activity” format, in accordance with GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments* and GASB Statement No. 35, *Basic Financial Statements – and Management’s Discussion and Analysis – for Public Colleges and Universities – an amendment of GASB Statement No. 34.* In addition to this MD&A section, the financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, a Statement of Cash Flows and Notes to the Financial Statements. Separate columns are presented for the primary institution (which includes the primary government and the blended component units), discretely presented component units and the total university. Unless otherwise specified, the amounts presented in this MD&A are for the primary institution.

The **Statement of Net Position** is the university's balance sheet. It reflects the total assets, deferred outflows, liabilities, deferred inflows and net position (equity) of the university as of June 30, 2020, with comparative information as of June 30, 2019. Liabilities due within one year, and assets available to pay those liabilities, are classified as current. Other assets and liabilities are classified as non-current. Investment assets are carried at fair value or at Net Asset Value (NAV), as applicable.

Capital assets, which include the university's land, buildings, improvements, and equipment, are shown net of accumulated depreciation. Net position is grouped in the following categories:

- Net investment in capital assets
- Restricted – nonexpendable
- Restricted – expendable
- Unrestricted

In addition to assets, liabilities and net position, the university's balance sheet includes deferred outflows of resources and deferred inflows of resources. Deferred outflows are similar to assets and will be recognized as expense in future periods. Deferred inflows are similar to liabilities and will be recognized as revenue (or reductions of expense) in future periods.

The **Statement of Revenues, Expenses and Changes in Net Position** is the university's income statement. It details how net position has increased (or decreased) during the year ended June 30, 2020, with comparative information for the year ended June 30, 2019. Tuition revenue is shown net of scholarship allowances, patient care revenue is shown net of contractual allowances, charity care and bad debt expense, depreciation is provided for capital assets, and there are required subtotals for net operating income (loss) and net income (loss) before capital contributions and additions to permanent endowments.

It should be noted that the required subtotal for net operating income or loss generally will reflect a "loss" for state-supported colleges and universities. This is primarily due to the way operating and non-operating items are defined under GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*. Operating expenses include virtually all university expenses, except for interest on long-term debt and certain investment management expenses. Operating revenues, however, *exclude* certain significant revenue streams that the university and other public institutions have traditionally relied upon to fund current operations, including state instructional support, current-use gifts and investment income.

The **Statement of Cash Flows** details how cash has increased (or decreased) during the year ended June 30, 2020, with comparative information for the year ended June 30, 2019. It breaks out the sources and uses of university cash into the following categories:

- Operating activities
- Noncapital financing activities
- Capital financing activities
- Investing activities

Cash flows associated with the university's expendable net position appear in the operating and noncapital financing categories. Capital financing activities include payments for capital assets, proceeds from long-term debt and debt repayments. Purchases and sales of investments are reflected as investing activities.

The **Notes to the Financial Statements,** which follow the financial statements, provide additional details on the numbers in the financial statements. Behind the notes is a section that provides required supplementary information related to pensions and other post-employment benefits and other information on the university's Long-Term Investment Pool.

Financial Highlights and Key Trends

As widely reported, the outbreak of COVID-19, a new strain of coronavirus that can result in severe respiratory disease, was first detected in December of 2019, and has spread across six continents impacting many countries, including the United States. In response to the public health crisis, the Governor of Ohio and the Director of the Ohio Department of Health took certain actions to limit the spread of the virus and its impact on the State's local communities and health care services, including the declaration of a state of emergency in the State and the closure of all non-essential businesses commencing on March 23, 2020. On May 1, 2020, the State began a phased-in process of reopening certain businesses.

On March 13, 2020, the university announced that it would suspend face-to face instruction and transition to remote instruction for the remainder of the spring semester. On April 1, 2020, the university announced that the suspension of face-to-face instruction will extend through the summer semester. With limited exceptions, all university events scheduled to occur during the summer months, including summer camps and sports camps, were cancelled. Nearly all university housing and dining facilities were closed on March 22, 2020 and have remained closed through the summer semester. During this time, all university employees who could do so were required to work from home.

On June 3, 2020 the university announced that – based on guidance from state and local health authorities and recommendations of the Safe Campus and Scientific Advisory Subgroup of the University's COVID-19 Transition Task Force – it would resume in-person classes for the Autumn semester, with a mix of on-line, in-person and blended courses to reduce the number of students, faculty and staff that will be on campus at any one time.

The COVID-19 pandemic also significantly impacted Health System operations. On March 17, 2020, the Director of the Ohio Department of Health issued an order temporarily recommending that non-essential or elective surgeries and procedures not be conducted at Ohio hospitals. The temporary suspension of performance of elective procedures was recommended to create capacity for a potential increase in COVID-19 patients. The recommendation from the Ohio Department of Health to suspend non-essential or elective surgeries and procedures was withdrawn effective May 1, 2020.

Suspended operations due to the COVID-19 pandemic resulted in decreases in auxiliary revenues and patient care volumes significantly below budget projections. Despite these challenges, the university's financial position remains strong. Total cash and temporary investments increased $325 million, to $3.63 billion, at June 30, 2020, reflecting the Health System's receipt of $275 million of Medicare Advance payments and $143 million of Provider Relief Funds. Total net position is stable, decreasing $10 million, to $5.42 billion. Federal assistance provided under the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the implementation of expenditure controls offset a significant portion of the revenue losses from suspended operations.

Demand for an Ohio State education and outcomes for students also remain strong. 68,262 students were enrolled in Autumn 2019, up 162 students compared to Autumn 2018. 94% of the freshmen enrolled in Autumn 2018 returned to OSU in Autumn 2019. 67% of students graduated within four years, and over 85% graduated within six years.

The following sections provide additional details on the university's 2020 financial results and a look ahead at significant economic conditions that are expected to affect the university in the future.

Statement of Net Position

Summary Statement of Net Position *(in thousands)*

	2020	2019	2018
Cash and temporary investments	$ 3,633,027	$ 3,308,174	$ 3,023,554
Receivables, inventories, prepaids and other current assets	808,875	872,714	845,332
Total current assets	4,441,902	4,180,888	3,868,886
Restricted cash	401,664	492,033	564,656
Noncurrent notes and pledges receivable, net	110,673	124,901	112,019
Net other post-employment benefit receivable	77,901	74,520	-
Long-term investment pool	5,287,131	5,256,759	5,211,434
Other long-term investments	301,676	219,455	163,946
Capital assets, net of accumulated depreciation	5,700,078	5,268,363	5,043,222
Total noncurrent assets	11,879,123	11,436,031	11,095,277
Total assets	16,321,025	15,616,919	14,964,163
Deferred outflows	717,357	1,155,735	739,619
Total assets and deferred outflows	$ 17,038,382	$ 16,772,654	$ 15,703,782
Accounts payable and accrued expenses	$ 638,750	$ 591,844	$ 579,363
Medicare advance payment program	274,915	-	-
Deposits and advance payments for goods and services	268,481	281,886	274,401
Current portion of bonds, notes and lease obligations	374,717	618,302	640,589
Other current liabilities	88,673	112,259	105,021
Total current liabilities	1,645,536	1,604,291	1,599,374
Noncurrent portion of bonds, notes and lease obligations	2,732,098	2,543,360	2,582,017
Net pension liability	3,025,029	3,715,058	2,548,009
Net other post-employment benefits liability	1,459,572	1,339,383	1,249,521
Advance from concessionaire	1,002,769	1,024,555	1,046,342
Other noncurrent liabilities	527,489	434,885	383,681
Total noncurrent liabilities	8,746,957	9,057,241	7,809,570
Total liabilities	10,392,493	10,661,532	9,408,944
Deferred inflows	1,221,395	677,046	972,224
Net investment in capital assets	3,010,095	2,605,381	2,376,795
Restricted:			
Nonexpendable	1,622,782	1,580,115	1,551,278
Expendable	1,125,359	1,303,269	1,328,793
Unrestricted	(333,742)	(54,689)	65,748
Total net position	5,424,494	5,434,076	5,322,614
Total liabilities, deferred inflows and net position	$ 17,038,382	$ 16,772,654	$ 15,703,782

During the year ended June 30, 2020, **cash and temporary investment** balances increased $325 million, to $3.63 billion, primarily due to the Health System's receipt of $275 million of Medicare Advance payments and $143 million of Provider Relief Funds. Amounts shown as **restricted cash** consist primarily of unspent proceeds from the General Receipts Bonds, which are being used to fund various capital projects. Restricted cash balances decreased $90 million, to $402 million at June 30, 2020, reflecting application of bond proceeds to capital projects. The Statement of Cash Flows, which is discussed in more detail below, provides additional information on sources and uses of university cash.

Accounts receivable decreased \$109 million, to \$527 million at June 30, 2020. Health System patient receivables were down \$84 million, reflecting the overall decline in hospital inpatient and outpatient volumes caused by the COVID-19 pandemic. Receivables on grants managed by the Office of Sponsored Programs were down \$27 million. **Inventories and prepaid expenses** increased \$37 million, to \$171 million at June 30, 2020, primarily due to purchases of Personal Protective Equipment (PPE) related to COVID-19, increases in pharmaceutical inventories and growth in prepayments for preventive maintenance contracts. **Pledges receivable** increased \$43 million, to \$138 million, primarily due to new pledges for capital projects and an increase in current-use gifts.

The fair value of the university's **long-term investment pool** (LTIP) increased \$30 million, to \$5.29 billion at June 30, 2020. The increase is primarily due to \$226 million of net principal additions and \$119 million of interest and dividend income. These increases were partially offset by \$231 million in distributions and \$73 million of expenses. The long-term investment pool operates similar to a mutual fund, in that each named fund is assigned a number of shares in the pool. It includes the gifted endowment funds of the university, gifted endowment funds of the OSU Foundation, and unrestricted funds that have been internally designated to function as endowments. The pool is invested in a diversified portfolio of equity and fixed-income securities, partnerships and hedge funds that is intended to provide the long-term growth necessary to preserve the value of these funds, adjusted for inflation, while making distributions to support the university's mission.

The university has established a **securities lending program** through its custodian bank for the long-term investment pool. Securities loaned by the university are secured by collateral in the form of cash, equity, U.S. government obligations, and foreign government/private debt. The portion of this collateral that was received in cash decreased \$32 million, to \$12 million at June 30, 2020, reflecting an reduction in securities lending activity in 2020. These balances are reported in the Statement of Net Position as a current asset and a corresponding current liability.

Other long-term investments are non-unitized investments that relate primarily to gift arrangements between donors and the OSU Foundation and long-term investments of operating funds. These investments increased \$82 million, to \$302 million, at June 30, 2020, primarily due to unrealized gains and capital calls on private equity investments.

Capital assets, which include the university's land, buildings, improvements, equipment and library books, net of depreciation, grew \$432 million, to \$5.7 billion at June 30, 2020. The university depreciates its capital assets on a straight-line basis, using estimated useful lives ranging from 5 years (for computer equipment and software) to 100 years (for certain building components such as foundations).

Additions to university capital assets totaled $861 million in 2020. The Health System accounted for $381 million of the total and includes expenditures for new facilities, infrastructure improvements, land and equipment purchases. The remaining $480 million of university capital additions include $67 million of equipment and library books, $54 million related to the Workday ERP Enterprise project, $103 million related to Comprehensive Energy Management Plan (CEMP) improvements to facilities and $256 million related to improvements and renovations of various academic buildings, athletics facilities, student life facilities and infrastructure.

Significant projects completed in 2020 include the $59 million Koffolt and Fontana Labs project, which was completed in the summer of 2020 and will provide approximately 124,000 square feet of research labs, teaching labs, classrooms, and departmental offices for Biomedical Engineering and Materials Science Engineering. Also completed in summer 2020 was a $20 million expansion of the west wing of OSU East Hospital. Approximately $10 million of Comprehensive Energy Management Plan Improvements were fully completed during the fiscal year.

Major academic facility projects currently underway or nearing completion include:

- Postle Hall – Construction is nearing completion on the $98 million project to construct a 130,000 square foot dental facility for student pre-clinical labs and patient clinics, an ambulatory surgery center, a faculty practice, a radiology clinic, and a sterilization facility. The project is slated for completion in the fall of 2020.

- Wooster Laboratory building – Construction is finishing on a $34 million Entomology research facility at the Wooster campus. The project is slated for completion in the fall of 2020.

- The Arts District – Construction is underway on a project between the west side of High Street between 15th and 18th Avenues. The project includes a new learning environment for the School of Music will also extend Annie and John Glenn Avenue from College Road to High Street and is expected to finish in 2021.

Major Health System construction projects currently underway include:

- A new inpatient hospital with up to 840 beds to replace and expand upon the original Rhodes and Doan Halls.
- A $98 million garage for the new inpatient hospital
- A $45 million sterile supply building to support the new hospital and ambulatory facilities
- A $179 million west campus outpatient ambulatory facility
- A $138 million regional ambulatory facility to the northeast on Hamilton Road
- A $161 million regional ambulatory facility to the northwest in Dublin
- A $36 million Health Sciences Faculty Office and Optometry clinic at the corner of 11th and Neil Avenues.

The university's estimated future capital commitments, based on contracts and purchase orders, total approximately $437 million at June 30, 2020.

Accounts payable and accrued expenses increased $43 million, to $635 million at June 30, 2020, reflecting increases in payables to vendors for supplies and services, which were partially offset by a reduction in retirement contributions payable.

On April 10, 2017, the university entered into a 50-year agreement to lease the university's utility system to Ohio State Energy Partners (OSEP) and grant it the exclusive right to operate the utility system and provide utility services to the Columbus campus. On July 6, 2017, the university received an upfront payment of $1.09 billion. The upfront payment is reported as an **advance from concessionaire** and is being amortized as a reduction to operating expense (Operation and Maintenance of Plant) on a straight-line basis over the term of the agreement.

Under the agreement, OSEP operates, maintains and makes capital investments in the utility system and charges the university a Utility Fee, which includes fixed, variable and operating and maintenance (O&M) components. OSEP capital investments in the utility system are recognized as capital assets and a related **long-term payable to the concessionaire**. The fixed and O&M components of the Utility Fee are recognized as operating expense. The variable component of the Utility Fee will be recognized as a reduction in the long-term payable to the concessionaire and interest expense. The university paid $56 million in fixed and O&M utility fees for the years ended June 30, 2020 and 2019, respectively. The total amounts payable to the concessionaire increased $100 million, to $142 million at June 30, 2020. The $8 million current portion of this liability is included in other current liabilities on the Statement of Net Position.

University debt, in the form of **bonds, notes and capital lease obligations**, decreased $55 million, to $3.10 billion at June 30, 2020. In June 2020, the university issued $186 million in Series 2020A fixed rate bonds to refund $227 million of its variable rate bonds. In addition, the university entered into forward-starting interest-rate swap agreements to advance refund its Series 2013A bonds. The swap agreements are effective June 2023, have a total notional amount of $329 million and are considered effective hedges. The fair value of the swap agreements was negative $7 million at June 30, 2020 and is reported as a noncurrent liability and offsetting deferred outflow of resources.

The university's plant debt includes variable rate demand bonds that mature at various dates through 2044. GASB Interpretation 1*, Demand Bonds Issued by State and Local Governmental Entities*, provides guidance on the statement of net position classification of these bonds. Under GASB Interpretation 1, outstanding principal balances on variable rate demand bonds may be classified as noncurrent liabilities if the issuer has entered into a "take-out agreement" to convert bonds "put" but not resold into some other form of long-term obligation. In the absence of such an agreement, the total outstanding principal balances for these bonds are required to be classified as current liabilities.

Although it is the university's intent to repay its variable rate demand bonds in accordance with the maturities set forth in the bond offering circulars, the university does not have "take-out agreements" in place per the GASB Interpretation 1 requirements. Accordingly, the university has classified the total outstanding principal balances on its variable rate demand bonds as current liabilities. These obligations totaled $318 million and $575 million at June 30, 2020 and 2019, respectively.

GASB Statement No. 68 requires governmental employers participating in defined benefit pension plans to recognize liabilities for plans whose actuarial liabilities exceed the plan's net assets. These liabilities are referred to as net pension liabilities. A related accounting standard, GASB Statement No. 75, requires employers participating in other post-employment benefit (OPEB) plans to recognize liabilities for plans whose actuarial liabilities exceed the plan's net assets. OPEB benefits consist primarily of post-retirement healthcare. The university participates in two multi-employer cost-sharing retirement systems, OPERS and STRS-Ohio, and is required to record a liability for its proportionate share of the net pension and OPEB liabilities of the retirement systems.

In 2020, the university's share of OPERS and STRS-Ohio net pension liabilities decreased $690 million, to $3.03 billion at June 30, 2020. The decrease relates primarily to OPERS net pension liabilities. In calendar year 2019, OPERS realized a 17.23% return on defined benefit plan investments for the period. STRS net pension liabilities were relatively stable in 2020. Deferred outflows related to pensions decreased $572 million, to $446 million at June 30, 2020, and deferred inflows related to pensions increased $377 million, to $487 million at June 30, 2020. The swing in deferrals relates primarily to OPERS projected vs actual investment returns. These deferrals will be recognized as pension expense in future periods.

In 2020, the university's share of OPERS net OPEB liabilities increased $116 million, to $1.44 billion at June 30, 2020 primarily due to a decrease in the discount rate used to calculate total OPEB liabilities. The impact of the lower discount rate was partially offset by a 19.59% return on health care plan investments. The university's share of STRS-Ohio net OPEB assets was stable, increasing $3 million, to $78 million at June 30, 2020. Deferred outflows related to OPEB increased $123 million, to $240 million at June 30, 2020, primarily due to deferrals related to the reduction in the discount rate for OPERS. Deferred inflows related to OPEB increased $180 million, to $298 million at June 30, 2020, primarily due to OPERS projected vs actual investment returns.

Total pension and OPEB expense recognized by the university decreased $33 million, to $808 million in 2020. Total pension and OPEB expense includes employer contributions and (non-cash) expense accruals associated with the recognition of net pension and OPEB liabilities and deferrals. Total employer contributions were up $21 million, to $380 million in 2020. Pension and OPEB expense accruals were down $54 million, to $428 million.

It should be noted that, in Ohio, employer contributions to the state's cost-sharing multi-employer retirement systems are established by statute. These contributions, which are payable to the retirement systems one month in arrears, constitute the full legal claim on the university for pension and OPEB funding. Although the liabilities recognized under GASB 68 and GASB 75 meet the GASB's definition of a liability in its conceptual framework for accounting standards, they do not represent legal claims on the university's resources, and there are no cash flows associated with the recognition of net pension and OPEB liabilities, deferrals and related expense.

Deferred inflows primarily consist of changes to OPEB and pension liabilities as explained in the previous paragraphs. Other deferred inflows consist primarily of the unamortized proceeds of the parking service concession arrangement. The parking deferred inflows, which totaled $407 million and $417 million at June 30, 2020 and June 30, 2019, respectively, are being amortized to operating revenue on a straight-line basis over the 50-year life of the agreement. The remaining balance of deferred inflows relates to deferred gains on debt-related transactions and deferrals for irrevocable split-interest agreements.

Prior-Year Highlights: ***In 2019*****,** the university's share of OPERS and STRS-Ohio net pension liabilities increased $1.17 billion, to $3.72 billion at June 30, 2019, primarily due to a combination of negative investment returns for OPERS and reductions in OPERS long-term assumed rate of return on pension plan investments. cash and temporary investment balances increased $285 million, to $3.31 billion, primarily due to strong healthcare operating cash flows. ***In 2018***, the university entered into a 50-year comprehensive energy management agreement with Ohio State Energy Partners (OSEP) and received a $1.09 billion upfront payment. $820 million of the upfront proceeds have been invested in the university's Long Term Investment Pool. The remainder of the upfront proceeds will be used to finance capital projects. On July 1, 2017, the university implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The adoption of the new standard – which requires employers participating in cost-sharing multi-employer retirement plans to recognize a share of the retirement plans' unfunded other postemployment benefit (OPEB) liabilities – resulted in a $1.22 billion reduction in the university's opening unrestricted net position. The net OPEB liability recognized by the university at June 30, 2018 was $1.25 billion.

Statement of Revenues, Expenses and Changes in Net Position

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

	2020	2019	2018
Operating Revenues:			
Tuition and fees, net	$ 953,569	$ 969,633	$ 935,893
Grants and contracts	743,431	732,253	698,847
Auxiliary enterprises sales and services, net	298,064	339,615	328,692
OSU Health System sales and services, net	3,449,681	3,432,271	3,103,891
Departmental sales and other operating revenues	187,089	201,783	183,823
Total operating revenues	5,631,834	5,675,555	5,251,146
Operating Expenses:			
Educational and general	2,809,135	2,665,355	1,998,165
Auxiliary enterprises	320,392	361,346	322,149
OSU Health System	3,345,167	3,109,070	2,720,988
Depreciation	425,012	413,039	394,461
Total operating expenses	6,899,706	6,548,810	5,435,763
Net operating loss	(1,267,872)	(873,255)	(184,617)
Non-operating revenues (expenses):			
State share of instruction and line-item appropriations	461,838	469,679	475,593
Gifts - current use	157,511	160,102	168,209
Net investment income (loss)	231,190	229,663	439,154
CARES Act Assistance	158,058	-	-
Grants, interest expense and other non-operating	19,169	(14,961)	(7,614)
Net non-operating revenue	1,027,766	844,483	1,075,342
Income (loss) before other changes in net position	(240,106)	(28,772)	890,725
State capital appropriations	69,905	64,900	83,217
Private capital gifts	77,425	26,565	15,470
Additions to permanent endowments	63,695	45,533	55,579
Capital contributions and other changes in net position	19,499	3,236	6,129
Total changes in net position	230,524	140,234	160,395
Increase (decrease) in net position	(9,582)	111,462	1,051,120
Net position - beginning of year	5,434,076	5,322,614	5,496,365
Cumulative effect of accounting change	-	-	(1,224,871)
Net position - end of year	$ 5,424,494	$ 5,434,076	$ 5,322,614

Net **tuition and fees** decreased $16 million or 1.7%, to $954 million in 2020, due primarily to an increase in gross tuition of $4 million, offset by $20 million increase in scholarship allowances. Gross tuition increases for Autumn and Spring terms totaling $26 million were offset by a $14 million decrease in gross tuition for Summer term and an $8 million decrease in student fees. The decrease in Summer tuition was driven by the shift to all online instruction in response to the COVID-19 pandemic. Non-resident students were charged a (lower) online fee in lieu of non-resident fees. The decrease in Summer tuition was offset by expense reductions of $14 million in graduate fee authorizations.

Total **scholarships and fellowships** increased $36 million, to $419 million in 2020, primarily due to a combination of CARES Act Emergency Aid for Students ($15 million), increases in university scholarships (up $7 million), increases in scholarships funded by endowments and current gifts (up $8 million) and increases in other federal and state student aid programs (up $4 million). Amounts shown as tuition and auxiliary revenue allowances increased $20 million and $3 million, respectively. Amounts shown as scholarship and fellowship expense increased $12 million.

Operating **grant and contract revenues** increased $11 million, to $743 million, reflecting increases in federal grants of $16 million, which were partially offset by a $5 million decrease in state grants. Grants managed by the Office of Sponsored Programs increased $13 million.

Total **auxiliary revenues** decreased $42 million, to $298 million, primarily due to decreases in Student Life housing and dining revenues of $36 million and Business Advancement (Schottenstein Center and Blackwell) of $14 million, offset by increases in Athletics of $9 million. After the closure of the university's housing and dining facilities due to the COVID-19 outbreak, the university provided students housing and dining reimbursement and reimbursement of recreational fees on a pro rata basis from March 16, 2020 through the end of spring semester, totaling $34 million. **Auxiliary expenses** decreased $41 million, to $320 million, primarily due to decreases in year-end accruals for pension and other post-employment benefits of $22 million, Student Life housing and dining expenses of $12 million, and Business Advancement (Schottenstein Center and Blackwell) expenses of $7 million.

Educational and general expenses increased $145 million, or 5%, to $2.81 billion in 2020. Additional details are provided below.

Educational and General Expenses *(in thousands)*	2020	2019	2018
Instruction and departmental research	$ 1,051,376	$ 1,038,290	$ 1,006,057
Separately budgeted research	505,290	492,816	473,463
Public service	176,889	176,384	177,325
Academic support	223,552	223,172	217,086
Student services	89,162	93,405	99,032
Institutional support	355,179	246,307	188,735
Operation and maintenance of plant	117,727	123,128	118,556
Scholarships and fellowships	139,622	127,769	130,363
Non-cash accruals for pensions and other postemployment benefits	150,338	144,084	(412,452)
Total educational and general expense	$ 2,809,135	$ 2,665,355	$ 1,998,165

Most E&G expenditure categories were flat in 2020, reflecting expenditure controls implemented in response to the outbreak of COVID-19. Ohio State instituted a hiring pause on April 1, 2020. The university also temporarily paused the annual merit compensation increase process and instituted pauses in off-cycle salary increases. Restrictions on university travel this spring and a review of all non-essential spending such as supplies, equipment purchases, conferences and membership expenses led to additional savings.

The overall increase in educational and general expense is primarily due to a $109 million increase in **institutional support** expenses. In 2020, the university recognized $72 million in expense for actual and anticipated legal settlements related to sexual misconduct by a former university physician. The remaining increase in institutional support relates to central charges for employee benefits. In 2019, university's self-insurance reserve was overfunded, and some benefit expenses in 2020 were funded from the excess reserve. **Separately budgeted research** expenses increased $12 million, reflecting increases in research grants managed by the Office of Sponsored Programs.

Health System operating revenues were relatively stable in 2020, increasing $17.4 million, to $3.45 billion. Operating expenses (excluding depreciation, interest and transfers) increased $236 million, to $3.35 billion. An in-depth look at the Health System, as presented in their stand-alone financial statements, is provided below.

The Health System operates nearly 1,460 inpatient beds and serves as a major tertiary and quaternary referral center for Ohio and the Midwest. The Wexner Medical Center delivers superior patient care, quality outcomes, and patient safety and has been recognized by US News and World Report for 28 consecutive years as one of "America's Best Hospitals" and is ranked first in Columbus. The Health System is recognized as a national leader in nine specialties including: Cancer; Cardiology and Heart Surgery, Diabetes & Endocrinology; Ear, Nose & Throat; and Nephrology, Neurology and Neurosurgery, Pulmonary and Lung Surgery, Rehabilitation and Urology. The Ear, Nose & Throat program ranked fifth in the United States. Eleven other specialties were ranked in the top 10% of all hospitals in the country.

The Health System is proud to be the first health system in central Ohio to have a hospital achieve Magnet Recognition, one of the highest honors awarded for nursing excellence. The Ross Heart Hospital, University Hospital, and The James are all designated Magnet hospitals. More than 200 Wexner Medical Center physicians were named to Castle Connolly's 2020 Top Doctors.

In 2020, total Health System operating revenues grew $17.4 million or 0.5% over the prior fiscal year. As of the end of February 2020 and prior to COVID-19, Inpatient Admissions, Total Surgeries, Outpatient Visits, and Radiation Oncology were all above prior year by 4.5%, 8.7%, 12.0%, and 18.5%, respectively. The COVID-19 pandemic and the temporary suspension of performance of elective surgeries and procedures significantly impacted Health System operating revenue.

Approximately 90% of total Health System operating revenues are from patient care activities. Other Operating Revenues include revenue from reference labs, cafeteria operations, rental agreements and other non-patient services. Due to the increasing complexity and significantly growing number of specialty oral and self-administered pharmaceuticals available for cancer and non-cancer patients, the Health System operates a Specialty Retail Pharmacy dedicated to improving patient care by easing the challenges of managing medications. The Specialty Retail Pharmacy contributed $166.7 million to Health System operating revenues in 2020 and $127.6 million in 2019. Other Operating Revenues also includes a portion of the margin shared with Nationwide Children's Hospital for the management of the Neonatal Intensive Care Unit located at the Heath System.

The goal of this managed unit is to standardize the care and quality outcomes of all the neonatal patients in Central Ohio. The NICU contributed $17.8 million of operating revenues in 2020 and $15.9 million in 2019. In 2019, the Health System enrolled in the Care Innovation and Community Improvement Program (CICIP). CICIP was developed to increase alignment of quality improvement strategies and goals between the State, Managed Care Organizations (MCO), and both public and nonprofit hospital agencies. The Health System recognized $52.6 million in Other Operating Revenues related to CICIP in 2020 compared to $52.5 million in 2019.

Health System operating expenses increased $139.8 million or 4.3% from 2019 to 2020. The growth in salaries and benefits from 2019 to 2020 is reflective of the volume growth noted above prior to COVID-19. The Health System experienced reduced medical supply and pharmaceutical costs in the months of March and April as a result of the cancellation or delay of elective surgeries and procedures. As a result of COVID-19, the Health System experienced a significant increase in demand for PPE, diagnostic testing, medical equipment and other supplies associated with patient care and staff safety. Solid organ transplant and Specialty Retail Pharmacy volumes increased from 2019 to 2020, also contributing to increases in supply and drug expense. Purchased services grew 3.7% in 2020 reflecting higher hospital franchise fee, legal services, and advertising costs.

In response to the COVID-19 pandemic, the Heath System is continuing to implement certain cost containment measures to address expected and potential revenue losses. These measures include a hiring pause with exceptions for essential services and key positions, a pause in merit-based compensation increases, restrictions on travel, and greater stringency on discretionary expenditures. Despite these challenges associated with COVID-19, the Health System's financial position remains strong and the enterprise continues its mission to "improve people's lives in Ohio and across the world through innovation in research, education and patient care."

Revenues and operating expenses of **OSU Physicians, Inc.** (OSUP), the University's central practice group for physician faculty members of the College of Medicine and Public Health, continued to grow in 2020. Total consolidated operating revenues increased $25 million, to $585 million. The estimated revenue impact of the temporary suspension of elective surgeries in the last quarter of 2020 was approximately $33 million. OSUP received $12 million of Provider Relief Funds, which are reported as non-operating revenue. Total consolidated OSUP expenses (excluding depreciation and interest) increased $56 million to $563 million in 2020. Approximately $42.8 million of the increase relates to physician and other provider related costs associated with new physicians and care providers entering the practice during 2020. An additional $11 million of the increase reflects increases in staff salaries and benefits due to growth in FTEs and compensation adjustments. OSUP balances are included in the Discretely Presented Component Units columns of the university's financial statements.

Total state operating support was relatively stable in 2020, decreasing $8 million, to $462 million. In response to the impact of the COVID-19 pandemic on economic activity, the State of Ohio implemented a number of cost containment measures, including a $109 million reduction in **State Share of Instruction** (SSI) appropriations for higher education for the final two months of the fiscal year.

The university's SSI decreased $6 million, to $377 million in 2020. The university's original SSI appropriation for 2020 was $392 million. **State line-item appropriations** decreased $2 million, to $84 million. **State capital appropriations** were stable in 2020, increasing $5 million, to $70 million.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act – which was enacted March 27, 2020 in response to the COVID-19 outbreak – includes provisions to provide support to individuals, companies and non-profit institutions in the form of loans, grants, tax changes and other types of relief. The university recognized $158 million of **CARES Act Assistance** revenue in 2020, including $143 million of Provider Relief Funds for the Health System and $15 million for Emergency Aid to Students. Amounts provided to the university under CARES Act grant programs are recognized as non-operating revenues in the Statement of Revenues, Expenses and Changes in Net Position as eligibility requirements are met. In addition to the Provider Relief Funds, the Health System received $275 million under the **Medicare Accelerated and Advance Payment Program**. These amounts are considered short-term loans and are reported as current liabilities in the Statement of Net Position.

Total **gifts** to the university increased $66 million, to $299 million in 2020. Increases in capital and endowment gifts were offset by decreases in current use gifts. Several colleges and support units received gifts in excess of $1 million in 2020, including Veterinary Medicine, the College of Food, Agricultural and Environmental Sciences, the Ross Heart Hospital, the Cancer Hospital and Research Institute, the College of Medicine, Neuroscience, the College of Arts and Sciences, the College of Engineering, WOSU Public Media, College of Dentistry, Moritz College of Law, Planning and Administration, General University Scholarships and the Department of Athletics. Support came from more than 237,000 alumni and friends.

University investments yielded $231 million of **net investment income** in 2020, compared with $230 million in 2019. For 2020, the LTIP returned +1.1% compared to +1.2% in 2019. In both years, the LTIP return was below-benchmark across all asset classes. In 2019, the LTIP took a significant reduction in the fair value of certain natural resources and oil and gas investments.

For 2020, the Global Equity allocation returned -0.4% and underperformed on a relative basis to the MSCI ACWI benchmark, which recorded a +2.1% result, by -2.5% for the year. The LTIP's Global Fixed Income allocation underperformed compared to the U.S. Aggregate Bond benchmark, generating a +4.8% return versus +8.7% for the benchmark. The Real Assets allocation returned -0.4%, underperforming the CPI +5% return of +5.6% for the year.

Prior-Year Highlights: ***In 2019*****,** Health System operating revenues grew $328 million, to $3.43 billion. Growth in surgical cases, increased chemotherapy and pharmaceutical volumes and increased bed capacity contributed to the growth in operating revenue. Educational and general expenses increased $667 million, to $2.67 billion in 2019, primarily due to a $557 swing in expenses associated with pension and other post-employment benefit (OPEB) liabilities. University investments yielded $230 million of net investment income in 2019, down from $439 million in 2018. Total net position increased $112 million, to $5.43 billion at June 30, 2019, primarily due to strong Health System operating results.

In 2018, OSU Health System operating revenues grew $251 million, to $3.10 billion. Health System operating expenses (excluding depreciation, interest and transfers) increased $125 million, to $2.72 billion. University investments yielded $439 million of net investment income, reflecting LTIP returns of +7.7%. Educational and general expenses decreased $434 million, to $2.00 billion, primarily due to pension and OPEB accruals.

Statement of Cash Flows

University Cash Flows Summary *(in thousands)*	**2020**	**2019**	**2018**
Net cash flows from (used in) operating activities	$ (4,234)	$ (7,757)	$ 1,053,673
Net cash flows from noncapital financing activities	934,803	779,439	764,223
Capital appropriations and gifts for capital projects	104,855	99,114	94,627
Proceeds from capital debt	-	-	73,885
Payments for purchase or construction of capital assets	(739,379)	(604,717)	(497,962)
Principal and interest payments on capital debt and leases, net of federal Build America Bond interest subsidies	(180,250)	(180,138)	(256,514)
Net cash flows provided (used) in investing activities	68,118	(1,128)	(505,508)
Net increase in cash and cash equivalents	$ 183,913	$ 84,813	$ 726,424

University cash and cash equivalents increased $184 million in 2020. Net cash used in operating activities was relatively stable at $4 million in 2020, compared to $8 million used in 2019. The Health System's receipt of $275 million of Medicare Advance payments and a reduction in vendor payments for supplies and services offset declines in receipts for patient care and auxiliary operations. Net cash flows from noncapital financing activities increased $155 million, to $935 million, reflecting the receipt of the CARES Act Provider Relief Funds and Emergency Aid to Students. Payments for purchase or construction of capital assets increased $134 million, to $739 million, primarily reflecting increases in Health System capital expenditures. Total cash provided by investing activities was $68 million, reflecting receipts of investment income.

Economic Factors That Will Affect the Future

The COVID-19 pandemic continues to present significant budgetary challenges for Ohio State. No source of revenue is unaffected. Some of the impacts include:

- A reduction in state operating subsidy of 4.38%, or $18 million, from original Fiscal Year 2021 state funding levels
- Anticipated tuition loss of $54.9 million due to many students moving to an entirely virtual schedule and others deciding not to return to the university this fiscal year
- Reduced athletic revenues by $130.3 million due to the cancellation of event rentals, a postponed fall season, and the related reduction in ticket, media, conference, and game guarantee revenues
- Student Life housing and dining revenues down $3 million from Fiscal Year 2020 due to lower student occupancy on campus, which equates to a $38.3 million reduction compared to a normalized year.

To address these impacts, the university is implementing $252.2 million in targeted savings across all colleges, support units and the Wexner Medical Center. Of those targeted savings, $175 million is expected to come from university operations and $77.2 million from the Wexner Medical Center. In addition, all capital projects have been assessed to determine how existing projects can defer millions of dollars in spending to ensure adequate financial flexibility until the total impact of the pandemic on revenue sources becomes clear. Resource stewardship is one of the pillars of the university's strategic plan. Ohio State has achieved over $220 million in administrative efficiencies, over $450 million in strategic procurement savings and more than $1 billion in new resource generation over the last five years.

The university continues to invest strategically to better position the institution for success in the future. Examples include:

- **University Minimum Wage** – Ohio State is implementing a $15 an hour minimum wage in the new fiscal year.
- **Need-Based Aid** – The university has provided over $200 million in additional need-based aid to students and families since 2015, far exceeding its stated goal of reaching $100 million by 2020.
- **New Inpatient Hospital** – In August 2020, University trustees approved the construction of the 1.9 million-square-foot Ohio State University Wexner Medical Center Inpatient Hospital.
- **Digital Flagship** – Ohio State continues investing in digital course delivery infrastructure to position the university as a national leader in digital higher education in the post-COVID-19 era.

The impact of COVID-19 and the scope of any adverse impact on University finances and operations cannot be fully determined at this time. Adverse consequences of the COVID-19 pandemic may include, but are not limited to: decline in enrollment (including a disproportional decline in enrollment by international students); decline in demand for University housing; decline in demand for University programs that involve travel or that have international connections; cancellation, postponement and/or reduced attendance for athletic events; a decrease in tuition revenue resulting from out-of-state students choosing all on-line instruction; an increase in costs associated with purchasing of personal protective equipment and implementing community-wide testing programs (some of which may be paid with the University's CARES Act allocation); a decrease in availability of student loan funds or other student financial aid; reductions in funding support from donors or other external sources; a decline in research funding, including research funding from the U.S. government; a significant decline in the University's investments based on market declines or other external factors; substantial disruption to Health System operations related to a potential surge in COVID-19 cases; and a decrease in financial support from the State of Ohio whether through decreased appropriations or otherwise.

Cautionary Note Regarding Forward-Looking Statements

Certain information provided by the university, including written as outlined above or oral statements made by its representatives, may contain forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995.

All statements, other than statements of historical facts, which address activities, events or developments that the university expects or anticipates will or may occur in the future contain forward-looking information.

In reviewing such information, it should be kept in mind that actual results may differ materially from those projected or suggested in such forward-looking information. This forward-looking information is based upon various factors and was derived using various assumptions. The university does not undertake to update forward-looking information contained in this report or elsewhere to reflect actual results, changes in assumptions or changes in other factors affecting such forward-looking information.

THE OHIO STATE UNIVERSITY
STATEMENTS OF NET POSITION
June 30, 2020 and June 30, 2019
(in thousands)

	Primary Institution		Discretely Presented Component Units		Total University	
	2020	2019	2020	2019	2020	2019
ASSETS AND DEFERRED OUTFLOWS:						
Current Assets:						
Cash and cash equivalents	$ 1,844,446	$ 1,570,164	$ 186,705	$ 144,154	$ 2,031,151	$ 1,714,318
Temporary investments	1,788,581	1,738,010	15,135	16,510	1,803,716	1,754,520
Accounts receivable, net	526,682	635,324	56,555	63,596	583,238	698,920
Notes receivable - current portion, net	25,231	25,231	424	527	25,655	25,758
Pledges receivable - current portion, net	79,240	31,540	-	-	79,240	31,540
Accrued interest receivable	21,274	25,050	-	-	21,274	25,050
Inventories and prepaid expenses	170,732	133,524	4,279	4,643	175,011	138,167
Investments held under securities lending program	12,092	44,391	-	-	12,092	44,391
Amounts due from (to) primary institution	(26,376)	(22,346)	26,376	22,346	-	-
Total Current Assets	4,441,902	4,180,888	289,474	251,776	4,731,377	4,432,664
Noncurrent Assets:						
Restricted cash	401,664	492,033	-	-	401,664	492,033
Notes receivable, net	51,425	48,816	850	2,935	52,275	51,751
Pledges receivable, net	59,248	64,151	-	-	59,248	64,151
Net other post-employment benefit asset	77,901	74,520	-	-	77,901	74,520
Long-term investment pool	5,287,131	5,256,759	-	-	5,287,131	5,256,759
Other long-term investments	301,676	219,455	-	-	301,676	219,455
Capital assets, net	5,700,078	5,268,363	243,277	192,164	5,922,015	5,438,368
Total Noncurrent Assets	11,879,123	11,424,097	244,127	195,099	12,101,910	11,597,037
Total Assets	16,321,025	15,604,985	533,601	446,875	16,833,287	16,029,701
Deferred Outflows:						
Pension	445,769	1,017,370	-	18	445,769	1,017,388
Other post-employment benefits	239,629	116,167	-	6	239,629	116,173
Other deferred outflows	31,959	22,198	-	-	31,959	22,198
Total Deferred Outflows	717,357	1,155,735	-	24	717,357	1,155,759
Total Assets and Deferred Outflows	$ 17,038,382	$ 16,760,720	$ 533,601	$ 446,899	$ 17,550,644	$ 17,185,460
LIABILITIES, DEFERRED INFLOWS AND NET POSITION:						
Current Liabilities:						
Accounts payable and accrued expenses	$ 638,750	$ 591,844	$ 30,877	$ 20,541	$ 669,627	$ 612,385
Medicare advance payment program	274,915	-	12,585	-	287,500	-
Deposits and advance payments for goods and services	268,481	281,886	3,141	2,336	271,622	284,222
Current portion of bonds, notes and leases payable	57,002	43,627	1,607	1,840	58,608	45,467
Long-term bonds payable, subject to remarketing	317,715	574,675	-	-	317,715	574,675
Liability under securities lending program	12,092	44,391	-	-	12,092	44,391
Other current liabilities	108,209	89,752	9,153	5,797	117,362	95,549
Amounts due to (from) primary institution - current	(31,628)	(22,823)	31,628	22,823	-	-
Total Current Liabilities	1,645,536	1,603,352	88,991	53,337	1,734,526	1,656,689
Noncurrent Liabilities:						
Bonds, notes and leases payable	2,732,098	2,543,360	16,290	18,920	2,748,388	2,562,280
Concessionaire payable	134,362	39,121	-	-	134,362	39,121
Net pension liability	3,025,029	3,715,058	-	136	3,025,029	3,715,194
Net other post-employment benefit liability	1,459,572	1,339,383	-	60	1,459,572	1,339,443
Compensated absences	210,158	177,672	-	-	210,158	177,672
Self-insurance accruals	87,928	82,507	-	-	87,928	82,507
Amounts due to third-party payors - Health System	60,516	49,374	-	-	60,516	49,374
Irrevocable split-interest agreements	31,853	28,463	-	-	31,853	28,463
Refundable advances for Federal Perkins loans	29,695	33,478	-	-	29,695	33,478
Advance from concessionaire	1,002,769	1,024,555	-	-	1,002,769	1,024,555
Other noncurrent liabilities	104,255	122,292	39,215	26,564	122,132	126,697
Amounts due to (from) primary institution - noncurrent	(131,278)	(109,017)	131,278	109,017	-	-
Total Noncurrent Liabilities	8,746,957	9,046,246	186,783	154,697	8,912,402	9,178,784
Total Liabilities	10,392,493	10,649,598	275,774	208,034	10,646,928	10,835,473
Deferred Inflows:						
Parking service concession arrangement	406,914	416,545	-	-	406,914	416,545
Pension	487,347	109,993	-	10	487,347	110,003
Other post-employment benefits	298,463	117,979	-	3	298,463	117,982
Other deferred inflows	28,671	32,529	-	-	28,671	32,529
Total Deferred Inflows	1,221,395	677,046	-	13	1,221,395	677,059
Net Position:						
Net investment in capital assets	3,010,095	2,605,381	216,111	159,311	3,226,206	2,764,692
Restricted:			-	-		-
Nonexpendable	1,622,782	1,580,115	-	-	1,622,782	1,580,115
Expendable	1,125,359	1,303,269	-	-	1,125,359	1,303,269
Unrestricted	(333,742)	(54,689)	41,716	79,541	(292,026)	24,852
Total Net Position	5,424,494	5,434,076	257,827	238,852	5,682,321	5,672,928
Total Liabilities, Deferred Inflows and Net Position	$ 17,038,382	$ 16,760,720	$ 533,601	$ 446,899	$ 17,550,644	$ 17,185,460

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

THE OHIO STATE UNIVERSITY
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Years ended June 30, 2020 and June 30, 2019
(in thousands)

	Primary Institution		Discretely Presented Component Units		Total University	
	2020	2019	2020	2019	2020	2019
Operating Revenues:						
Student tuition and fees (net of scholarship allowances of $238,920 and $218,936, respectively)	$ 953,569	$ 969,633	$ -	$ -	$ 953,569	$ 969,633
Federal grants and contracts	369,977	354,214	12,946	13,534	382,923	367,748
State grants and contracts	78,217	83,651	-	-	78,217	83,651
Local grants and contracts	27,015	25,608	-	-	27,015	25,608
Private grants and contracts	268,222	268,780	39,852	44,086	308,074	312,866
Sales and services of educational departments	142,389	156,921	9,354	9,440	151,743	166,361
Sales and services of auxiliary enterprises (net of scholarship allowances of $39,982 and $37,284, respectively)	298,064	339,615	-	-	298,064	339,615
Sales and services of the OSU Health System, net	3,449,681	3,432,271	-	-	3,449,681	3,432,271
Sales and services of OSU Physicians, Inc., net	-	-	584,222	560,322	584,222	560,322
Other operating revenues	44,700	44,862	-	-	44,700	44,862
Total Operating Revenues	5,631,834	5,675,555	646,374	627,382	6,278,208	6,302,937
Operating Expenses:						
Educational and General:						
Instruction and departmental research	1,096,254	1,070,292	8,821	9,403	1,105,075	1,079,695
Separately budgeted research	537,912	487,327	15,923	15,798	553,835	503,125
Public service	187,854	183,228	12,243	12,545	200,097	195,773
Academic support	250,674	242,960	-	-	250,674	242,960
Student services	95,070	109,166	-	-	95,070	109,166
Institutional support	378,552	309,691	20,367	20,636	398,919	330,327
Operation and maintenance of plant	122,449	135,307	741	699	123,190	136,006
Scholarships and fellowships	140,370	127,384	-	-	140,370	127,384
Auxiliary enterprises	320,392	361,346	-	-	320,392	361,346
OSU Health System	3,345,167	3,109,070	-	-	3,345,167	3,109,070
OSU Physicians, Inc.	-	-	563,200	507,366	563,200	507,366
Depreciation	425,012	413,039	10,272	8,777	435,284	421,816
Total Operating Expenses	6,899,706	6,548,810	631,567	575,224	7,531,273	7,124,034
Net Operating Income (Loss)	(1,267,872)	(873,255)	14,807	52,158	(1,253,065)	(821,097)
Non-operating Revenues (Expenses):						
State share of instruction and line-item appropriations	461,838	469,679	-	-	461,838	469,679
Federal subsidies for Build America Bonds interest	10,987	10,619	-	-	10,987	10,619
Federal non-exchange grants	61,531	63,042	-	-	61,531	63,042
CARES Assistance	158,058	-	11,805	-	169,863	-
State non-exchange grants	14,702	11,119	-	-	14,702	11,119
Gifts	157,511	160,102	-	-	157,511	160,102
Net investment income	231,190	229,663	1,925	2,624	233,115	232,287
Interest expense on plant debt	(116,379)	(115,084)	(1,531)	(1,613)	(117,910)	(116,697)
Other non-operating revenues (expenses)	48,328	15,343	(13,110)	(22,890)	35,218	(7,547)
Net Non-operating Revenue	1,027,766	844,483	(911)	(21,879)	1,026,855	822,604
Income (Loss) before Changes in Net Position	(240,106)	(28,772)	13,896	30,279	(226,210)	1,507
Changes in Net Position:						
State capital appropriations	69,905	64,900	-	-	69,905	64,900
Private capital gifts	77,425	26,565	-	-	77,425	26,565
Additions to permanent endowments	63,695	45,533	-	-	63,695	45,533
Capital contributions and changes in net position	19,499	3,236	5,079	19,927	24,578	23,163
Total Changes in Net Position	230,524	140,234	5,079	19,927	235,603	160,161
Increase (Decrease) in Net Position	(9,582)	111,462	18,975	50,206	9,393	161,668
Net Position - Beginning of Year:						
Beginning of year, as previously reported	5,434,076	5,322,614	238,852	172,017	5,672,928	5,494,631
Cumulative effect of accounting changes	-	-	-	16,629	-	16,629
Beginning of Year, as restated	5,434,076	5,322,614	238,852	188,646	5,672,928	5,511,260
Net Position - End of Year	$ 5,424,494	$ 5,434,076	$ 257,827	$ 238,852	$ 5,682,321	$ 5,672,928

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

THE OHIO STATE UNIVERSITY
STATEMENTS OF CASH FLOWS
Years Ended June 30, 2020 and June 30, 2019
(in thousands)

	Primary Institution		Discretely Presented Component Units		Total University	
	2020	**2019**	**2020**	**2019**	**2020**	**2019**
Cash Flows from Operating Activities:						
Tuition and fee receipts	$ 838,750	$ 848,524	$ -	$ -	$ 838,750	$ 848,524
Grant and contract receipts	764,850	732,383	67,488	57,566	832,338	789,949
Receipts for sales and services	3,981,772	3,894,191	595,501	558,634	4,577,273	4,452,825
Payments to or on behalf of employees	(2,672,926)	(2,533,272)	(421,493)	(374,538)	(3,094,419)	(2,907,810)
University employee benefit payments	(721,606)	(663,084)	(93,854)	(85,463)	(815,460)	(748,547)
Payments to vendors for supplies and services	(2,080,763)	(2,196,722)	(78,502)	(107,473)	(2,159,265)	(2,304,195)
Payments to students and fellows	(165,171)	(118,803)	-	-	(165,171)	(118,803)
Student loans issued	(3,249)	(4,001)	-	-	(3,249)	(4,001)
Student loans collected	9,061	8,848	-	-	9,061	8,848
Student loan interest and fees collected	1,949	2,184	-	-	1,949	2,184
Other receipts	43,099	21,995	-	-	43,099	21,995
Net cash provided (used) by operating activities	(4,234)	(7,757)	69,140	48,726	64,906	40,969
Cash Flows from Noncapital Financing Activities:						
State share of instruction and line-item appropriations	461,838	469,679	-	-	461,838	469,679
Non-exchange grant receipts	76,233	74,161	-	-	76,233	74,161
CARES Assistance	158,058	-	11,805	-	169,863	-
Gift receipts for current use	148,904	173,649	-	-	148,904	173,649
Additions to permanent endowments	63,695	45,533	-	-	63,695	45,533
Drawdowns of federal direct loan proceeds	332,591	353,493	-	-	332,591	353,493
Disbursements of federal direct loans to students	(330,524)	(339,227)	-	-	(330,524)	(339,227)
Repayment of loans from related organization	-	691	-	-	-	691
Amounts received from irrevocable split-interest agreements	5,187	734	-	-	5,187	734
Amounts paid to annuitants and life beneficiaries	(1,797)	(1,735)	-	-	(1,797)	(1,735)
Agency funds receipts	4,549	5,566	-	-	4,549	5,566
Agency funds disbursements	(5,564)	(5,387)	-	-	(5,564)	(5,387)
Other receipts (payments)	21,633	2,282	5,838	(7,473)	27,471	(5,191)
Net cash provided (used) by noncapital financing activities	934,803	779,439	17,643	(7,473)	952,446	771,966
Cash Flows from Capital Financing Activities:						
Proceeds from capital debt	-	-	12,003	7,806	12,003	7,806
State capital appropriations	71,605	64,788	-	-	71,605	64,788
Gift receipts for capital projects	33,250	34,326	-	-	33,250	34,326
Payments for purchase or construction of capital assets	(739,379)	(604,717)	(55,221)	(35,105)	(794,600)	(639,822)
Principal payments on capital debt and leases	(68,343)	(67,092)	(2,934)	(1,391)	(71,277)	(68,483)
Interest payments on capital debt and leases	(117,234)	(123,666)	(1,501)	(1,621)	(118,735)	(125,287)
Federal subsidies for Build America Bonds interest	5,327	10,620	-	-	5,327	10,620
Net cash (used) by capital financing activities	(814,774)	(685,741)	(47,653)	(30,311)	(862,427)	(716,052)
Cash Flows from Investing Activities:						
Net (purchases) sales of temporary investments	(27,789)	(102,981)	(12,550)	(13,343)	(40,339)	(116,324)
Proceeds from sales and maturities of long-term investments	3,122,487	3,556,262	13,926	3,220	3,136,413	3,559,482
Investment income, net of related expenses	142,413	142,775	2,046	2,545	144,459	145,320
Purchases of long-term investments	(3,168,993)	(3,597,184)	-	-	(3,168,993)	(3,597,184)
Net cash provided (used) by investing activities	68,118	(1,128)	3,422	(7,578)	71,540	(8,706)
Net Increase in Cash	183,913	84,813	42,552	3,364	226,465	88,177
Cash and Cash Equivalents - Beginning of Year	2,062,197	1,977,384	144,153	140,789	2,206,350	2,118,173
Cash and Cash Equivalents - End of Year	$ 2,246,110	$ 2,062,197	$ 186,705	$ 144,153	$ 2,432,815	$ 2,206,350

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

THE OHIO STATE UNIVERSITY
STATEMENTS OF CASH FLOWS, Cont'd
Years Ended June 30, 2020 and June 30, 2019
(in thousands)

	Primary Institution		Discretely Presented Component Units		Total University	
	2020	2019	2020	2019	2020	2019
Reconciliation of Net Operating Income (Loss) to Net Cash Used by Operating Activities:						
Operating income (loss)	$ (1,267,872)	$ (873,255)	$ 14,807	$ 52,157	$ (1,253,065)	$ (821,098)
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:						
Depreciation expense	425,012	413,039	10,272	8,777	435,284	421,816
Changes in assets and liabilities:						
Accounts receivable, net	110,490	(30,166)	4,735	(6,440)	115,225	(36,606)
Notes receivable, net	(4,743)	(19,447)	2,188	(778)	(2,555)	(20,225)
Accrued interest receivable	28	131	-	-	28	131
Inventories and prepaid expenses	(37,208)	(8,235)	364	11	(36,844)	(8,224)
Amounts due to/from primary institution	(27,036)	(3,924)	5,603	(5,943)	(21,433)	(9,867)
Net other post-employment benefit asset	(3,381)	(74,520)	-	-	(3,381)	(74,520)
Deferred outflows	448,217	(413,871)	24	31	448,241	(413,840)
Accounts payable and accrued liabilities	84,258	36,319	4,726	(6,192)	88,984	30,127
Medicare advance payment program	274,915	–	12,585	-	287,500	–
Self-insurance accruals	5,421	8,368	-	-	5,421	8,368
Amounts due to third-party payors - Health System	11,142	4,465	-	-	11,142	4,465
Deposits and advanced payments	(25,440)	5,609	806	(322)	(24,634)	5,287
Compensated absences	32,486	7,447	-	-	32,486	7,447
Refundable advances for Federal Perkins loans	(3,783)	840	-	-	(3,783)	840
Advance from concessionaire	(21,786)	(21,787)	-	-	(21,786)	(21,787)
Net pension liability	(690,029)	1,167,049	(136)	(100)	(690,165)	1,166,949
Net other post-employment benefit liability	120,189	89,862	(60)	(93)	120,129	89,769
Deferred inflows	548,207	(293,927)	(13)	(38)	548,194	(293,965)
Other liabilities	16,679	(1,754)	13,239	7,656	29,918	5,902
Net cash provided (used) by operating activities	$ (4,234)	$ (7,757)	$ 69,140	$ 48,726	$ 64,906	$ 40,969
Non Cash Transactions:						
Construction in process in accounts payable	$ 33,503	$ 32,180	$ 9,534	$ 3,925	$ 43,037	$ 36,105
Construction in process in concessionaire payable	102,867	31,878	-	-	102,867	31,878
Capital lease	10,970	10,958	-	-	10,970	10,958
Stock gifts	19,306	14,104	-	-	19,306	14,104
Net increase (decrease) in fair value of investments	88,869	84,113	(248)	(203)	88,621	83,910
Forgiveness of debt	-	-	-	2,000	-	2,000
Bond refunding placed in escrow	232,024	-	-	-	232,024	-

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

NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

Organization

The Ohio State University (the "university") is a land grant institution created in 1870 by the Ohio General Assembly under provisions of the Morrill Act. The university is one of several state-supported universities in Ohio. It is declared by statute to be a body politic and corporate and an instrumentality of the State.

The university is governed by a Board of Trustees which is granted authority under Ohio law to do all things necessary for the proper maintenance and continual successful operation of the university. Trustees are appointed by the governor, with the advice and consent of the state Senate. In 2005, the Ohio General Assembly voted to expand the Board from 11 to 17 members. The standard term for voting members of the Board is nine years. The Board also includes two non-voting student trustees who are appointed to two-year terms.

In 2009, the Board appointed its first charter trustee, which expanded the Board to 18 members. A maximum of three charter trustees may be appointed and removed by a vote of the Board. Charter trustees, who must be non-Ohio residents, are appointed to three-year terms and do not have voting privileges.

The Board of Trustees has responsibility for all the university's financial affairs and assets. The university operates largely on a decentralized basis by delegating this authority to its academic and support departments. The Board must approve the annual budgets for unrestricted academic and support functions, departmental earnings operations and restricted funds operations, but these budgets are managed at the department level.

Basis of Presentation

The accompanying financial statements present the accounts of the following entities, which constitute the primary government for financial reporting purposes:

- The Ohio State University and its hospitals and clinics
- Ohio Agricultural Research and Development Center
- The Ohio Technology Consortium (OH-TECH)

In addition, these financial statements include component units -- legally separate organizations for which the university is financially accountable. Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity,* as amended by Statement No. 61, *The Financial Reporting Entity: Omnibus* and Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14.*, defines financial accountability.

The criteria for determining financial accountability include the following circumstances:

- Appointment of a voting majority of an organization's governing authority and the ability of the primary government (i.e. the university) to either impose its will on that organization or the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, or;
- An organization is fiscally dependent on the primary government and provides specific financial benefits to, or imposes specific financial burdens on, the primary government.

The university's component units and the reasons for their inclusion in the university's financial statements are described below:

- **The Ohio State University Foundation** – The fiscal dependency criteria apply to this not-for-profit fundraising organization, which operates exclusively for the benefit of The Ohio State University.
- **OSU Health Plan, Inc.** – The university appoints a voting majority of the board for this organization, which provides medical benefit plan administration services to the university and its faculty and staff.
- **Oval Limited** – The university holds all of the voting stock of this captive insurance entity, which was established by the university to provide medical malpractice coverage to physicians in the university's medical center.
- **Pelotonia** – The fiscal dependency criteria apply to this not-for-profit fundraising organization, which operates exclusively for the benefit of The Ohio State University.

The component units listed above provide services entirely, or almost entirely, to the university or otherwise exclusively, or almost exclusively, benefit the university. Therefore, the transactions and balances for these organizations have been blended with those of the primary government, collectively referred to as the primary institution.

In addition to the blended component units described above, the university's financial statements include the following discretely presented component units:

- **The Ohio State University Physicians, Inc.** – The university appoints a voting majority of the board of the medical practice group for physician faculty members in the Colleges of Medicine and Public Health.
- **Campus Partners for Community Urban Redevelopment, Inc**. – This non-profit organization, which participates in the redevelopment of neighborhoods adjacent to the Columbus campus, is fiscally dependent on the university.
- **Transportation Research Center of Ohio, Inc.** – The university appoints a voting majority of the board for this automotive research and testing facility in East Liberty, Ohio.
- **Dental Faculty Practice Association, Inc.** – The university appoints a voting majority of the board for the dental practice group for faculty in the College of Dentistry.

- **Science and Technology Campus Corporation** (SciTech) – This non-profit organization, which was established to further development of the university's Science and Technology Campus, is fiscally dependent on the university.

Summary financial statement information for the university's blended and discretely presented component units is provided in Notes 20 and 21. Audited financial statements for the discretely presented component units considered to be material to the university may be obtained from the Office of the Controller. A total university column in the financial statements is provided as memorandum only for purposes of additional analysis by users. The total university column reflects eliminations of transactions between the primary institution and the discretely component units. These transactions consist primarily of (a) discretionary subsidies and contributions which are presented as either non-operating activities or capital additions at the component unit level and (b) exchange-based goods and services that support the operations of the entity, which are presented as operating revenues and expenses at the component unit level. The impact of these transactions on the statement of revenues, expenses and changes in net position was $0 for the years ended June 30, 2020 and 2019.

The university, as a component unit of the State of Ohio, is included as a discrete entity in the State of Ohio's Comprehensive Annual Financial Report.

Basis of Accounting

The financial statements of the university have been prepared in accordance with accounting principles generally accepted in the United States of America, as prescribed by the GASB. The university is reporting as a special purpose government engaged in business type activities (BTA) on the accrual basis. Business type activities are those that are financed in whole or in part by fees charged to external parties for goods and services. In accordance with BTA reporting, the university presents Management's Discussion and Analysis; Statements of Net Position; Statements of Revenues, Expenses and Changes in Net Position; Statements of Cash Flows; and Notes to the Financial Statements. In the financial statements, separate columns are presented for the *primary institution* (which includes the primary government and the blended component units), *discretely presented component units* and the *total university*. The Notes to the Financial Statements include separate disclosures for the primary institution and the discretely presented component units, where relevant and material. Unless otherwise specified, the amounts presented in MD&A are those of the primary institution.

The university's financial resources are classified for accounting and reporting purposes into the following four net position categories:

- **Net investment in capital assets:** Capital assets, net of accumulated depreciation, cash restricted for capital projects and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.
- **Restricted - nonexpendable:** Amounts subject to externally-imposed stipulations that they be maintained in perpetuity and invested for the purpose of generating present and future income, which may either be expended or added to the principal by the university. These assets primarily consist of the university's permanent endowments.

- **Restricted - expendable:** Amounts whose use is subject to externally-imposed stipulations that can be fulfilled by actions of the university pursuant to those stipulations or that expire by the passage of time.
- **Unrestricted:** Amounts which are not subject to externally-imposed stipulations. Substantially all unrestricted balances are internally designated for use by university departments to support working capital needs, to fund related academic or research programs, and to provide for unanticipated shortfalls in revenues and deviations in enrollment.

Under the university's decentralized management structure, it is the responsibility of individual departments to determine whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted funds are available.

For internal financial management purposes, the university classifies financial resources into funds that reflect the specific activities, objectives or restrictions of the resources.

Cash and Investments

Cash and cash equivalents consist primarily of petty cash, demand deposit accounts, money market accounts, savings accounts and investments with original maturities of ninety days or less at the time of purchase. Such investments consist primarily of U.S. Government obligations, U.S. Agency obligations, repurchase agreements and money market funds. Restricted cash consists of bond proceeds restricted for capital expenditures. For purposes of the Statement of Cash Flows, "cash" is defined as the total of these two line items.

Investments are carried at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools,* as amended by GASB Statement No. 72, *Fair Value Measurement and Application*. The average cost method is used for purposes of determining gains and losses on the sale of investments. The specific identification method is used for purposes of determining gains and losses on the sale of gifted securities.

The university holds investments in limited partnerships, private equity and other investments, which are carried at estimated fair value provided by the management of these limited partnerships. The purpose of this alternative investment class is to increase portfolio diversification and reduce risk due to the low correlation with other asset classes. Investments in these limited partnerships are fair valued based on the university's proportional share of the net asset value of the total fund. Because these investments are not readily marketable, the estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had a ready market for the investments existed, and such differences could be material. As of June 30, 2020, the university has made commitments to limited partnerships totaling $1,279,893 that have not yet been funded. These commitments may extend for a maximum of twelve years.

Investment income is recognized on an accrual basis. Interest and dividend income is recorded when earned.

Endowment Policy

All endowments are invested in the university's Long Term Investment Pool, which consists of 5,892 Board authorized funds and 219 pending funds. Each named fund is assigned a number of shares in the Long Term Investment Pool based on the value of the gifts, income-to-principal transfers, or transfers of operating funds to that named fund. For donor restricted endowments, the Uniform Prudent Management of Institutional Funds Act (UPMIFA), as adopted in Ohio, permits the university's Board of Trustees to appropriate an amount of realized and unrealized endowment appreciation as the Board deems prudent. The UPMIFA, as adopted in Ohio, establishes a 5% safe harbor of prudence for funds appropriated for expenditure. Net realized and unrealized appreciation, after the spending rule distributions, is retained in the Long Term Investment Pool, and the associated net position is classified as restricted-expendable, unless otherwise restricted by the donor.

Annual distributions to named funds in the Long Term Investment Pool are computed using the share method of accounting for pooled investments. The annual distribution per share is 4.5% of the average fair value per share of the Long Term Investment Pool over the most recent seven year period.

At June 30, 2020, the fair value of the university and Foundation gifted endowments is $2,034,290, which is $238,321 above the historical dollar value of $1,795,969. Although the fair value of the gifted endowments in total exceeds the historical cost at June 30, 2020, there are 2,689 named funds that remain underwater. The fair value of these underwater funds at June 30, 2020 is $858,109, which is $78,992 below the historical dollar value of $937,101.

At June 30, 2019, the fair value of the university and Foundation gifted endowments is $2,039,437, which is $315,252 above the historical dollar value of $1,724,185. Although the fair value of the gifted endowments in total exceeds the historical cost at June 30, 2019, there are 1,704 named funds that remain underwater. The fair value of these underwater funds at June 30, 2019 is $563,140, which is $51,189 below the historical dollar value of $614,329.

The depreciation on non-expendable endowment funds is recorded as a reduction to restricted non-expendable net position. Recovery on these funds is recorded as an increase in restricted non-expendable up to the historical value of each fund. Per UPMIFA (§ 1715.53(D)(C), the reporting of such deficiencies does not create an obligation on the part of the endowment fund to restore the fair value of those funds.

Gift Pledges Receivable

The university receives pledges and bequests of financial support from corporations, foundations and individuals. Revenue is recognized when a pledge representing an unconditional promise to pay is received and all eligibility requirements have been met. In the absence of such promise, revenue is recognized when the gift is received. In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*, endowment pledges are not recorded as assets until the related gift is received.

An allowance for uncollectible pledges receivable is provided based on management's judgment of potential uncollectible amounts and includes such factors as prior collection history, type of gift and nature of fundraising.

Inventories

The university's inventories, which consist principally of publications, general stores and other goods for resale by earnings operations, are valued at the lower of moving average cost or market. The inventories of the Health System, which consist principally of pharmaceuticals and operating supplies, are valued at cost on a first-in, first-out basis.

Capital Assets and Collections

Capital assets are long-life assets in the service of the university and include land, buildings, improvements, equipment, software and library books. Capital assets are stated at cost or acquisition value at date of gift. Depreciation of capital assets (excluding land and construction in progress) is provided on a straight-line basis over the following estimated useful lives:

Type of Asset	Estimated Useful Life
Improvements other than buildings	20 years
Buildings	10 to 100 years
Moveable equipment, software and furniture	5 to 15 years
Library books	10 years

The university does not capitalize works of art or historical treasures that are held for exhibition, education, research and public service. These collections are neither disposed of for financial gain nor encumbered in any way. Accordingly, such collections are not recognized or capitalized for financial statement purposes.

Advance Payments for Goods and Services

Advance payments for goods and services primarily consist of receipts relating to tuition, room, board, grants, contracts and athletic events received in advance of the services to be provided. Tuition and fees relating to the summer academic term are recorded as revenue in the year to which they pertain. The university will recognize revenue to the extent these services are provided over the coming fiscal year.

Derivative Instruments

Derivative instruments are reported at fair value in the Statement of Net Position. The university has entered into interest-rate swap agreements, which are considered effective hedging derivatives. Changes in the fair value of these instruments are reported as deferred outflows in the Statement of Net Position. Additional information on derivative instruments is provided in Note 10.

Operating and Non-Operating Revenues and Expenses

The university defines operating activities, for purposes of reporting on the Statement of Revenues, Expenses, and Changes in Net Position, as those activities that generally result from exchange transactions, such as payments received for providing services and payments made for goods or services received. With the exception of interest expense on long-term indebtedness and certain expenses related to investments, substantially all university expenses are considered to be operating expenses. Certain significant revenue streams relied upon for operations are recorded as non-operating revenues, as defined by GASB Statement No. 35, including state appropriations, current-use gifts and net investment income. In addition, amounts provided to the university under CARES Act grant programs are recognized as non-operating revenues as eligibility requirements are met.

Tuition, Room and Board

Student tuition and residence hall fees are presented net of scholarships and fellowships applied to student accounts. Stipends and other payments made directly to students are presented as scholarship and fellowship expense. Fee authorizations provided to graduate teaching, research and administrative associates as part of an employment arrangement are presented in instruction, research and other functional categories of operating expense.

State Support

The university is a state-assisted institution of higher education which receives a student enrollment-based instructional subsidy from the State of Ohio. This subsidy, which is based upon a formula devised by the Ohio Board of Regents, is determined annually and is adjusted to state resources available.

The state also provides line-item appropriations which partially support the current operations of various activities, which include clinical teaching expenditures incurred at The Ohio State University Health System and other health sciences teaching facilities, The Ohio State University Extension, the Ohio Agricultural Research and Development Center, and the Center for Labor Research.

In addition to current operating support, the State of Ohio provides the funding for and constructs major plant facilities on the university's campuses, and this funding is recorded as state capital appropriations. The funding is obtained from the issuance of revenue bonds by the Ohio Public Facilities Commission (OPFC) which, in turn, initiates the construction and subsequent lease of the facility by the Ohio Board of Regents. Such facilities are reflected as buildings or construction in progress in the accompanying statement of net position. Neither the obligations for the revenue bonds issued by OPFC nor the annual debt service charges for principal and interest on the bonds are reflected in the university's financial statements.

Debt service is funded through appropriations to the Ohio Board of Regents by the General Assembly. These 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.

Government Grants and Contracts

Government grants and contracts normally provide for the recovery of direct and indirect costs and are subject to audit by the appropriate government agency. Federal funds are subject to an annual OMB Uniform Guidance audit. Recovery of related indirect costs is generally recorded at fixed rates negotiated for a period of one to three years.

The university generally considers grants, contracts and non-capital appropriations to be exchange transactions. Under these arrangements, the university provides a bargained-for benefit, typically in the form of instruction, research or public service programs, either directly to the funding entity or to its constituents. The overall scope and nature of these program activities is determined by the level of funding and the requirements set forth by these resource providers.

CARES Act Assistance

The Coronavirus Aid, Relief, and Economic Security (CARES) Act – which was enacted March 27, 2020 in response to the COVID-19 outbreak – includes provisions to provide support to individuals, companies and non-profit institutions in the form of loans, grants, tax changes and other types of relief. CARES Act Provider Relief Funds were distributed for lost revenues and healthcare related expenses due to operational changes to prepare for treating patients with COVID-19. During fiscal year 2020, the Health System and OSU Physicians received and recognized $143,301 and $11,805 in revenue, respectively, related to CARES Act Provider Relief Funds. The University received Higher Education Relief Funds of $14,757 to provide emergency financial aid to students to mitigate the impacts of loss revenue and additional technology expenses associated with moving to online education. Amounts provided to the university under CARES Act grant programs are recognized as non-operating revenues in the Statement of Revenues, Expenses and Changes in Net Position as eligibility requirements are met.

To minimize the impact of disruptions in claims processing as a result of COVID-19, the Centers for Medicare & Medicaid Services (CMS) introduced an advanced payment program for health care providers as part of the CARES Act. The advance payments will be recovered from processing Medicare claims during the twelve-month repayment period, expected to begin during the 2021 fiscal year. To the extent the advances are not recovered during the repayment period, as defined by CMS, the advances are due on demand. The advances are interest free during the repayment period; however, if the Medical Centers elect an extended repayment period, interest will be charged at the prevailing Treasury rate. The Health System and OSU Physicians received $274,915 and $12,585, respectively, in Medicare advance payments. These amounts are considered short-term loans and are reported as current liabilities in the Statement of Net Position.

OSU Health System Revenue

Net patient service revenue represents amounts received and the estimated realizable amounts due from patients and third-party payors for services rendered net of contractual allowances, charity care and bad debt expenses. Revenue received under third-party cost reimbursement agreements (primarily the federal Medicare and Medicaid programs) are subject to examination and retroactive adjustments by the agencies administering the programs. In the normal course of business, the Health System contests certain issues resulting from examination of prior years' reimbursement reports. The accompanying financial statements include provisions for estimated retroactive adjustments arising from such examinations and contested issues. The Health System recognizes settlements of protested adjustments or appeals upon resolution of the matters.

OSU Physicians Revenue

Net patient service revenue represents amounts received and the estimated realizable amounts due from patients and third-party payors for services rendered net of contractual allowances, charity care, self-pay discounts and bad debt expenses.

OSU Physicians (OSUP), a discretely presented component unit of the university, provides care to patients under various reimbursable agreements, including governmental and commercial payors (third party payors). These arrangements provide for payment for covered services at agreed-upon rates and under certain fee schedules and various discounts from charges. Provisions have been made in the financial statements for estimated contractual adjustments, representing the difference between the customary charges for services rendered and related reimbursements, and for administrative adjustments.

Charity Care and Community Benefit

Care is provided to patients regardless of their ability to pay. A patient is classified as charity care in accordance with policies established by the OSU Health System and OSUP. Because collection of amounts determined to qualify as charity care are not pursued, such amounts are written off and not reported as gross patient service revenue. OSU Health System and OSUP maintain records to identify and monitor the level of charity care provided, including the amount of charges foregone for services rendered. Net charity care costs for the OSU Health System for the years ended June 30, 2020 and 2019 are $52,589 and $50,336, respectively, after applying a decrease of $5,661 and $3,443, respectively, for support received under the Health Care Assurance Program (HCAP). HCAP is administered by the State of Ohio to help hospitals cover a portion of the cost of providing charity care. Charity care costs for OSUP for the years ended June 30, 2020 and 2019 are $8,437 and $7,856, respectively.

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, liabilities, revenues and expenditures during the reporting period. Disclosure of contingent assets and liabilities at the date of the financial statements may also be affected. Actual results could differ from those estimates.

(dollars in thousands)

Change in Financial Reporting Entity

Effective March 3, 2020, the Science and Technology Campus Corporation (SciTech) adopted an Amended and Restated Code of Regulations which included new provisions on board composition and reserved powers for directors appointed by the university. As a result of these changes, SciTech is considered to be fiscally dependent on the university and is now subject to consolidation in the university's financial reports as a discretely presented component unit.

The cumulative effect of this change in the reporting entity was a $16,629 increase in net position for the university's discretely presented component units as of July 1, 2018. The effects of the change in reporting entity in the university's financial statements for the year ended June 30, 2019 were as follows:

	As Previously Reported	Effect of Change in Reporting Entity	As Restated
Statement of Net Position - Primary Institution			
Notes receivable, net	$ 60,750	$ (11,934)	$ 48,816
Total noncurrent assets	11,436,031	(11,934)	11,424,097
Total assets	15,616,919	(11,934)	15,604,985
Amounts due to (from) primary institution - current	(21,884)	(939)	(22,823)
Total current liabilities	1,604,291	(939)	1,603,352
Amounts due to (from) primary institution - noncurrent	(98,022)	(10,995)	(109,017)
Total noncurrent liabilities	9,057,241	(10,995)	9,046,246
Total liabilities	10,661,532	(11,934)	10,649,598

(dollars in thousands)

Statement of Net Position - Discretely Presented Component Units	As Previously Reported	Effect of Change in Reporting Entity	As Restated
Cash and cash equivalents	$ 138,936	$ 5,218	$ 144,154
Accounts receivable, net	63,003	593	63,596
Notes receivable - current portion, net	87	440	527
Inventories and prepaid expenses	4,597	46	4,643
Total Current Assets	245,479	6,297	251,776
Notes receivable, net	2,461	474	2,935
Other long-term investments	-	-	-
Capital assets, net	164,152	28,012	192,164
Total Noncurrent Assets	166,613	28,486	195,099
Total Assets	412,092	34,783	446,875
Accounts payable and accrued expenses	20,047	494	20,541
Deposits and advance payments for goods and services	2,111	225	2,336
Current portion of bonds, notes and leases payable	1,343	497	1,840
Amounts due to (from) primary institution - current	21,884	939	22,823
Total Current Liabilities	51,182	2,155	53,337
Bonds, notes and leases payable	18,161	759	18,920
Other noncurrent liabilities	24,603	1,961	26,564
Amounts due to (from) primary institution - noncurrent	98,022	10,995	109,017
Total Noncurrent Liabilities	140,982	13,715	154,697
Total Liabilities	192,164	15,870	208,034
Net investment in capital assets	143,730	15,581	159,311
Unrestricted	76,209	3,332	79,541
Total Net Position	219,939	18,913	238,852

(dollars in thousands)

	As Previously Reported	Effect of Change in Reporting Entity	As Restated
Statement of Revenues, Expenses and Changes in Net Position - Discretely Presented Component Units			
Private grants and contracts	$ 36,447	$ 7,639	$ 44,086
Total Operating Revenues	619,743	7,639	627,382
Public service	9,153	3,392	12,545
Depreciation	7,467	1,310	8,777
Total Operating Expenses	570,522	4,702	575,224
Net Operating Income (Loss)	49,221	2,937	52,158
Interest expense on plant debt	(960)	(653)	(1,613)
Net Non-operating Revenue	(21,226)	(653)	(21,879)
Income (Loss) before Changes in Net Position	27,995	2,284	30,279
Increase in Net Position	47,922	2,284	50,206

	As Previously Reported	Effect of Change in Reporting Entity	As Restated
Statement of Cash Flows - Discretely Presented Component Units			
Grant and contract receipts	$ 51,383	$ 6,183	$ 57,566
Payments to vendors for supplies and services	(104,119)	(3,354)	(107,473)
Net cash provided (used) by operating activities	45,897	2,829	48,726
Other receipts (payments)	(6,578)	(895)	(7,473)
Net cash provided (used) by noncapital financing activities	(6,578)	(895)	(7,473)
Payments for purchase or construction of capital assets	(34,848)	(257)	(35,105)
Principal payments on capital debt and leases	(894)	(497)	(1,391)
Interest payments on capital debt and leases	(968)	(653)	(1,621)
Net cash (used) by capital financing activities	(28,904)	(1,407)	(30,311)
Net increase in cash	2,838	527	3,365
Cash and cash equivalents - beginning of year	136,098	4,691	140,789
Cash and cash equivalents - end of year	138,936	5,218	144,154

Newly Issued Accounting Pronouncements

In order to provide temporary relief to governments in light of the COVID-19 pandemic, the GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. This Statement – which was issued in May 2020 and is effective immediately – extends the effective dates of certain accounting and financial reporting provisions in Statements and Implementation Guides that were first effective for reporting periods beginning after June 15, 2018. The effective dates of the accounting pronouncements listed below have been updated in accordance with Statement No. 95.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. This standard establishes criteria for identifying and reporting fiduciary activities of all state and local governments. The focus of the criteria generally is whether a government is controlling the assets of the fiduciary activity and the beneficiaries with whom a fiduciary relationship exists. Governments with activities meeting the criteria are required to present these activities in a statement of fiduciary net position and a statement of changes in fiduciary net position. An exception to this requirement is provided for a business-type activity that expects to hold assets in a custodial fund for three months or less. This standard is effective for periods beginning after December 15, 2019 (FY2021).

In June 2017, the GASB issued Statement No. 87, *Leases*. This standard establishes accounting and reporting for leases, based on the foundational principle that all leases are financings of the right to use an underlying asset for a period of time. Lessees will record an intangible right-of-use asset and corresponding lease liability. Lessors will record a lease receivable and a corresponding deferred inflow of resources. The standard provides an exception for short-term leases with a maximum possible term of 12 months or less. This standard is effective for periods beginning after June 15, 2021 (FY2022).

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This standard requires that interest cost incurred during the period of construction be recognized as an expense in the period in which the cost is incurred. These costs will no longer be included in the historical costs of capital assets. The standard is effective for periods beginning after December 15, 2020 (FY2022) and will be applied on a prospective basis.

In August 2018, the GASB issued Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*. This standard establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit. The standard is effective for periods beginning after December 15, 2019 (FY2021).

In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates (IBOR).* Due to global reference rate reform, the London Interbank Offered Rate (LIBOR) is expected to cease to exist at the end of 2021. This standard addresses accounting and financial reporting implications that result from the replacement of an IBOR. The standard is effective for periods beginning after December 31, 2021 (FY2023).

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. This standard addresses P3s and APAs and amends current guidance in GASB 60, Accounting and Financial Reporting for Service Concession Arrangements. In general, the standard applies the right-of-use model set forth in GASB 87 to P3 arrangements and provides accounting and disclosure guidance for both transferors and operators of governmental assets. The standard is effective for periods beginning after June 15, 2022 (FY2023).

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement requires recognition of a right-to-use subscription asset, initially measured as the sum of the initial subscription liability amount, payments made to the vendor before commencement of the subscription term, and capitalizable implementation costs The subscription asset is then amortized over the subscription term. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022 (FY2023), and all reporting periods thereafter.

In June 2020, the GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. This Statement clarifies how the absence of a governing board should be considered in determining whether a primary government is financially accountable for purposes of evaluating potential component units and modifies the applicability of certain component unit criteria as they relate to defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans. It also establishes accounting and financial reporting requirements for Section 457 plans that meet the definition of a pension plan and for benefits provided through those plans and modifies the investment valuation requirements for all Section 457 plans. The provisions that limit the applicability of the "absence of a governing board" and "financial burden" criteria to arrangements other than defined contribution plans would be effective immediately; other provisions would be effective for reporting periods beginning after June 15, 2021.

University management is currently assessing the impact that implementation of GASB Statements No. 84, 87, 89, 90, 94, 96 and 97 will have on the university's financial statements.

Other

The university is exempt from income taxes under Internal Revenue service rules. Any unrelated business income is taxable.

NOTE 2 — CASH AND CASH EQUIVALENTS

At June 30, 2020, the carrying amount of the primary institution's cash, cash equivalents and restricted cash is $2,246,110 as compared to bank balances of $2,239,213. The differences in carrying amount and bank balances are caused by outstanding checks and deposits in transit.

Of the bank balances, $307,728 is covered by federal deposit insurance and $1,931,485 is uninsured but collateralized by pools of securities pledged by the depository banks and held in the name of the respective banks.

At June 30, 2019, the carrying amount of the primary institution's cash, cash equivalents and restricted cash is $2,062,197 as compared to bank balances of $2,073,030. The differences in carrying amount and bank balances are caused by outstanding checks and deposits in transit. Of the bank balances, $180,099 is covered by federal deposit insurance and $1,892,931 is uninsured but collateralized by pools of securities pledged by the depository banks and held in the name of the respective banks.

At June 30, 2020, the carrying amount of the discretely presented component units' cash, cash equivalents and restricted cash is $186,705 as compared to bank balances of $188,647. The differences in carrying amount and bank balances are caused by outstanding checks and deposits in transit. Of the bank balances, $5,364 is covered by federal deposit insurance and $183,283 is uninsured but collateralized by pools of securities pledged by the depository banks and held in the name of the respective banks.

At June 30, 2019, the carrying amount of the discretely presented component units' cash, cash equivalents and restricted cash is $144,154 as compared to bank balances of $147,820. The differences in carrying amount and bank balances are caused by outstanding checks and deposits in transit. Of the bank balances, $5,048 is covered by federal deposit insurance and $142,772 is uninsured but collateralized by pools of securities pledged by the depository banks and held in the name of the respective banks

NOTE 3 — INVESTMENTS

University investments are grouped into three major categories for financial reporting purposes: Temporary Investments, the Long-Term Investment Pool and Other Long-Term Investments.

Temporary Investments are amounts available for current operations. The target is to maximize value while protecting the liquidity of the assets. Temporary Investments include the following instruments with varying maturities: obligations of the U. S. Treasury and other federal agencies and instrumentalities, municipal and state bonds, corporate bonds, certificates of deposit, commercial paper, repurchase agreements, money market funds and mutual funds.

The Long-Term Investment Pool is a unitized investment pool consisting of gifted endowment funds of the university, gifted endowment funds of the OSU Foundation, and quasi-endowment funds which are internally designated funds that are to function as endowments.

The Long-Term Investment Pool operates with a long-term investment goal of preserving and maintaining the real purchasing power of the principal while allowing for the generation of a predictable stream of annual distribution.

The university's Board of Trustees approved the following thematic asset classes, allocation ranges and benchmarks for the Long-Term Investment Pool:

Asset Class	Range	Benchmark
Global Equities	40-80%	MSCI All Country World Index (ACWI)
Global Credit	10-50%	Barclays U.S. Aggregate Bond Index
Real Assets	5-20%	U.S. Consumer Price Index (CPI) + 5%

The Global Equities category includes domestic equity, international equity, emerging market equity, hedged funds and private equity. The Global Credit category includes global fixed income and relative value/macro, credit oriented managers and private credit. The Real Assets category includes real estate and infrastructure funds.

Other Long-Term Investments are non-unitized investments that relate primarily to gift arrangements between donors and the OSU Foundation. Included in this category are charitable remainder trust assets invested in mutual funds, OSU Foundation interests in unitrust, gift annuities, annuity trust and pooled income agreements, life insurance policies for which the OSU Foundation has been named owner and beneficiary, and certain real estate investments. Also included in this category are other private equity investments and investments in certain organizations that are affiliated with the OSU Health System.

U. S. Government and Agency securities are invested through trust agreements with banks who keep the securities in their safekeeping accounts at the Federal Reserve Bank in "book entry" form. The banks internally designate the securities as owned by or pledged to the university. Common stocks, corporate bonds and money market instruments are invested through trust agreements with banks who keep the investments in their safekeeping accounts at Northern Trust and BNY Mellon in "book entry" form. The banks internally designate the securities as owned by or pledged to the university.

The cash and cash equivalents amount represents cash held in the Long-Term Investment Pool by various investment managers. Such amounts were generated by gifts received throughout the fiscal year and sales of investments in the Long-Term Investment Pool. Subsequently, the cash and cash equivalents will be used to purchase long-term investments.

(dollars in thousands)

Total university investments by major category for the primary institution at June 30, 2020 and 2019 are as follows:

	Primary Institution 2020	Primary Institution 2019
Temporary Investments	$ 1,788,581	$ 1,738,010
Long-Term Investment Pool:		
Gifted Endowment - University	1,038,113	1,070,008
Gifted Endowment - OSU Foundation	996,177	969,429
Quasi Endowment - Operating	1,363,204	1,289,534
Quasi Endowment - Designated	1,889,637	1,927,788
Total Long-Term Investment Pool	5,287,131	5,256,759
Securities Lending Collateral Investments	12,092	44,391
Other Long-Term Investments	301,676	219,455
Total Investments	$ 7,389,480	$ 7,258,615

Total university investments by investment type for the primary institution at June 30, 2020 are as follows:

	Primary Institution				
	Temporary Investments	Long-Term Investment Pool	Other Long-Term Investments	Securities Lending Collateral Investments	Total
U.S. equity	$ -	$ 664,055	$ -	$ -	$ 664,055
International equity	-	475,277	-	-	475,277
Equity mutual funds	84,580	445,874	21,526	-	551,980
U.S. government obligations	117,993	1,448	510	-	119,951
U.S. government agency obligations	135,206	-	-	-	135,206
Corporate bonds and notes	1,297,564	-	-	-	1,297,564
Bond mutual funds	90,223	-	16,435	-	106,658
Foreign government bonds	7,542	-	-	-	7,542
Real assets	8,999	526,131	22,089	-	557,219
Hedge funds	-	504,888	-	-	504,888
Private equity	-	1,225,211	220,507	-	1,445,718
Commercial paper	26,480	-	-	-	26,480
Cash and cash equivalents	-	1,444,247	-	-	1,444,247
Other	19,994	-	20,609	-	40,603
Securities Lending Collateral Assets:					
Repurchase agreements	-	-	-	4,877	4,877
Variable rate notes	-	-	-	525	525
Commercial Paper	-	-	-	1,300	1,300
Certificates of deposit	-	-	-	4,850	4,850
Cash and other adjustments	-	-	-	540	540
	$ 1,788,581	$ 5,287,131	$ 301,676	$ 12,092	$ 7,389,480

(dollars in thousands)

Total university investments by investment type for the primary institution at June 30, 2019 are as follows:

	Primary Institution				
	Temporary Investments	Long-Term Investment Pool	Other Long-Term Investments	Securities Lending Collateral Investments	Total
U.S. equity	$ 309	$ 533,091	$ -	$ -	$ 533,400
International equity	-	391,301	-	-	391,301
Equity mutual funds	86,616	1,024,535	22,284	-	1,133,435
U.S. government obligations	157,044	554,889	471	-	712,404
U.S. government agency obligations	129,502	-	-	-	129,502
Corporate bonds and notes	1,223,091	-	-	-	1,223,091
Bond mutual funds	92,439	-	16,103	-	108,542
Foreign government bonds	12,380	-	-	-	12,380
Real assets	9,578	525,966	24,884	-	560,428
Hedge funds	-	829,151	-	-	829,151
Private equity	-	903,311	138,625	-	1,041,936
Commercial paper	18,068	-	-	-	18,068
Cash and cash equivalents	-	494,515	-	-	494,515
Other	8,983	-	17,088	-	26,071
Securities Lending Collateral Assets:					
Repurchase agreements	-	-	-	18,703	18,703
Variable rate notes	-	-	-	950	950
Certificates of deposit	-	-	-	24,772	24,772
Cash and other adjustments	-	-	-	(34)	(34)
	$ 1,738,010	$ 5,256,759	$ 219,455	$ 44,391	$ 7,258,615

The components of the net investment income and loss for the primary institution are as follows:

	2020	2019
Interest and dividends	$ 194,485	$ 197,877
Net increase in fair value of investments	88,869	84,112
Investment expenses	(52,164)	(52,326)
Total	$ 231,190	$ 229,663

Information on Fair Value of Investments

Fair value is defined in the accounting standards as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Assets and liabilities reported at fair value are organized into a hierarchy based on the levels of inputs observable in the marketplace that are used to measure fair value.

Inputs are used in applying the various valuation techniques and take into account the assumptions that market participants use to make valuation decisions. Inputs may include price information, credit data, liquidity statistics, and other factors specific to the financial instrument. Observable inputs reflect market data obtained from independent sources. In contrast, unobservable inputs reflect the entity's assumptions about how market participants would value the financial instrument.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following describes the hierarchy of inputs used to measure fair value and the primary valuation methodologies used for financial instruments measured at fair value on a recurring basis:

Level 1 – Prices based on unadjusted quoted prices in active markets that are accessible for identical assets or liabilities are classified as Level 1. Directly held equity securities, registered bond and equity mutual funds, and other miscellaneous investments classified in Level 1 are valued using prices quoted in active markets that the custodian and university have the ability to access.

Level 2 – Quoted prices in the markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly, are classified as Level 2. Level 2 investments include US government agencies and obligations, corporate bonds, municipal bonds, foreign government bonds, repurchase agreements, commercial paper, and other debt related investments. The evaluated prices may be determined by factors which include, but are not limited to, market quotations, yields, maturities, call features, ratings, institutional size trading in similar groups of securities and developments related to specific securities.

Level 3 – Investments classified as Level 3 have significant unobservable inputs, as they trade infrequently or not at all. The inputs into the determination of fair value of these investments are based upon the best information in the circumstance and may require significant management judgment. Investments included in Level 3 consist primarily of the university's ownership in real estate, limited partnerships and equity positions in private companies.

Net Asset Value (NAV) – Investments whose fair value is measured at NAV are excluded from the fair value hierarchy. Investments in non-governmental entities that do not have a readily determinable fair value may be valued at NAV if the NAV is determined in accordance with the fair value measurement principles provided by the FASB standards relevant to investment companies. Interest in investment funds with a NAV reported under an alternative basis or meet the intent to sell criteria are reflected as Level 3 investments.

(dollars in thousands)

Investments measured at NAV consist mainly of non-publicly traded mutual funds, hedge funds, private equity, and other alternative funds. These assets are valued by the associated external investment manager/general partner and reviewed by the university using the most recent audited and unaudited financial statements available.

Not Leveled – Cash is not measured at fair value and, thus, is not subject to the fair value disclosure requirements. Cash not subject to such requirements amounted to $118,873 and $37,109 at June 30, 2020 and 2019, respectively.

Investments by fair value category for the primary institution at June 30, 2020 are as follows:

	Primary Institution				
	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	NAV as Practical Expedient (NAV)	Total Fair Value
U.S. equity	$ 664,055	$ -	$ -	$ -	$ 664,055
International equity	475,277	-	-	-	475,277
Equity mutual funds	198,477	-	-	353,503	551,980
U.S. government obligations	1,448	118,503	-	-	119,951
U.S. government agency obligations	-	135,206	-	-	135,206
Corporate bonds and notes	-	1,297,564	-	-	1,297,564
Bond mutual funds	106,658	-	-	-	106,658
Foreign government bonds	-	7,542	-	-	7,542
Real assets	15,743	-	93,357	448,119	557,219
Hedge funds	-	-	-	504,888	504,888
Private equity	-	-	273,589	1,172,129	1,445,718
Commercial paper	-	26,480	-	-	26,480
Cash equivalents	1,325,374	-	-	-	1,325,374
Other	-	19,543	21,060	-	40,603
Securities Lending Collateral Assets:					
Repurchase agreements	-	4,877	-	-	4,877
Variable rate notes	-	525	-	-	525
Commercial paper	-	1,300	-	-	1,300
Certificates of deposit	-	4,850	-	-	4,850
Other adjustments	542	(2)	-	-	540
	$ 2,787,574	$ 1,616,388	$ 388,006	$ 2,478,639	$ 7,270,607

(dollars in thousands)

Investments by fair value category for the primary institution at June 30, 2019 are as follows:

	Primary Institution				
	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	NAV as Practical Expedient (NAV)	Total Fair Value
U.S. equity	$ 533,400	$ -	$ -	$ -	$ 533,400
International equity	391,301	-	-	-	391,301
Equity mutual funds	188,590	-	-	944,845	1,133,435
U.S. government obligations	8,311	704,093	-	-	712,404
U.S. government agency obligations	-	129,502	-	-	129,502
Corporate bonds and notes	-	1,220,966	2,125	-	1,223,091
Bond mutual funds	108,542	-	-	-	108,542
Foreign government bonds	-	12,380	-	-	12,380
Real assets	19,719	-	313,986	226,723	560,428
Hedge funds	-	-	-	829,151	829,151
Private equity	-	-	187,790	854,146	1,041,936
Commercial paper	-	18,068	-	-	18,068
Cash equivalents	457,406	-	-	-	457,406
Other	-	8,551	17,520	-	26,071
Securities Lending Collateral Assets:					
Repurchase agreements	-	18,703	-	-	18,703
Variable rate notes	-	950	-	-	950
Commercial paper	-	-	-	-	-
Certificates of deposit	-	24,772	-	-	24,772
Other adjustments	-	(34)	-	-	(34)
	$ 1,707,269	$ 2,137,951	$ 521,421	$ 2,854,865	$ 7,221,506

Additional Information on Investments Measured at the NAV

Additional information on fair values, unfunded commitments, remaining life and redemption for investments measured at the NAV for the primary institution at June 30, 2020 is as follows:

	Fair Value	Unfunded Commitments	Remaining Life	Redemption Notice Period	Redemption Restrictions
Equity mutual funds - non-public international	$ 353,503	$ -	No limit	1 to 30 days	None
Hedge funds - absolute return, credit, long/short equities	504,888	-	No limit	30 to 180 day notice periods	Lock-up provisions ranging from none to 2 years; side pockets on a few funds
Private equity - private credit, buyouts, venture, secondary	1,172,129	844,093	1-12 years	Partnerships ineligible for redemption	Not redeemable
Real assets - natural resources, real estate, intrastructure	448,119	199,050	1-12 years	Partnerships ineligible for redemption	Not redeemable
	$ 2,478,639	$ 1,043,144			

(dollars in thousands)

Additional Risk Disclosures for Investments

GASB Statements No. 3 and 40 require certain additional disclosures related to the liquidity, interest-rate, custodial, credit and foreign currency risks associated with deposits and investments.

Liquidity risk – The university's private equity and real asset investments are illiquid and subject to redemption restrictions in accordance with their respective governing documents.

Interest-rate risk – Interest-rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments with interest rates that are fixed for longer periods are likely to be subject to more variability in their fair values as a result of future changes in interest rates.

The maturities of the university's interest-bearing investments for the primary institution at June 30, 2020 are as follows:

	Primary Institution				
		Investment Maturities (in years)			
	Fair Value	Less than 1	1 to 5	6 to 10	More than 10
U.S. government obligations	$ 119,951	$ 18,089	$ 92,464	$ 9,398	$ -
U.S. government agency	-				
obligations	135,100	4,045	22,649	24,953	83,453
Commercial paper	26,480	26,480	-	-	-
Corporate bonds	1,297,564	326,619	796,759	80,752	93,434
Bond mutual funds	106,658	1,800	66,342	23,578	14,938
Other governmental bonds	19,543	1,108	15,568	994	1,873
Foreign governmental bonds	7,542	-	7,542	-	-
Securities Lending Collateral:					
Repurchase agreements	4,877	4,877	-	-	-
Certificates of deposit	525	525	-	-	-
Commercial paper	1,300	1,300	-	-	-
Variable rate notes	4,850	4,850	-	-	-
Total	$ 1,724,390	$ 389,693	$ 1,001,324	$ 139,675	$ 193,698

(dollars in thousands)

The maturities of the university's interest-bearing investments for the primary institution at June 30, 2019 are as follows:

	Primary Institution				
		Investment Maturities (in years)			
	Fair Value	Less than 1	1 to 5	6 to 10	More than 10
U.S. government obligations	$ 712,404	$ 583,306	$ 111,097	$ 18,001	$ -
U.S. government agency	-				
obligations	129,502	21,127	12,463	17,203	78,709
Commercial paper	18,068	18,068	-	-	-
Corporate bonds	1,223,091	242,552	828,631	65,590	86,318
Bond mutual funds	108,542	(135)	60,981	32,353	15,343
Other governmental bonds	8,550	1,857	4,226	1,163	1,304
Foreign governmental bonds	12,380	6,014	6,366	-	-
Securities Lending Collateral:					
Repurchase agreements	18,703	18,703	-	-	-
Certificates of deposit	950	950	-	-	-
Commercial paper	-	-	-	-	-
Variable rate notes	24,772	24,772	-	-	-
Total	$ 2,256,962	$ 917,214	$ 1,023,764	$ 134,310	$ 181,674

Custodial credit risk – Custodial credit risk is the risk that, in the event of the failure of the custodian, university investments may not be recovered. It is the policy of the university to hold investments in custodial accounts, and the securities are registered solely in the name of the university. All investments are transacted with nationally reputable brokerage firms offering protection by the Securities Investor Protection Corporation.

Credit risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the holder of the investment. Credit quality information – as commonly expressed in terms of the credit ratings issued by nationally recognized statistical rating organizations such as Moody's Investors Service, Standard & Poor's, or Fitch Ratings – provides a current depiction of potential variable cash flows and credit risk.

Per GASB Statement No. 40, *Deposit and Investment Risk Disclosures, an amendment to GASB Statement No. 3,* securities with split ratings, or a different rating assignment, are disclosed using the rating indicative of the greatest degree of risk.

(dollars in thousands)

The credit ratings of the university's interest-bearing investments for the primary institution at June 30, 2020 are as follows:

	Primary Institution										
	Total	AAA	AA	A	BBB	BB	B	CCC	CC	C	Not Rated
U.S. government											
and agency obligations	$ 255,157	$ 6,431	$ 165,407	$ 77,729	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,590
Corporate bonds	1,297,564	94,714	225,727	468,096	354,052	26,780	2,774	-	-	-	125,421
Bond mutual funds	106,658	20,084	49,875	17,267	17,139	932	680	654	-	-	27
Foreign government bonds	7,542	2,957	1,809	352	-	-	-	-	-	-	2,424
Commercial paper	26,480	-	-	26,480	-	-	-	-	-	-	-
Other government bonds	19,543	575	9,493	7,317	922	-	-	-	-	-	1,236
Securities Lending Collateral:											
Repurchase agreements	4,877	-	-	-	-	-	-	-	-	-	4,877
Certificates of deposit	525	-	-	525	-	-	-	-	-	-	-
Commercial paper	1,300	-	-	1,300	-	-	-	-	-	-	-
Variable rate notes	4,850	-	925	3,925	-	-	-	-	-	-	-
Total	$ 1,724,496	$ 124,761	$ 453,236	$ 602,991	$ 372,113	$ 27,712	$ 3,454	$ 654	$ -	$ -	$ 139,575

The credit ratings of the university's interest-bearing investments for the primary institution at June 30, 2019 are as follows:

	Primary Institution										
	Total	AAA	AA	A	BBB	BB	B	CCC	CC	C	Not Rated
U.S. government											
and agency obligations	$ 841,906	$ 4,746	$ 778,923	$ 55,899	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,338
Corporate bonds	1,223,091	76,957	191,993	440,442	358,615	21,993	652	-	-	-	132,439
Bond mutual funds	108,542	20,337	60,937	11,802	12,155	1,915	653	721	-	-	22
Foreign government bonds	12,380	2,715	201	6,359	-	-	-	-	-	-	3,105
Commercial paper	18,068	-	-	4,985	-	-	-	-	-	-	13,083
Other government bonds	8,550	-	5,110	3,440	-	-	-	-	-	-	-
Securities Lending Collateral:											
Repurchase agreements	18,703	-	-	-	-	-	-	-	-	-	18,703
Certificates of deposit	950	-	-	950	-	-	-	-	-	-	-
Commercial paper	-	-	-	-	-	-	-	-	-	-	-
Variable rate notes	24,772	-	7,855	16,917	-	-	-	-	-	-	-
Total	$ 2,256,962	$ 104,755	$ 1,045,019	$ 540,794	$ 370,770	$ 23,908	$ 1,305	$ 721	$ -	$ -	$ 169,690

Concentration of credit risk – Concentration of credit risk is the risk associated with a lack of diversification, such as having substantial investments in a few individual issuers, thereby exposing the university to greater risks resulting from adverse economic, political, regulatory, geographic or credit developments.

There is no investment in issuers other than U. S. government guaranteed securities that represents five percent or more of investments held at June 30, 2020 and June 30, 2019.

Foreign currency risk – Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit.

(dollars in thousands)

At June 30, 2020, exposure to foreign currency risk for the primary institution is as follows:

	Primary Institution					
	Common Stock	Equity Mutual Funds	Bond Mutual Funds	Corporate Bonds and Notes	Foreign Government Bonds	Partnerships and Hedge Funds
Argentine Peso	$ -	$ -	$ 10	$ -	$ -	$ -
Australian dollar	10,707	18,220	(17)	-	-	-
Bangladeshi taka	-	-	-	-	-	-
Brazilian real	4,197	10,345	20	-	-	-
Canadian dollar	12,121	10,611	136	-	-	-
Chilean peso	482	82	-	-	-	-
Chinese yuan	3,403	81,917	6	-	-	-
Columbian peso	153	26	-	-	-	-
Czech Republic koruna	83	422	2	-	-	-
Danish krone	6,695	4,842	12	-	-	-
Egyptian pound	110	17	-	-	-	-
Euro	138,326	64,318	338	2,136	514	108,723
Great Britain pound sterling	33,694	32,097	8	16,075	-	147,093
Hong Kong dollar	56,825	34,586	(2)	-	-	-
Hungarian forint	171	32	1	-	-	-
Iceland Krona	-	-	33	-	-	-
Indian rupee	6,536	6,898	-	-	-	-
Indonesian rupiah	1,180	1,989	3	-	-	-
Israeli shekel	162	6,909	9	-	-	-
Japanese yen	115,796	36,602	(4)	-	-	-
Kenyan Shilling	-	333	-	-	-	-
Kuwaiti dinar	-	76	-	-	-	-
Malaysian ringgit	1,493	751	1	-	-	-
Mexican peso	1,389	1,644	250	-	-	-
New Taiwan dollar	10,446	14,346	(18)	-	-	-
New Turkish lira	414	826	-	-	-	-
New Zealand dollar	306	926	143	-	-	-
Norwegian krone	4,451	1,945	82	-	-	-
Pakistan rupee	49	8	-	-	-	-
Peruvian nuevo sol	-	3	23	-	-	-
Philippine peso	657	1,031	-	-	-	-
Polish zloty	680	103	4	-	-	-
Qatarian rial	666	97	-	-	-	-
Romanian new leu	-	-	(1)	-	-	-
Russian ruble	2,112	334	9	-	-	-
Saudi Riyal	2,093	315	-	-	-	-
Singapore dollar	928	2,295	3	-	-	-
South African rand	2,948	2,749	-	-	-	-
South Korean Won	14,830	8,782	(6)	-	-	-
Sri Lanka rupee	-	-	-	-	-	-
Swedish krona	10,618	14,990	30	-	-	-
Swiss franc	28,265	13,724	(43)	-	-	19,763
Thailand bhat	1,876	2,081	-	-	-	-
UAE dirham	415	67	-	-	-	-
Total	$ 475,277	$ 377,339	$ 1,032	$ 18,211	$ 514	$ 275,579

(dollars in thousands)

At June 30, 2019, exposure to foreign currency risk for the primary institution is as follows:

	Primary Institution					
	Common Stock	Equity Mutual Funds	Bond Mutual Funds	Corporate Bonds and Notes	Foreign Government Bonds	Partnerships and Hedge Funds
Argentine Peso	$ -	$ -	$ 34	$ -	$ -	$ -
Australian dollar	5,969	31,351	98	-	-	-
Bangladeshi taka	-	-	-	-	-	-
Brazilian real	9,032	7,322	144	-	-	-
Canadian dollar	17,890	10,414	62	627	-	-
Chilean peso	435	196	54	-	-	-
Chinese yuan	663	57,495	5	-	-	-
Columbian peso	181	62	90	-	-	-
Czech Republic koruna	67	670	-	-	-	-
Danish krone	1,236	5,027	3	-	-	-
Egyptian pound	80	274	-	-	-	-
Euro	111,377	83,394	(854)	798	990	89,635
Great Britain pound sterling	40,376	74,112	91	3,545	-	104,324
Hong Kong dollar	24,286	39,176	(320)	-	-	-
Hungarian forint	122	63	-	-	-	-
Iceland Krona	-	-	36	-	-	-
Indian rupee	4,237	2,247	(4)	-	-	-
Indonesian rupiah	952	3,127	186	-	-	-
Israeli shekel	198	134	7	-	-	-
Japanese yen	104,304	51,414	393	-	5,513	-
Kenyan Shilling	-	377	-	-	-	-
Kuwaiti dinar	-	148	-	-	-	-
Malaysian ringgit	987	1,919	(2)	-	-	-
Mexican peso	1,136	2,117	155	-	-	-
New Taiwan dollar	5,141	9,020	(2)	-	-	-
New Turkish lira	253	761	-	-	-	-
New Zealand dollar	288	106	46	-	-	-
Norwegian krone	4,760	3,294	67	-	-	-
Pakistan rupee	33	23	-	-	-	-
Peruvian nuevo sol	-	7	146	-	-	-
Philippine peso	490	722	-	-	-	-
Polish zloty	602	135	122	-	-	-
Qatarian rial	441	241	-	-	-	-
Romanian new leu	-	-	-	-	-	-
Russian ruble	1,435	625	254	-	-	-
Saudi Riyal	616	287	-	-	-	-
Singapore dollar	1,143	7,940	-	-	-	-
South African rand	2,622	6,396	86	-	-	-
South Korean Won	9,700	9,769	(129)	-	-	-
Sri Lanka rupee	-	-	-	-	-	-
Swedish krona	3,916	14,000	126	-	-	-
Swiss franc	34,631	17,664	(114)	-	-	29,825
Thailand bhat	1,416	1,186	(1)	-	-	-
UAE dirham	286	154	-	-	-	-
Total	$ 391,301	$ 443,369	$ 779	$ 4,970	$ 6,503	$ 223,784

Securities Lending

The university has engaged in a securities lending program through its custodian bank of the Long-Term Investment Pool. Securities loaned at June 30, 2020 and 2019 were comprised completely of equities, and these loans were secured by collateral in the form of cash, equities, U.S. government obligations, and foreign government/private debt. All loans must be secured by collateral amounting to no less than 102% of the current fair value of domestic securities loaned and no less than 105% of the current fair value of foreign securities loaned.

As of June 30, 2020, there was no credit risk on securities loaned due to the fair value of the collateral held being greater than the fair value of securities on loan to each individual broker. The university, the custodian, and the borrower each maintain the right to terminate a loan. Upon maturity or termination of a loan agreement, the custodian is contractually obligated to indemnify the university if the borrowers fail to return loaned securities and if liquidation of the collateral is insufficient to replace the value of the securities loaned. Noncash collateral cannot be pledged or sold by the university without a borrower's default. While earning fees received by the university during the loan period, cash collateral is simultaneously invested in short term, highly liquid securities in order to further increase interest earned while also matching a weighted average maturity of loans which is not to exceed 60 days.

As of June 30, 2020, securities loaned by the university amounted to a fair value of $32,319 and were secured by collateral in the amount of $34,499. The portion of this collateral that was received in cash amounted to $12,091 and is reflected within the university's statement of net position as a current asset and a corresponding current liability.

As of June 30, 2019, securities loaned by the university amounted to a fair value of $69,375 and were secured by collateral in the amount of $80,012. The portion of this collateral that was received in cash amounted to $44,387 and is reflected within the university's statement of net position as a current asset and a corresponding current liability.

(dollars in thousands)

NOTE 4 — ACCOUNTS, NOTES AND PLEDGES RECEIVABLE

Accounts receivable for the primary institution at June 30, 2020 and 2019 consist of the following:

	Primary Institution	
	2020	**2019**
Gross receivables - OSU Health System	$ 973,045	$ 1,171,862
Grant and contract receivables	68,675	94,218
Tuition and fees receivable	20,184	21,970
Receivables for departmental and auxiliary sales and services	45,574	51,667
State and federal receivables	14,237	12,382
Other receivables	70	28
Total receivables	1,121,785	1,352,127
Less: Allowances	595,103	716,803
Total receivables, net	$ 526,682	$ 635,324

Allowances consist primarily of allowances for doubtful accounts and contractual adjustments of receivables of the OSU Health System.

Notes receivable consist primarily of Perkins and health professions loans and are net of an allowance for doubtful accounts of $17,673 and $18,149 at June 30, 2020 and 2019, respectively. Federal capital contributions to the Perkins loan programs represent advances which are ultimately refundable to the federal government.

In accordance with GASB Statement No. 33*, Accounting and Reporting for Non-exchange Transactions*, the university has recorded $145,279 in non-endowment pledges receivable and a related allowance for doubtful accounts of $6,790 at June 30, 2020. The university recorded $101,478 in non-endowment pledges receivable and a related allowance for doubtful accounts of $5,787 at June 30, 2019.

Accounts receivable for the discretely presented component units at June 30, 2020 and 2019 consist of the following:

	Discretely Presented Component Units	
	2020	**2019**
Gross receivables - OSU Physicians	$ 118,780	$ 129,817
Other receivables	11,159	13,907
Total receivables	129,939	143,724
Less: Allowances for doubtful accounts	73,384	80,128
Total receivables, net	$ 56,555	$ 63,596

Allowances consist primarily of allowances for doubtful accounts and contractual adjustments of receivables of OSU Physicians.

(dollars in thousands)

NOTE 5 — CAPITAL ASSETS

Capital assets activity for the primary institution for the year ended June 30, 2020 is summarized as follows:

	Primary Institution			
	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets not being depreciated:				
Land	$ 92,809	$ 15,380	$ 53	$ 108,136
Intangibles	18,413	150	-	18,563
Construction in progress	395,784	484,440	-	880,224
Total non depreciable assets	507,006	499,970	53	1,006,923
Capital assets being depreciated:				
Improvements other than buildings	922,499	28,271	-	950,770
Buildings and fixed equipment	6,735,607	168,253	1,124	6,902,736
Movable equipment, furniture and software	1,648,658	161,910	74,859	1,735,709
Library books	194,331	2,571	434	196,468
Total	9,501,095	361,005	76,417	9,785,683
Less: Accumulated depreciation	4,739,738	425,012	72,222	5,092,528
Total depreciable assets, net	4,761,357	(64,007)	4,195	4,693,155
Capital assets, net	$ 5,268,363	$ 435,963	$ 4,248	$ 5,700,078

The increase in construction in progress of $484,440 in fiscal year 2020 represents the amount of capital expenditures for new projects of $609,786, net of assets placed in service of $125,346.

Capital assets activity for the primary institution for the year ended June 30, 2019 is summarized as follows:

	Primary Institution			
	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets not being depreciated:				
Land	$ 89,492	$ 3,317	$ -	$ 92,809
Intangibles	18,413	-	-	18,413
Construction in progress	378,859	16,925	-	395,784
Total non depreciable assets	486,764	20,242	-	507,006
Capital assets being depreciated:				
Improvements other than buildings	833,855	88,659	15	922,499
Buildings and fixed equipment	6,375,994	363,809	4,196	6,735,607
Movable equipment, furniture and software	1,547,854	165,277	64,473	1,648,658
Library books	191,275	3,890	834	194,331
Total	8,948,978	621,635	69,518	9,501,095
Less: Accumulated depreciation	4,392,520	413,039	65,821	4,739,738
Total depreciable assets, net	4,556,458	208,596	3,697	4,761,357
Capital assets, net	$ 5,043,222	$ 228,838	$ 3,697	$ 5,268,363

The increase in construction in progress of $16,925 in fiscal year 2019 represents the amount of capital expenditures for new projects of $573,711, net of assets placed in service of $556,786.

(dollars in thousands)

Capital assets activity for the discretely presented component units for the year ended June 30, 2020 is summarized as follows:

	Discretely Presented Component Units			
	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets not being depreciated:				
Land	$ 29,438	$ 2,023	$ -	$ 31,461
Intangibles	62	-	36	26
Construction in progress	41,676	28,822	-	70,498
Total non depreciable assets	71,176	30,845	36	101,985
Capital assets being depreciated:				
Improvements other than buildings	29,694	1,460	2,886	28,268
Buildings and fixed equipment	134,029	27,601	1,704	159,926
Movable equipment, furniture and software	43,161	4,403	11,620	35,944
Total	206,884	33,464	16,210	224,138
Less: Accumulated depreciation	85,896	10,272	13,322	82,846
Total depreciable assets, net	120,988	23,192	2,888	141,292
Capital assets, net	$ 192,164	$ 54,037	$ 2,924	$ 243,277

The increase in construction in progress of $28,822 in fiscal year 2020 represents the amount of capital expenditures for new projects of $54,390, net of assets placed in service of $25,568.

Capital assets activity for the discretely presented component units for the year ended June 30, 2019 is summarized as follows:

	Discretely Presented Component Units			
	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets not being depreciated:				
Land	$ 25,731	$ 3,741	$ 34	$ 29,438
Intangibles	46	16	-	62
Construction in progress	19,758	21,918	-	41,676
Total non depreciable assets	45,535	25,675	34	71,176
Capital assets being depreciated:				
Improvements other than buildings	26,623	3,705	634	29,694
Buildings and fixed equipment	146,509	5,036	17,516	134,029
Movable equipment, furniture and software	33,574	9,839	252	43,161
Total	206,706	18,580	18,402	206,884
Less: Accumulated depreciation	88,618	8,777	11,499	85,896
Total depreciable assets, net	118,088	9,803	6,903	120,988
Capital assets, net	$ 163,623	$ 35,478	$ 6,937	$ 192,164

The increase in construction in progress of $21,918 in fiscal year 2019 represents the amount of capital expenditures for new projects of $28,072, net of assets placed in service of $6,154.

(dollars in thousands)

The university recognized asset retirement obligations (AROs) of $17,934 and $17,337 at June 30, 2020 and 2019, respectively. Assets with AROs include university facilities in which radioactive materials are used, facilities handling hazardous chemicals or waste and fuel storage tanks, all of which are subject to regulation by the State of Ohio. Liability estimates are based on decommissioning funding plans (for facilities handling radioactive materials) and historical experience (for hazardous waste facilities and fuel storage tanks). The estimated remaining useful lives of these assets range from 0 to 26 years.

NOTE 6 — ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses for the primary institution at June 30, 2020 and 2019 consist of the following:

	Primary Institution	
	2020	2019
Payables to vendors for supplies and services	$ 400,568	$ 326,794
Accrued compensation and benefits	143,389	141,433
Retirement system contributions payable	55,826	84,622
Other accrued expenses	38,967	38,995
Total payables and accrued expenses	$ 638,750	$ 591,844

NOTE 7 — DEPOSITS AND ADVANCE PAYMENTS FOR GOODS AND SERVICES

Deposits and advance payments for goods and services for the primary institution at June 30, 2020 and 2019 consist of the following:

	Primary Institution	
	2020	2019
Current deposits and advance payments:		
Tuition and fees	$ 47,900	$ 45,827
Departmental and auxiliary sales and services	59,338	82,509
Affinity agreements	2,930	3,087
Advance from concessionaire	21,786	21,786
Grant and contract advances	122,426	113,290
Other deposits and advance payments	14,101	15,387
Total current deposits and advance payments	$ 268,481	$ 281,886
Advance from concessionaire	$ 1,002,769	$ 1,024,555
Other non-current deposits and advance payments:	83,779	101,089

(dollars in thousands)

Deposits and advance payments for goods and services for the discretely presented component units at June 30, 2020 and 2019 consist of the following:

	Discretely Presented Component Units 2020	2019
Current deposits and advance payments:		
Unearned rental income and deposits - Campus Partners	$ 1,579	$ 1,439
Unearned revenues - Transportation Research Center	1,095	672
Unearned rental income - SciTech	467	225
Total current deposits and advance payments	$ 3,141	$ 2,336
Non-current deposits and advance payments:		
Unearned rental income - Campus Partners	$ 37,440	$ 24,604
Unearned rental income - SciTech	1,775	1,960
Total (shown as other non-current liabilities)	$ 39,215	$ 26,564

NOTE 8 — SELF-INSURANCE ACCRUALS

The university maintains self-insurance programs for professional medical malpractice, employee health insurance and workers' compensation. Information on each of these programs is provided below.

Medical Malpractice

The university has established trusteed self-insurance funds for professional medical malpractice liability claims with a $4,000 limit per occurrence and $18,000 annual aggregate. The university self-insurance funds have insurance in excess of $4,000 per occurrence through Oval Limited, a blended component unit of the university. Effective July 1, 2016, Oval Limited provides coverage with limits of $85,000 per occurrence and in the aggregate.

Previous coverage levels for Oval Limited are as follows:

Accident Period for Oval	Gross Oval Limit (Occurrence and Annual Aggregate)
7/1/16 – 6/30/20	$85,000
7/1/15 – 6/30/16	$75,000
7/1/08 – 6/30/15	$55,000
7/1/06 – 6/30/08	$40,000
7/1/05 – 6/30/06	$35,000
7/1/02 – 6/30/05	$25,000
7/1/97 – 6/30/02	$15,000
9/30/94 – 6/30/97	$10,000

The limits are in excess of underlying policies with limits of $4,000 per occurrence and $18,000 in the aggregate. For the year ended June 30, 2020, Oval reinsured, in excess of the self-insured retention, 100% of the first $25,000 of risk to Berkley Hathaway Speciality Insurance. The next $20,000 was fully ceded to Endurance Specialty Insurance Ltd, then $20,000 ceded to The Medical Protective Company, with the next $10,000 ceded to Arch Specialty Insurance Company and above that the Company ceded the remaining $10,000 of the risk to Liberty Specialty Markets Bermuda Limited.

The estimated liability and the related contributions to the trustee fund are based upon an independent actuarial determination as of June 30, 2020. OSUP participates in the university self-insurance fund for professional medical malpractice liability claims.

The university's estimate of professional malpractice liability includes provisions for known claims and actuarially determined estimates of incurred but not reported claims and incidents. This liability at June 30, 2020 of the anticipated future payments on gross claims is estimated at its present value of $56,749 discounted at an estimated rate of 3% (university funds) and an additional $19,417 discounted at an estimated rate of 3% (Oval Limited).

Although actual experience upon the ultimate disposition of the claims may vary from this estimate, the self-insurance fund assets of $204,872 (which primarily consist of bond and equity mutual funds, money market funds and U.S. treasury notes) are more than the recorded liability at June 30, 2020, and the surplus of $128,706 is included in unrestricted net position.

At June 30, 2019, the anticipated future payments on gross claims was estimated at its present value of $51,092 discounted at an estimated rate of 3% (university funds) and an additional $19,247 discounted at an estimated rate of 3% (Oval Limited). The self-insurance fund assets of $205,510 (which primarily consist of bond and equity mutual funds, money market funds and U.S. treasury notes) were more than the recorded liability at June 30, 2019, and the surplus of $135,136 was included in unrestricted net position.

Employee Health Insurance

The university is also self-insured for employee health insurance. As of June 30, 2020 and 2019, $32,583 and $37,016, respectively is recorded as a liability relating to both claims received but not paid and estimates of claims incurred but not yet reported.

Workers' Compensation

Effective January 1, 2013, the university became self-insured for workers' compensation. As of June 30, 2020 and 2019, respectively, $18,102 and $19,276, are recorded as a liability relating to both claims received but not paid and estimates of claims incurred but not yet reported.

(dollars in thousands)

Changes in reported self-insurance liabilities for the primary institution since June 30, 2018 result from the following activities:

	Malpractice		Health		Workers' Compensation	
	2020	2019	2020	2019	2020	2019
Liability at beginning of fiscal year	$ 70,339	$ 70,328	$ 37,016	$ 32,997	$ 19,276	$ 20,112
Current year provision for losses	9,036	5,381	373,448	348,520	5,166	6,273
Claim payments	(3,209)	(5,370)	(377,881)	(344,501)	(6,340)	(7,109)
Balance at fiscal year end	$ 76,166	$ 70,339	$ 32,583	$ 37,016	$ 18,102	$ 19,276

NOTE 9 — DEBT

The university may finance the construction, renovation and acquisition of certain facilities through the issuance of debt obligations, which include general receipts bonds, special purpose receipts bonds, capital lease obligations, and other borrowings.

Debt activity for the primary institution for the year ended June 30, 2020 is as follows:

	Primary Institution				
	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Direct Borrowings and Direct Placements - Notes:					
WOSU	$ 1,826	$ -	$ 159	$ 1,667	$ 159
OH Air Quality Note Series A	2,198	-	427	1,771	433
OH Air Quality Note Series B	2,340	-	-	2,340	-
St. Stephens Church Note	2,573	-	84	2,489	88
Direct Borrowings and Direct Placements - Other:					
Capital Lease Obligations	21,001	10,958	7,261	24,698	9,972
Ohio State Energy Partners	41,672	102,811	2,551	141,932	7,570
General Receipts Bonds - Fixed Rate:					
2010A, due serially through 2020	16,325	-	10,200	6,125	6,125
2010C, due 2040	654,785	-	-	654,785	-
2010D, due serially through 2032	84,625	-	-	84,625	4,635
2011, due 2111	500,000	-	-	500,000	-
2012A, due 2030	58,220	-	8,910	49,310	7,870
2012B, due 2033	12,035	-	1,510	10,525	1,540
2014A, due serially through 2044	126,810	-	2,560	124,250	2,690
2016A, due serially through 2111	600,000	-	-	600,000	-
2016B, due serially through 2030	20,465	-	2,930	17,535	1,405
2017, due serially through 2028	69,950	-	7,035	62,915	7,320
2020A, due serially through 2030	-	185,995	-	185,995	7,195
Special Purpose General Receipts Bonds - Fixed Rate:					
2013A, due 2043	337,955	-	-	337,955	-
General Receipts Bonds - Variable Rate:					
1997, due serially through 2027	17,160	-	13,810	3,350	3,350
1999B1, due serially through 2029	10,765	-	9,125	1,640	1,640
2001, due serially through 2032	53,035	-	46,270	6,765	6,765
2003C, due serially through 2031	44,960	-	39,770	5,190	5,190
2005B, due serially through 2035	62,730	-	54,610	8,120	8,120
2008B, due serially through 2028	86,025	-	68,375	17,650	17,650
2010E, due serially through 2035	150,000	-	25,000	125,000	125,000
2014B, due serially through 2044	150,000	-	-	150,000	150,000
	3,127,455	299,764	300,587	3,126,632	374,717
Unamortized Bond Premiums	73,328	46,029	4,812	114,545	-
Total outstanding debt	$ 3,200,783	$ 345,793	$ 305,399	$ 3,241,177	$ 374,717

(dollars in thousands)

Debt activity for the primary institution for the year ended June 30, 2019 is as follows:

	Primary Institution				
	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Direct Borrowings and Direct Placements - Notes:					
WOSU	$ 1,985	$ -	$ 159	$ 1,826	$ 159
OH Air Quality Note Series A	2,618	-	420	2,198	426
OH Air Quality Note Series B	2,340	-	-	2,340	-
St. Stephens Church Note	2,653	-	80	2,573	84
Direct Borrowings and Direct Placements - Other:					
Capital Lease Obligations	15,329	10,958	5,286	21,001	7,262
Ohio State Energy Partners	10,316	31,877	521	41,672	2,551
General Receipts Bonds - Fixed Rate:					
2008A, due serially through 2028	7,570	-	7,570	-	-
2010A, due serially through 2020	40,460	-	24,135	16,325	10,200
2010C, due 2040	654,785	-	-	654,785	-
2010D, due serially through 2032	84,625	-	-	84,625	-
2011, due 2111	500,000	-	-	500,000	-
2012A, due 2030	66,750	-	8,530	58,220	8,910
2012B, due 2033	13,515	-	1,480	12,035	1,510
2014A, due serially through 2044	129,245	-	2,435	126,810	2,560
2016A, due serially through 2111	600,000	-	-	600,000	-
2016B, due serially through 2030	23,255	-	2,790	20,465	2,930
2017, due serially through 2028	69,950	-	-	69,950	7,035
Special Purpose General Receipts Bonds - Fixed Rate:					
2013A, due 2043	337,955	-	-	337,955	-
General Receipts Bonds - Variable Rate:					
1997, due serially through 2027	17,160	-	-	17,160	17,160
1999B1, due serially through 2029	10,765	-	-	10,765	10,765
2001, due serially through 2032	53,035	-	-	53,035	53,035
2003C, due serially through 2031	49,800	-	4,840	44,960	44,960
2005B, due serially through 2035	71,575	-	8,845	62,730	62,730
2008B, due serially through 2028	86,025	-	-	86,025	86,025
2010E, due serially through 2035	150,000	-	-	150,000	150,000
2014B, due serially through 2044	150,000	-	-	150,000	150,000
	3,151,711	42,835	67,091	3,127,455	618,302
Unamortized Bond Premiums	81,211	-	7,883	73,328	-
Total outstanding debt	$ 3,232,922	$ 42,835	$ 74,974	$ 3,200,783	$ 618,302

(dollars in thousands)

Debt activity for the discretely presented component units for the year ended June 30, 2020 is as follows:

	Discretely Presented Component Units				
	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Direct Borrowings and Direct Placements:					
OSU Physicians - Series 2013 Health Care Facilities Revenue Bond, due through 2035	$ 11,673	$ -	$ 333	$ 11,340	$ 586
OSU Physicians - Term Loan Payable, due 2023	1,347	-	510	837	277
TRC Ohio Development Service Agency Note Payable	4,691	-	237	4,454	237
Campus Partners - Columbus Foundation Note Payable	1,747	-	1,747	-	-
SciTech - Project Notes Series 2001	670	-	330	340	340
SciTech - Credit Facility	586	-	167	419	167
Campus Partners PPP Loan	-	288	-	288	-
Campus Partners EIDL Loan	-	160	-	160	-
Campus Partners Finance Fund Loan	-	59	-	59	-
Capital Lease Obligations	46	-	46	-	-
Total outstanding debt	$ 20,760	$ 507	$ 3,370	$ 17,897	$ 1,607

Debt activity for the discretely presented component units for the year ended June 30, 2019 is as follows:

	Discretely Presented Component Units				
	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Direct Borrowings and Direct Placements:					
OSU Physicians - Series 2013 Health Care Facilities Revenue Bond, due through 2035	$ 12,437	$ 47	$ 811	$ 11,673	$ 895
OSU Physicians - Term Loan Payable, due 2023	1,347	-	-	1,347	-
TRC Ohio Development Service Agency Note Payable	5,000	-	309	4,691	314
Campus Partners - Columbus Foundation Note Payable	1,833	-	86	1,747	88
Campus Partners - Edwards TIF Note Payable	1,650	350	2,000	-	-
SciTech - Project Notes Series 2001	990	-	320	670	330
SciTech - Credit Facility	763	-	177	586	167
Capital Lease Obligations	97	4	55	46	46
Total outstanding debt	$ 24,117	$ 401	$ 3,758	$ 20,760	$ 1,840

(dollars in thousands)

Debt obligations are generally callable by the university, bear interest at fixed and variable rates ranging from 0% to 6% and mature at various dates through 2111. Maturities and interest on debt obligations for the next five years and in five-year periods for the primary institution are as follows:

	Primary Institution				
	Bonds		Direct Borrowings and Direct Placements		
	Principal	Interest	Principal	Interest	Total
2021	$ 356,495	$ 131,284	$ 18,222	$ 10,071	$ 516,072
2022	57,345	128,476	14,654	9,603	210,078
2023	65,100	125,865	13,787	8,850	213,602
2024	61,075	122,753	11,102	8,693	203,623
2025	55,115	119,916	7,836	8,026	190,893
2026-2030	249,060	562,396	40,348	31,882	883,686
2031-2035	120,500	521,048	28,987	19,969	690,504
2036-2040	780,890	497,150	26,293	10,188	1,314,521
2041-2045	106,155	249,984	13,668	2,778	372,585
2046-2050	350,000	190,540	-	-	540,540
2051-2055	-	170,600	-	-	170,600
2056-2060	250,000	135,180	-	-	385,180
2061-2065	-	120,000	-	-	120,000
2066-2070	-	120,000	-	-	120,000
2071-2075	-	120,000	-	-	120,000
2076-2080	-	120,000	-	-	120,000
2081-2085	-	120,000	-	-	120,000
2086-2090	-	120,000	-	-	120,000
2091-2195	-	120,000	-	-	120,000
2096-2100	-	120,000	-	-	120,000
2101-2105	-	120,000	-	-	120,000
2106-2110	-	120,000	-	-	120,000
2111-2115	500,000	500,000	-	-	1,000,000
	$ 2,951,735	$ 4,655,192	$ 174,897	$ 110,060	$ 7,891,884

(dollars in thousands)

Maturities and interest on debt obligations for the next five years and in five-year periods for the discretely presented component units are as follows:

	Discretely Presented Component Units		
	Direct Borrowings and Direct Placements		
	Principal	Interest	Total
2021	$ 1,607	$ 33	$ 1,640
2022	1,879	41	1,920
2023	1,297	38	1,335
2024	957	34	991
2025	977	31	1,008
2026-2030	5,194	105	5,299
2031-2035	5,215	22	5,237
2036-2040	771	-	771
	$ 17,897	$ 304	$ 18,201

General receipts bonds are backed by the unrestricted receipts of the university, excluding certain items as described in the bond indentures.

University bond indentures include provisions for Events of Default and Remedies. In general, if the university fails to pay any interest or principal when it is due and payable, the Trustee may, upon the request of the holders of at least 25% of the outstanding principal on the bonds, declare the principal and any accrued interest as immediately due and payable. For the Series 2013A Special Purpose General Receipts bonds, Events of Default also include failure to "set rates, charges and fees in each Fiscal Year so as to cause Special Purpose Pledged Revenues to be in an amount not less than 1.1 times the aggregate debt service for the then-current Fiscal Year on all Special Purpose General Receipts Obligations".

The university's private and direct placement debt consists primarily of long-term payables to Ohio State Energy Partners (OSEP) for capital improvements. The university's Utility System Lease and Concession Agreement with OSEP includes Events of Default, including the failure to pay the Utility Fee. If the university fails to remedy the default as specified in the agreement, OSEP may terminate the agreement and require the university to pay OSEP the Utility System Concession Value as of the date of such termination. The Utility System Concession Value is defined as the fair market value of the Concessionaire Interest in the lease and concession agreement and would include principal and interest on any outstanding long-term payables to OSEP.

The outstanding bond indentures do not require mandatory reserves for future payment of principal and interest. However, the university has set aside $313,597 for future debt service which is included in unrestricted net position.

(dollars in thousands)

The university has defeased various bonds by placing the proceeds of new bonds into an irrevocable trust to provide for all future debt service payments on the old bonds. The defeased bonds for the primary institution are as follows:

	Amount Defeased	Amount Outstanding at June 30, 2020
General Receipts Bonds:		
Series 1997	12,260	12,260
Series 1999	6,560	6,560
Series 2001	43,080	43,080
Series 2003C	34,765	34,765
Series 2005	45,425	45,425
Series 2008	60,080	60,080
Series 2010D	4,376	4,281
Series 2010E	25,000	25,000
	$ 231,546	$ 231,451

Neither the outstanding indebtedness nor the related trust account assets for the above bonds are included in the university's financial statements.

Special-Purpose General Receipts Bonds

In January 2013, the university issued $337,955 of Special Purpose General Receipts Bonds, Series 2013A. These bonds are solely payable from, and secured by, a pledge of the gross revenues of Special Purpose Revenue Facilities. Special Purpose Revenue Facilities are defined in the Series 2013 Supplement as all housing and dining facilities and such auxiliary facilities as shall constitute recreation facilities owned by the university. The bond indenture agreement includes a debt covenant, requiring the university "to set rates, charges and fees in each Fiscal Year so as to cause Special Purpose Pledged Revenues to be in an amount not less than 1.10 times the aggregate debt service for the then-current Fiscal Year on all Special Purpose General Receipts Obligations." At June 30, 2020, the university is in compliance with this covenant. Condensed financial information for the Special Purpose Revenue Facilities is provided in Note 23.

(dollars in thousands)

Variable Rate Demand Bonds

Series 1997, 1999B1, 2001, 2003C, 2005B, 2008B, 2010E and 2014B variable rate demand bonds bear interest at rates based upon yield evaluations at par of comparable securities. The maximum interest rate allowable and the effective average interest rate from issue date to June 30, 2020 are as follows:

Series:	Interest Rate Not to Exceed	Effective Average Interest Rate
1997	12%	1.459%
1999B1	12%	1.273%
2001	12%	1.096%
2003C	12%	1.411%
2005B	12%	1.025%
2008B	12%	0.549%
2010E	8%	0.504%
2014B1	not specified	0.776%
2014B2	not specified	0.788%

At the discretion of the university, the interest rate on the bonds can be converted to a fixed rate. The bonds may be redeemed by the university or sold by the bondholders to a remarketing agent appointed by the university at any time prior to conversion to a fixed rate at a price equal to the principal amount plus accrued interest.

The university's variable rate demand bonds mature at various dates through 2044. GASB Interpretation No. 1, *Demand Bonds Issued by State and Local Governmental Entities*, provides guidance on the statement of net position classification of these bonds. Under GASB Interpretation No. 1, outstanding principal balances on variable rate demand bonds may be classified as non-current liabilities if the issuer has entered into a "take-out agreement" to convert bonds "put" but not resold into some other form of long-term obligation. In the absence of such an agreement, the total outstanding principal balances for these bonds are required to be classified as current liabilities.

Although it is the university's intent to repay its variable rate demand bonds in accordance with the maturities set forth in the bond offering circulars, the university does not have "take-out agreements" in place per the GASB Interpretation No. 1 requirements. Accordingly, the university has classified the total outstanding principal balances on its variable rate demand bonds as current liabilities. The obligations totaled $317,715 and $574,675 at June 30, 2020 and 2019, respectively.

Capital Lease Obligations

Some university equipment items and vehicles are financed as capital leases. The original cost and lease obligations related to these capital leases as of June 30, 2020 are $33,088 and $24,698, respectively. The original cost and lease obligations related to these capital leases as of June 30, 2019 are $33,708 and $21,000, respectively.

Capitalization of Interest

Interest incurred during the construction of capital assets is included in the cost of the asset when capitalized. Total interest costs incurred for the years ended June 30, 2020 and 2019 for the primary institution were $121,125 and $123,584. Of these amounts, interest of $4,746 and $8,500 were capitalized. The remaining amounts of $116,379 and $115,084 for the years ended June 30, 2020 and 2019, respectively, are reported as interest expense in the statement of revenues, expenses and changes in net position.

NOTE 10 – DERIVATIVE INSTRUMENTS

In connection with the anticipated refunding of the university's Series 2013A Special Purpose General Receipts Bonds in June 2023, the university has entered into two forward-starting pay fixed/receive floating interest rate swap agreements to convert all or a portion of the associated variable rate debt (anticipated June 2023) to synthetic fixed rates to protect against the potential of rising interest rates.

The terms of the two agreements are summarized below ($ in 1,000s):

	Notional Amount	University Pays	University Receives	Effective Date	Termination Date	Par Cancellation Option	Counterparty Credit Rating
Swap Agreement 1	$ 164,400	1.188% Fixed Rate	Variable rate based on Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index	June 1, 2023	June 1, 2043	6/1/2035 at University's option	A1/A
Swap Agreement 2	$ 164,400	1.264% Fixed Rate	Variable rate based on SIFMA Municipal Swap Index	June 1, 2023	June 1, 2043	6/1/2035 at University's option	Aa2/A+

The forward-starting pay fixed/receive floating interest rate swap agreements are considered effective hedging derivatives as of June 30, 2020. The fair value of these swaps generally represents the estimated amount that the university would pay to terminate the swap agreements at the statement of net position date taking into account market interest rates as of June 30,2020. The valuation inputs used to determine the fair value of these instruments are considered Level 2, as they rely on observable inputs other than quoted market prices. The notional amount represents the underlying reference of the instrument and does not represent the amount of the university's settlement obligations.

(dollars in thousands)

Fair values, changes in fair value and financial classification of the swap agreements are summarized below:

Effective hedging derivatives: floating-to-fixed interest rate swaps	Amount	Financial Statement Classification
Fair Value as of June 30, 2020	$ (6,629)	Other non-current liability
Change in Fair Value for Year Ended June 30, 2020	$ (6,629)	Deferred outflows - other

Using rates in effect as of June 30, 2020, the projected cash flows for the pay fixed/receive floating interest rate swaps deemed effective cash flow hedges, along with the debt service requirements of the associated variable rate debt (anticipated June 2023), are summarized as follows:

	Primary Institution			
	Variable Rate Bonds		Swap	Total
	Principal	Interest	Payments, Net	Payments
2024	-	427	3,933	4,360
2025	-	427	3,933	4,360
2026	-	427	3,933	4,360
2027	-	427	3,933	4,360
2028-2032	74,945	2,010	18,487	95,442
2033-2037	110,820	1,366	12,564	124,750
2038-2042	118,415	626	5,759	124,800
2043	24,640	32	295	24,967
	328,820	5,742	52,837	387,399

Hedging Derivative Instrument Risk Factors

By using derivative financial instruments to hedge exposure to changes in interest rates, the university is exposed to certain risk factors. A discussion of the risk factors applicable to the university's swaps and the steps that have been taken to mitigate each risk factor is presented below.

Termination Risk

There is termination risk with pay fixed/receive floating interest rate swaps as the university or swap counterparty may terminate a swap if the other party fails to perform under the terms of the contract. The swaps also contain ratings-based termination provisions where a swap agreement may be terminated if the counterparty's or the university's General Receipts credit ratings fall below Baa2 or BBB. The university's swaps specify Market Quotation, Second Method as the method for determining the termination value. Additionally, the university holds a par cancellation option which enables the university to cancel the swap at no cost starting June 1, 2035. This option also acts to limit the calculation of negative fair value to just the years remaining between the termination date and the date of the par termination option, which in turn mitigates any potential termination payment which may be owed by the university.

(dollars in thousands)

Credit Risk

Contracts with positive fair values to the university expose the university to credit risk to the extent the counterparty is unable to pay the termination value upon a Termination Event or an Event of Default. As a mitigant to this risk, the university's swaps include non-parallel collateral posting thresholds under which the counterparties must post collateral if the counterparties' ratings fall to the A+/A1 ratings category for fair values in excess of $75 million, with that threshold declining at each lower ratings category until reaching a threshold of $5 million at BBB/Baa2. No collateral had been posted at June 30, 2020.

NOTE 11 — OPERATING LEASES

The university leases various buildings, office space, and equipment under operating lease agreements. These facilities and equipment are not recorded as assets on the statement of net position. The total rental expense under these agreements was $26,458 and $19,692 for the years ended June 30, 2020 and 2019, respectively.

Future minimum payments for all significant operating leases with initial or remaining terms in excess of one year as of June 30, 2020 are as follows:

Year Ending June 30,	Primary Institution	Discretely Presented Component Units
2021	$ 21,360	$ 7,705
2022	19,818	5,111
2023	17,839	4,618
2024	12,793	3,851
2025	12,805	3,607
2026-2030	56,530	19,718
2031-2035	13,339	5,078
2036-2040	772	-
2041-2045	1,018	-
2046-2050	1,071	-
2051-2055	1,249	-
2056-2060	1,368	-
2061-2065	1,368	-
2066 and beyond	262	-
Total minimum lease payments	$ 161,592	$ 49,688

(dollars in thousands)

NOTE 12 — COMPENSATED ABSENCES

University employees earn vacation and sick leave on a monthly basis.

Classified civil service employees may accrue vacation benefits up to a maximum of three years credit. Administrative and professional staff and faculty may accrue vacation benefits up to a maximum of 240 hours. 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 university with ten or more years of service with the state. 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 240 hours.

The university 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 "termination payment method" which is set forth in Appendix C, Example 4 of the GASB Statement No. 16, *Accounting for Compensated Absences*. Under the termination method, the university calculates a ratio, Sick Leave Termination Cost per Year Worked, that is based on the university's actual historical experience of sick leave payouts to terminated employees. This ratio is then applied to the total years-of-service for current employees.

Certain employees of the university (mostly classified civil service employees) receive compensation time in lieu of overtime pay. Any unused compensation time must be paid to the employee at termination or retirement.

NOTE 13 — OTHER LIABILITIES

Other liability activity for the primary institution for the year ended June 30, 2020 is as follows:

	Primary Institution				
	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Compensated absences	$ 192,940	$ 48,024	$ 15,403	$ 225,561	$ 15,403
Self-insurance accruals	126,631	382,121	381,901	126,851	38,923
Amounts due to third party payors	76,470	43,395	9,046	110,819	50,303
Irrevocable split-interest agreements	31,727	7,045	3,655	35,117	3,264
Refundable advances for Federal Perkins loans	33,478	-	3,783	29,695	-
Other noncurrent liabilities	122,292	-	18,037	104,255	-
Other current liabilities	-	316	-	316	316
	$ 583,538	$ 480,901	$ 431,825	$ 632,614	$ 108,209

(dollars in thousands)

Other liability activity for the primary institution for the year ended June 30, 2019 is as follows:

	Primary Institution				
	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Compensated absences	$ 185,004	$ 23,204	$ 15,268	$ 192,940	$ 15,268
Self-insurance accruals	123,436	353,066	349,871	126,631	44,124
Amounts due to third party payors	66,333	61,054	50,917	76,470	27,096
Irrevocable split-interest agreements	32,728	-	1,001	31,727	3,264
Refundable advances for Federal Perkins loans	32,638	840	-	33,478	-
Other noncurrent liabilities	91,944	30,348	-	122,292	-
	$ 532,083	$ 468,512	$ 417,057	$ 583,538	$ 89,752

NOTE 14 — RENTALS UNDER OPERATING LEASES

The university is the lessor of certain land, buildings, office and retail space under operating lease agreements. Future minimum rental income from non-cancelable operating leases for the primary institution as of June 30, 2020 is as follows:

Year Ending June 30,	
2021	$ 4,056
2022	3,640
2023	3,404
2024	2,616
2025	1,361
2026-2030	2,967
2031-2035	1,005
2036-2040	110
2041-2045	10
2046-2050	10
2051-2055	10
Total minimum future rentals	$ 19,189

(dollars in thousands)

The discretely presented component units are the lessor of certain land, buildings, office and retail space under operating lease agreements. Future minimum rental income from non-cancelable operating leases as of June 30, 2020 is as follows:

Year Ending June 30,	
2021	$ 22,701
2022	5,817
2023	5,095
2024	4,742
2025	4,438
2026-2030	14,046
2031-2035	4,088
2036-2040	83
2041-2045	37
Total minimum future rentals	$ 61,047

NOTE 15 — OPERATING EXPENSES BY OBJECT

In accordance with requirements set forth by the Ohio Board of Regents, the university reports operating expenses by functional classification on the Statement of Revenues, Expenses and Changes in Net Position. Operating expenses by object for the primary institution for the years ended June 30, 2020 and 2019 are summarized as follows:

Year Ended June 30, 2020

	Primary Institution				
	Compensation and Benefits	Supplies and Services	Scholarships and Fellowships	Depreciation	Total
Instruction	$ 981,056	$ 115,198	$ -	$ -	$ 1,096,254
Separately budgeted research	360,402	177,510	-	-	537,912
Public service	108,396	79,458	-	-	187,854
Academic support	212,169	38,505	-	-	250,674
Student services	76,683	18,387	-	-	95,070
Institutional support	239,028	139,524	-	-	378,552
Operation and maintenance of plant	34,247	88,202	-	-	122,449
Scholarships and fellowships	7,802	1,957	130,611	-	140,370
Auxiliary enterprises	185,666	134,726	-	-	320,392
OSU Health System	1,733,288	1,611,879	-	-	3,345,167
Depreciation	-	-	-	425,012	425,012
Total operating expenses	$ 3,938,737	$ 2,405,346	$ 130,611	$ 425,012	$ 6,899,706

(dollars in thousands)

Year Ended June 30, 2019

	Primary Institution				
	Compensation and Benefits	Supplies and Services	Scholarships and Fellowships	Depreciation	Total
Instruction	$ 937,736	$ 132,556	$ -	$ -	$ 1,070,292
Separately budgeted research	305,772	181,555	-	-	487,327
Public service	101,633	81,595	-	-	183,228
Academic support	202,555	40,405	-	-	242,960
Student services	86,559	22,607	-	-	109,166
Institutional support	227,931	81,760	-	-	309,691
Operation and maintenance of plant	37,166	98,141	-	-	135,307
Scholarships and fellowships	6,265	2,317	118,802	-	127,384
Auxiliary enterprises	211,868	149,478	-	-	361,346
OSU Health System	1,699,285	1,409,785	-	-	3,109,070
Depreciation	-	-	-	413,039	413,039
Total operating expenses	$ 3,816,770	$ 2,200,199	$ 118,802	$ 413,039	$ 6,548,810

NOTE 16 — RETIREMENT PLANS

University employees are covered by one of three retirement systems. The university faculty is covered by the State Teachers Retirement System of Ohio (STRS Ohio). Substantially all other employees are covered by the Public Employees Retirement System of Ohio (OPERS). Employees may opt out of STRS Ohio and OPERS and participate in the Alternative Retirement Plan (ARP) if they meet certain eligibility requirements.

STRS Ohio and OPERS offer statewide cost-sharing multiple-employer defined benefit pension plans. STRS Ohio and OPERS provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. In addition, the retirement systems provide other post-employment benefits (OPEB), consisting primarily of healthcare. Benefits are established by state statute and are calculated using formulas that include years of service and final average salary as factors.

In accordance with GASB Statements Nos. 68 and 75, employers participating in cost-sharing multiple-employer plans are required to recognize a proportionate share of the collective net pension and OPEB liabilities of the plans. Although changes in the net pension and OPEB liabilities generally are recognized as expense in the current period, certain items are deferred and recognized as expense in future periods. Deferrals for differences between projected and actual investment returns are amortized to pension expense over five years. Deferrals for employer contributions subsequent to the measurement date are amortized in the following period (one year). Other deferrals are amortized over the estimated remaining service lives of both active and inactive employees (amortization periods range from 3 to 10 years).

(dollars in thousands)

The collective net pension liabilities of the retirement systems and the university's proportionate share of these liabilities as of June 30, 2020 are as follows:

	STRS-Ohio	OPERS	Total
Net pension liability - all employers	$ 22,114,399	$ 19,553,374	
Proportion of the net pension liability - university	4.7%	10.2%	
Proportionate share of net pension liability	$ 1,040,149	$ 1,984,881	$ 3,025,030

The collective net pension liabilities of the retirement systems and the university's proportionate share of these liabilities as of June 30, 2019 are as follows:

	STRS-Ohio	OPERS	Total
Net pension liability - all employers	$ 21,987,755	$ 27,273,872	
Proportion of the net pension liability - university	4.6%	9.9%	
Proportionate share of net pension liability	$ 1,019,690	$ 2,695,368	$ 3,715,058

The collective net OPEB liabilities of the retirement systems and the university's proportionate share of these liabilities as of June 30, 2020 are as follows:

	STRS-Ohio	OPERS	Total
Net OPEB (asset) liability - all employers	$ (1,656,240)	$ 13,812,598	
Proportion of the net OPEB (asset) liability - university	4.7%	10.4%	
Proportionate share of net OPEB (asset) liability	$ (77,901)	$ 1,436,889	$ 1,358,988

The collective net OPEB liabilities of the retirement systems and the university's proportionate share of these liabilities as of June 30, 2019 are as follows:

	STRS-Ohio	OPERS	Total
Net OPEB (asset) liability - all employers	$ (1,606,898)	$ 13,037,639	
Proportion of the net OPEB (asset) liability - university	4.6%	10.1%	
Proportionate share of net OPEB (asset) liability	$ (74,520)	$ 1,321,019	$ 1,246,499

(dollars in thousands)

Deferred outflows of resources and deferred inflows of resources for pensions were related to the following sources as of June 30, 2020:

	STRS-Ohio	OPERS	Total
Deferred Outflows of Resources:			
Differences between expected and actual experience	$ 8,469	$ 1,582	$ 10,051
Changes in assumptions	122,186	107,584	229,770
Net difference between projected and actual earnings on pension plan investments	-	-	-
Changes in proportion of university contributions	1,187	5,966	7,153
University contributions subsequent to the measurement date	82,656	116,139	198,795
Total	**$ 214,498**	**$ 231,271**	**$ 445,769**
Deferred Inflows of Resources:			
Differences between expected and actual experience	$ 4,503	$ 32,072	$ 36,575
Net difference between projected and actual earnings on pension plan investments	50,837	399,896	450,733
Changes in proportion of university contributions	-	40	40
Total	**$ 55,340**	**$ 432,008**	**$ 487,348**

Deferred outflows of resources and deferred inflows of resources for pensions were related to the following sources as of June 30, 2019:

	STRS-Ohio	OPERS	Total
Deferred Outflows of Resources:			
Differences between expected and actual experience	$ 23,538	$ 1,288	$ 24,826
Changes in assumptions	180,708	238,382	419,090
Net difference between projected and actual earnings on pension plan investments	-	380,743	380,743
Changes in proportion of university contributions	1,246	6,478	7,724
University contributions subsequent to the measurement date	77,702	107,284	184,986
Total	**$ 283,194**	**$ 734,175**	**$ 1,017,369**
Deferred Inflows of Resources:			
Differences between expected and actual experience	$ 6,659	$ 41,458	$ 48,117
Net difference between projected and actual earnings on pension plan investments	61,833	-	61,833
Changes in proportion of university contributions	-	43	43
Total	**$ 68,492**	**$ 41,501**	**$ 109,993**

(dollars in thousands)

Deferred outflows of resources and deferred inflows of resources for OPEB were related to the following sources as of June 30, 2020:

	STRS-Ohio	OPERS	Total
Deferred Outflows of Resources:			
Differences between expected and actual experience	$ 7,062	$ 36	$ 7,098
Changes in assumptions	1,638	227,196	228,834
Net difference between projected and actual earnings on OPEB plan investments	-	-	-
Changes in proportion of university contributions	135	3,562	3,697
University contributions subsequent to the measurement date	-	-	-
Total	**$ 8,835**	**$ 230,794**	**$ 239,629**
Deferred Inflows of Resources:			
Differences between expected and actual experience	$ 3,963	$ 131,362	$ 135,325
Changes in assumptions	85,409	-	85,409
Net difference between projected and actual earnings on pension plan investments	4,893	72,837	77,730
Changes in proportion of university contributions	-	-	-
Total	**$ 94,265**	**$ 204,199**	**$ 298,464**

Deferred outflows of resources and deferred inflows of resources for OPEB were related to the following sources as of June 30, 2019:

	STRS-Ohio	OPERS	Total
Deferred Outflows of Resources:			
Differences between expected and actual experience	$ 8,704	$ 429	$ 9,133
Changes in assumptions	-	40,879	40,879
Net difference between projected and actual earnings on OPEB plan investments	-	63,078	63,078
Changes in proportion of university contributions	141	2,936	3,077
University contributions subsequent to the measurement date	-	-	-
Total	**$ 8,845**	**$ 107,322**	**$ 116,167**
Deferred Inflows of Resources:			
Differences between expected and actual experience	$ 4,342	$ 3,584	$ 7,926
Changes in assumptions	101,540	-	101,540
Net difference between projected and actual earnings on pension plan investments	8,513	-	8,513
Changes in proportion of university contributions	-	-	-
Total	**$ 114,395**	**$ 3,584**	**$ 117,979**

(dollars in thousands)

Net deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense during the years ending June 30 as follows:

	STRS-Ohio	OPERS	Total
2021	145,882	75,271	221,153
2022	13,342	(125,155)	(111,813)
2023	(6,062)	11,056	4,994
2024	5,997	(161,519)	(155,522)
2025	-	(193)	(193)
2026 and Thereafer	-	(197)	(197)
Total	**$ 159,159**	**$ (200,737)**	**$ (41,578)**

The amounts above include university contributions subsequent to the measurement date.

Net deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense during the years ending June 30 as follows:

	STRS-Ohio	OPERS	Total
2021	(18,598)	39,896	21,298
2022	(18,598)	18,721	123
2023	(16,701)	(756)	(17,457)
2024	(15,996)	(31,267)	(47,263)
2025	(15,574)	-	(15,574)
2026 and Thereafer	37	-	37
Total	**$ (85,430)**	**$ 26,594**	**$ (58,836)**

The following table provides additional details on the benefit formulas, contribution requirements and significant assumptions used in the measurement of total pension and OPEB liabilities for the retirement systems (information below applies to both pensions and OPEB unless otherwise indicated).

	STRS-Ohio	**OPERS**
Statutory Authority	Ohio Revised Code Chapter 3307	Ohio Revised Code Chapter 145
Benefit Formula	**Pensions --** The annual retirement allowance based on final average salary multiplied by percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2% of final average salary for the five highest years of earnings multiplied by all years of service.	**Pensions --** Benefits are calculated on the basis of age, final average salary (FAS), and service credit. State and Local members in transition Groups A and B are eligible for retirement benefits at age 60 with five years of service credit or at age 55 with 25 or more years of service credit. Group C for State and Local is eligible for retirement at age 57 with 25 years of service or at age 62 with five years of service.

(dollars in thousands)

	STRS-Ohio	OPERS
	Eligibility changes will be phased in until Aug. 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60. Eligibility changes for DB Plan members who retire with actuarially reduced benefits will be phased in until Aug. 1, 2023 when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit at any age. **OPEB –** STRS Ohio provides access to health care coverage for eligible retirees who participated in the Defined Benefit or Combined Plans and their eligible dependents. Coverage under the current program includes hospitalization, physicians' fees and prescription drugs and reimbursement of a portion of the monthly Medicare Part B premiums. Medicare Part B premium reimbursements will be discontinued effective January 1, 2021. Pursuant to the Ohio Revised Code, the Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by the plan. All benefit recipients pay a portion of the health care costs in the form of a monthly premium. Benefit recipients contributed $312.8 million or 64% of the total health care costs in fiscal 2019 (excluding deductibles, coinsurance and copayments). Medicare Part D is a federal program to help cover the costs of prescription drugs for Medicare beneficiaries. This program allows STRS Ohio to recover part of the cost for providing prescription coverage since all eligible STRS Ohio health care plans include creditable prescription drug coverage. For the year ended June 30, 2019, STRS Ohio received $84.8 million in Medicare Part D reimbursements.	For Groups A and B, the annual benefit is based on 2.2% of FAS multiplied by the actual years of service for the first 30 years of service credit and 2.5% for years of service in excess of 30 years. For Group C, the annual benefit applies a factor of 2.2% for the first 35 years and a factor of 2.5% for the years of service in excess of 35. FAS represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career. The base amount of a member's pension benefit is locked in upon receipt of the initial benefit payment for calculation of annual cost-of-living adjustment. **OPEB –** The Ohio Revised Code permits, but does not require, OPERS to offer post-employment health care coverage. The ORC allows a portion of the employers' contributions to be used to fund health care coverage. The health care portion of the employer contribution rate for the Traditional Pension Plan and Combined Plan is comparable, as the same coverage options are provided to participants in both plans. Beginning January 1, 2015, the service eligibility criteria for health care coverage increased from 10 years to 20 years with a minimum age of 60, or 30 years of qualifying service at any age. Beginning with January 2016 premiums, Medicare-eligible retirees could select supplemental coverage through the Connector, and may be eligible for monthly allowances deposited to an HRA to be used for reimbursement of eligible health care expenses. Coverage for non-Medicare retirees includes hospitalization, medical expenses and prescription drugs. The System determines the amount, if any, of the associated health care costs that will be absorbed by the System and attempts to control costs by using managed care, case management, and other programs.

(dollars in thousands)

	STRS-Ohio	OPERS
		Additional details on health care coverage can be found in the Plan Statement in the OPERS 2019 CAFR. OPERS no longer participates in the Medicare Part D program as of December 31, 2016.
Cost-of-Living Adjustments (COLAs)	Effective July 1, 2017, the COLA was reduced to 0%.	Once a benefit recipient retiring under the Traditional Pension Plan has received benefits for 12 months, current law provides for an annual COLA. The COLA is calculated on the member's base pension benefit at the date of retirement and is not compounded. Members retiring under the Combined Plan receive a COLA on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, current law provides for a 3% COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2020, current law provides that the adjustment will be based on the average percentage increase in the Consumer Price Index, capped at 3%.
Contribution Rates	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 employer rate is 14% and the statutory member rate is 14% of covered payroll. Under Ohio law, funds to pay health care costs may be deducted from employer contributions. For the year ended June 30, 2019, no employer allocation was made to the health care fund.	Employee and member contribution rates are established by the OPERS Board and limited by Chapter 145 of the Ohio Revised Code. For 2019, employer rates for the State and Local Divisions were 14% of covered payroll (and 18.1% for the Law Enforcement and Public Safety Divisions). Member rates for the State and Local Divisions were 10% of covered payroll (13% for Law Enforcement and 12% for Public Safety).
Measurement Date	June 30, 2019	December 31, 2019 (OPEB is rolled forward from December 31, 2018 actuarial valuation date)
Actuarial Assumptions	Valuation Date: June 30, 2019 for pensions and OPEB Actuarial Cost Method: Individual entry age Investment Rate of Return: 7.45% Inflation: 2.50%	Valuation Date: December 31, 2019 for pensions; December 31, 2018 for OPEB Actuarial Cost Method: Individual entry age Investment Rate of Return: 7.2% for pensions; 6.0% for OPEB Inflation: 3.25%

(dollars in thousands)

	STRS-Ohio	OPERS
	Projected Salary Increases: 12.50% at age 20 to 2.50% at age 65 Cost-of-Living Adjustments: 0% effective July 1, 2017 Payroll Increases: 3.00% Health Care Cost Trends: 4.9% to 9.6% initial; 4% ultimate	Projected Salary Increases: 3.25% - 10.75% Cost-of-Living Adjustments: Pre-1/7/2013 Retirees: 3.00% Simple Post-1/7/2013 Retirees: 1.40% Simple through 2020, then 2.15% Simple Health Care Cost Trends: 10.5% initial; 3.50% ultimate
Mortality Rates	Post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50% of rates through age 69, 70% of rates between ages 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP2014 Disabled Mortality Table with 90% of rates for males and 100% of rates for females, projected forward generationally using mortality improvement scale MP-2016.	Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.
Date of Last Experience Study	June 30, 2016	December 31, 2015
Investment Return Assumptions	The 10 year expected real rate of return on defined benefit pension and health care plan investments was determined by STRS Ohio's investment consultant by developing best estimates of expected future real rates of return for each major asset class.	The long term expected rates of return on defined benefit pension and health care investment assets were determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

(dollars in thousands)

STRS-Ohio

The target allocation and long-term expected real rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation	Long Term Expected Return*
Domestic Equity	28.0%	7.35%
International Equity	23.0%	7.55%
Alternatives	17.0%	7.09%
Fixed Income	21.0%	3.00%
Real Estate	10.0%	6.00%
Liquidity Reserves	1.0%	2.25%
Total	100%	

* Returns presented as geometric means

OPERS

The following table displays the Board-approved asset allocation policy for defined benefit pension assets for 2019 and the long-term expected real rates of return:

Asset Class	Target Allocation	Long Term Expected Return*
Fixed Income	25.0%	1.83%
Domestic Equity	19.0%	5.75%
Real Estate	10.0%	5.20%
Private Equity	12.0%	10.70%
International Equity	21.0%	7.66%
Other Investments	13.0%	4.98%
Total	100.0%	

* Returns presented as arithmetic means

The following table displays the Board-approved asset allocation policy for health care assets for 2019 and the long-term expected real rates of return:

Asset Class	Target Allocation	Long Term Expected Return*
Fixed Income	36.0%	1.53%
Domestic Equities	21.0%	5.75%
REITs	6.0%	5.69%
International Equities	23.0%	7.66%
Other Investments	14.0%	4.90%
Total	100.0%	

* Returns presented as arithmetic means

Discount Rate

STRS-Ohio

Pensions -- The discount rate used to measure the total pension liability was 7.45% as of June 30, 2019. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with the rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS Ohio's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2019. Therefore, the long-term expected rate of return on pension plan investments of 7.45% was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2019.

OPERS

Pensions -- The discount rate used to measure the total pension liability was 7.2% for the Traditional Pension Plan, the Combined Plan and the Member-Directed Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected 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 benefit payments to determine the total pension liability.

(dollars in thousands)

	STRS-Ohio	OPERS
	OPEB -- The discount rate used to measure the total OPEB liability was 7.45% as of June 30, 2019. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on health care plan investments of 7.45% was used to measure the total OPEB liability as of June 30, 2019.	**OPEB** – A single discount rate of 3.16% was used to measure the OPEB liability on the measurement date of December 31, 2019. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 2.75%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2034. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date. .
Changes in Assumptions Since the Prior Measurement Date	**Pensions** – There were no changes in assumptions since the prior measurement date of June 30, 2018. **OPEB** -- There were no changes in assumptions since the prior measurement date of June 30, 2018.	**Pensions** – There were no changes in assumptions since the prior measurement date of December 31, 2018. **OPEB** -- The discount rate was reduced from 3.96% to 3.16% based on the methodology defined under GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)*.

(dollars in thousands)

	STRS-Ohio	OPERS
Benefit Term Changes Since the Prior Measurement Date	**Pensions** – There were no changes in benefit terms since the prior measurement date of June 30, 2018. **OPEB** -- The non-Medicare subsidy percentage was increased effective January 1, 2020 from 1.944% to 1.984% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.	**Pensions** -- For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA adjustment will be based on the average percentage increase in the Consumer Price Index, capped at 3%. **OPEB** – On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and pre-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for pre-Medicare retirees with monthly allowances, similar to the program for Medicare retirees.
Sensitivity of Net Pension Liability to Changes in Discount Rate	1% Decrease (6.45%): $ 1,520,062 Current Rate (7.45%): $ 1,040,149 1% Increase (8.45%): $ 633,878	1% Decrease (6.2%): $ 3,296,325 Current Rate (7.2%): $ 1,984,881 1% Increase (8.2%): $ 807,535
Sensitivity of Net OPEB Liability to Changes in Discount Rate	1% Decrease (6.45%): $ (66,473) Current Rate (7.45%): $ (77,901) 1% Increase (8.45%): $ (87,509)	1% Decrease (2.16%): $ 1,880,345 Current Rate (3.16%): $ 1,436,889 1% Increase (4.16%): $ 1,081,750
Sensitivity of Net OPEB Liability to Changes in Medical Trend Rate	1% Decrease in Trend Rate: $ (88,336) Current Trend Rate: $ (77,901) 1% Increase in Trend Rate: $ (65,121)	1% Decrease in Trend Rate: $ 1,394,447 Current Trend Rate: $ 1,436,889 1% Increase in Trend Rate: $ 1,478,707

(dollars in thousands)

Defined Contribution Plans

ARP is a defined contribution pension plan. Full-time administrative and professional staff and faculty may choose enrollment in ARP in lieu of OPERS or STRS Ohio. Classified civil service employees hired on or after August 1, 2005 are also eligible to participate in ARP. ARP does not provide disability benefits, annual cost-of-living adjustments, post-retirement health care benefits or death benefits to plan members and beneficiaries. Benefits are entirely dependent on the sum of contributions and investment returns earned by each participant's choice of investment options.

OPERS also offers a defined contribution plan, the Member-Directed Plan (MD). The MD plan does not provide disability benefits, annual cost-of-living adjustments, post-retirement health care benefits or death benefits to plan members and beneficiaries. Benefits are entirely dependent on the sum of contributions and investment returns earned by each participant's choice of investment options.

STRS Ohio also offers a defined contribution plan in addition to its long established defined benefit plan. All employee contributions and employer contributions at a rate of 9.53% are placed in an investment account directed by the employee. Disability benefits are limited to the employee's account balance. Employees electing the defined contribution plan receive no post-retirement health care benefits.

Combined Plans

STRS Ohio offers a combined plan with features of both a defined contribution plan and a defined benefit plan. In the combined plan, employee contributions are invested in self- directed investments, and the employer contribution is used to fund a reduced defined benefit. Employees electing the combined plan receive post-retirement health care benefits.

OPERS also offers a combined plan. This is a cost-sharing multiple-employer defined benefit plan that has elements of both a defined benefit and defined contribution plan. In the combined plan, employee contributions are invested in self-directed investments, and the employer contribution is used to fund a reduced defined benefit. Employees electing the combined plan receive post-retirement health care benefits. OPERS provides retirement, disability, survivor and post-retirement health benefits to qualifying members of the combined plan.

Summary of Employer Pension and OPEB Expense

Total pension and OPEB expense for the year ended June 30, 2020, including employer contributions and accruals associated with recognition of net pension liabilities, net OPEB liabilities and related deferrals, is presented below.

	STRS-Ohio	OPERS	ARP	Total
Employer Contributions	$ 82,576	$ 231,977	$ 65,362	$ 379,915
GASB 68 Pension Accruals	76,001	182,925		258,926
GASB 75 OPEB Accruals	(23,500)	193,012		169,512
Total Pension and OPEB Expense	**$ 135,077**	**$ 607,914**	**$ 65,362**	**$ 808,353**

(dollars in thousands)

Total pension and OPEB expense for the year ended June 30, 2019, including employer contributions and accruals associated with recognition of net pension liabilities, net OPEB liabilities and related deferrals, is presented below.

	STRS-Ohio	OPERS	ARP	Total
Employer Contributions	$ 77,781	$ 220,062	$ 60,390	$ 358,233
GASB 68 Pension Accruals	32,939	446,571		479,510
GASB 75 OPEB Accruals	(158,168)	161,088		2,920
Total Pension and OPEB Expense	**$ (47,448)**	**$ 827,721**	**$ 60,390**	**$ 840,663**

Pension and OPEB expenses are allocated to institutional functions on the Statement of Revenues, Expenses and Changes in Net Position.
Both STRS Ohio and OPERS issue separate, publicly available financial reports that include financial statements and required supplemental information. These reports may be obtained by contacting the two organizations.

STRS Ohio	**OPERS**
275 East Broad Street	277 East Town Street
Columbus, OH 43215-3371	Columbus, OH 43215-4642
(614) 227-4090	(614) 222-5601
(888) 227-7877	(800) 222-7377
www.strsoh.org	www.opers.org/investments/cafr.shtml

OSU Physicians Retirement Plan

Retirement benefits are provided for the employees of OSUP through a tax sheltered 403(b) and 401(a) defined contribution plan administered by an insurance company. OSUP is required to make nondiscretionary contributions of no less than 7.5% under the Interim Retirement Plan; however, some LLCs make an additional discretionary contribution of up to 17.5%, for a range of total employer contributions of 7.5% to 25%. Employees are allowed, but not required, to make contributions to the 403(b) plan. OSUP's share of the cost of these benefits was $6.4 million and $5.8 million for the years ended June 30, 2020 and 2019, respectively. Employee contributions were $2.5 million and $2.1 million for the years ended June 30, 2020 and 2019, respectively.

(dollars in thousands)

NOTE 17 — CAPITAL PROJECT COMMITMENTS

At June 30, 2020, the university is committed to future contractual obligations for capital expenditures of approximately $436,777 for the primary institution and $57,300 for discretely presented component units. These projects are funded by the following sources:

	Primary Institution	Discretely Presented Component Units
State appropriations	$ 59,775	$ -
Internal and other sources	377,002	57,300
Total	$ 436,777	$ 57,300

NOTE 18 — CONTINGENCIES AND RISK MANAGEMENT

The university is a party in a number of legal actions. While the final outcome cannot be determined at this time, management is of the opinion that the liability, if any, for these legal actions will not have a material adverse effect on the university's financial position.

The university is self-insured for the Health System's professional malpractice liability, employee health benefits, workers' compensation and employee life, accidental death and dismemberment benefits. Additional details regarding these self-insurance arrangements are provided in Note 8. The university also carries commercial insurance policies for various property, casualty and excess liability risks. Over the past three years, settlement amounts related to these insured risks have not exceeded the university's coverage amounts.

Under the terms of federal grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursements to the grantor agencies. While questioned costs may occur, ultimate repayments required of the university have been infrequent in prior years.

The global outbreak of COVID-19, a new strain of coronavirus that can result in severe respiratory disease, was declared a pandemic by the World Health Organization on March 11, 2020 and a national emergency by the President of the United States on March 13, 2020. The outbreak of the disease has affected travel, commerce, economies, and financial markets globally, including in the United States. In response to the public health crisis, the Governor of Ohio and the Director of the Ohio Department of Health took certain actions to limit the spread of the virus and its impact on the State's local communities and health care services, including the declaration of a state of emergency in the State and the closure of all non-essential businesses commencing on March 23, 2020.

On March 13, 2020, the university announced that it would suspend face-to face instruction and transitioned to remote instruction for the remainder of the spring semester and extended that suspension through the summer semester. With limited exceptions, all university events scheduled to occur during the summer months, including summer camps and sports camps, were cancelled. Nearly all university housing and dining facilities were closed on March 22, 2020 and have remained closed through the summer semester, which resulted in a refund to students of $34 million. All university employees who can do so were required to work from home.

The COVID-19 pandemic also significantly impacted Health System operations. On March 17, 2020, the Director of the Ohio Department of Health issued an order temporarily recommending that non-essential or elective surgeries and procedures not be conducted at Ohio hospitals. The temporary suspension of performance of elective procedures was recommended to create capacity for a potential increase in COVID-19 patients. The recommendation from the Ohio Department of Health to suspend non-essential or elective surgeries and procedures was withdrawn effective May 1, 2020. The Health System received $143 million in federal support to offset the negative impact.

In conjunction with the State's phased-in process of reopening certain business, on June 3, 2020 the university announced that – based on guidance from state and local health authorities and recommendations of the Safe Campus and Scientific Advisory Subgroup of the university's COVID-19 Transition Task Force – it would resume in-person classes for the Autumn semester, with a mix of on-line, in-person and blended courses to reduce the number of students, faculty and staff that will be on campus at any one time.

The COVID-19 pandemic has negatively affected national, state, and local economies and global financial markets, and the higher education landscape in general. The outbreak and related actions taken by federal and state governments may materially impact the university's financial position and its results of operations, including those related to instruction, research, patient care and other auxiliary activities. While the impacts of COVID-19 may materially affect financial results for 2021 and potentially beyond, university management believes the university has sufficient liquidity to meet its operating and financial needs in fiscal year 2021. However, given the difficulty in predicting the duration and severity of the COVID-19 pandemic and its effects on the university, the economy and financial markets, the ultimate impact is unknown. University management continues to monitor the course of the pandemic and is prepared to take additional measures to protect the health of the university community and promote the continuity of its academic mission.

NOTE 19 — PARKING LEASE AND CONCESSION AGREEMENT

On September 21, 2012, the university entered into a 50-year lease and concession agreement with QIC Global Infrastructure (QIC GI). CampusParc LP, a QIC GI affiliate, owns and operates the university's parking concession on QIC GI's behalf. Under the agreement, CampusParc operates, maintains and retains parking revenues from the university's parking lots and garages. This agreement also regulates the parking rates that may be charged and future increases in these rates. The university received lump-sum payments totaling $483,000 from QIC GI and used the proceeds to establish endowment funds, with income distributions internally designated to support student scholarships, faculty initiatives and research, transportation and sustainability and the university arts district.

The lump-sum payment under this service concession arrangement is reported as a deferred inflow of resources and is being amortized to operating revenue over the life of the agreement. Deferred inflows related to the parking agreement were $406,914 and $416,545 at June 30, 2020 and 2019, respectively. The university reports the parking lots and garages as capital assets with a carrying amount of $128,250 and $124,508 at June 30, 2020 and 2019, respectively.

NOTE 20 — UTILITY SYSTEM LEASE AND CONCESSION AGREEMENT

On April 10, 2017, the university entered into a 50-year agreement to lease the university's utility system to Ohio State Energy Partners (OSEP) and grant it the exclusive right to operate the utility system and provide utility services to the Columbus campus. On July 6, 2017, the university received an upfront payment of $1,089,914. The upfront payment is reported as an Advance from Concessionaire and is being amortized as a reduction to operating expense (Operation and Maintenance of Plant) on a straight-line basis over the term of the agreement.

Under the agreement, OSEP operates, maintains and makes capital investments in the utility system and charges the university a Utility Fee, which includes fixed, variable and operating and maintenance (O&M) components. OSEP capital investments in the utility system are recognized as capital assets and a related long-term payable to the concessionaire. The fixed and O&M components of the Utility Fee are recognized as operating expense. The variable component of the Utility Fee will be recognized as a reduction in the long-term payable to the concessionaire and interest expense.

The university recognized fixed and O&M utility fees totaling $56,075 and $56,140, respectively for the years ended June 30, 2020 and 2019. The carrying amounts of OSEP capital investments and related payable to the concessionaire at June 30, 2020 and 2019 were $141,932 and $41,672, respectively.

(dollars in thousands)

NOTE 21 — COMBINING INFORMATION FOR BLENDED COMPONENT UNITS

As indicated in the Basis of Presentation in Note 1, the university consolidates certain component units in a blended presentation. Condensed combining financial information for the years ended June 30, 2020 and 2019 is presented below.

Condensed Combining Information – Year Ended June 30, 2020

	OSU Foundation	OSU Health Plan	Oval Limited	Pelotonia	Eliminations
Condensed statements of net position:					
Current assets	$ 57,833	$ 5,357	$ 51,409	$ 5,421	$ (12,638)
Capital assets, net	2,770	74	-	-	-
Other assets	1,224,212	734	-	543	(89,490)
Total assets	$ 1,284,815	$ 6,165	$ 51,409	$ 5,964	$ (102,128)
Current liabilities	$ 3,473	$ 2,279	$ 39	$ 13,728	$ (12,638)
Noncurrent liabilities	53,541	-	19,417	89,490	(89,490)
Amounts payable to the university	1	-	-	-	-
Deferred inflows	10,141	-	-	-	-
Total liabilities and deferred inflows	67,156	2,279	19,456	103,218	(102,128)
Net investment in capital assets	2,770	-	-	-	-
Restricted:					
Nonexpendable	954,856	-	-	-	-
Expendable	246,392	-	-	-	(102,128)
Unrestricted	13,641	3,886	31,953	(97,254)	102,128
Total net position	1,217,659	3,886	31,953	(97,254)	-
Total liabilities, deferred inflows and net position	$ 1,284,815	$ 6,165	$ 51,409	$ 5,964	$ (102,128)

(dollars in thousands)

	OSU Foundation	OSU Health Plan	Oval Limited	Pelotonia	Eliminations
Condensed statements of revenues, expenses and changes in net position:					
Operating revenues:					
Other sales, services and rental income	$ 77	$ 12,747	$ (1,217)	$ 580	$ -
Total operating revenues	77	12,747	(1,217)	580	-
Operating expenses, excluding depreciation	5,627	12,784	(214)	8,128	-
Depreciation expense	183	60	-	-	-
Total operating expenses	5,810	12,844	(214)	8,128	-
Net operating income (loss)	(5,733)	(97)	(1,003)	(7,548)	-
Non-operating revenues and expenses:					
Gifts for current use	202,985	-	-	(3,111)	-
Net investment income (loss)	10,302	-	776	482	-
Other non-operating revenue (expense)	1,418	-	-	-	-
Net non-operating revenue (expense)	214,705	-	776	(2,629)	-
Capital contributions and additions to permanent endowments	141,121	-	-	-	-
Transfers from (to) the university	(270,292)	-	-	137	-
Change in net position	79,801	(97)	(227)	(10,040)	-
Beginning net position, as reported	1,152,909	3,983	32,180	(102,265)	-
Cumulative effect of Pelotonia merger	(15,051)			15,051	
Ending net position	$ 1,217,659	$ 3,886	$ 31,953	$ (97,254)	$ -
Condensed statements of cash flows:					
Net cash provided (used) by:					
Operating activities	$ (4,765)	$ 392	$ (1,596)	$ (6,940)	$ -
Noncapital financing activities	(98,868)	-	-	11,362	-
Capital and related financing activities	77,425	(22)	-	-	-
Investing activities	(17,193)	(54)	1,482	482	-
Net increase (decrease) in cash	(43,401)	316	(114)	4,904	-
Beginning cash and cash equivalents	43,635	4,463	1,210	-	-
Ending cash and cash equivalents	$ 234	$ 4,779	$ 1,096	$ 4,904	$ -

(dollars in thousands)

Condensed Combining Information – Year Ended June 30, 2019

	OSU Foundation	OSU Health Plan	Oval Limited	Pelotonia	Eliminations
Condensed statements of net position:					
Current assets	$ 84,921	$ 5,229	$ 51,461	$ -	$ -
Capital assets, net	2,953	112	-	-	-
Other assets	1,182,732	681	-	-	(102,265)
Total assets	$ 1,270,606	$ 6,022	$ 51,461	$ -	$ (102,265)
Current liabilities	$ 3,323	$ 1,545	$ 34	$ -	$ -
Noncurrent liabilities	60,554	494	19,247	102,265	(102,265)
Amounts payable to the university	40,025	-	-	-	-
Deferred inflows	13,795	-	-	-	-
Total liabilities and deferred inflows	117,697	2,039	19,281	102,265	(102,265)
Net investment in capital assets	2,953	-	-	-	-
Restricted:					
Nonexpendable	910,296	-	-	-	-
Expendable	225,537	-	-	-	(102,265)
Unrestricted	14,123	3,983	32,180	(102,265)	102,265
Total net position	1,152,909	3,983	32,180	(102,265)	-
Total liabilities, deferred inflows and net position	$ 1,270,606	$ 6,022	$ 51,461	$ -	$ (102,265)

(dollars in thousands)

	OSU Foundation	OSU Health Plan	Oval Limited	Pelotonia	Eliminations
Condensed statements of revenues, expenses and changes in net position:					
Operating revenues:					
Other sales, services and rental income	$ 1,583	$ 12,432	$ (344)	$ -	$ -
Total operating revenues	1,583	12,432	(344)	-	-
Operating expenses, excluding depreciation	14,164	12,483	(236)	-	-
Depreciation expense	184	48	-	-	-
Total operating expenses	14,348	12,531	(236)	-	-
Net operating income (loss)	(12,765)	(99)	(108)	-	-
Non-operating revenues and expenses:					
Gifts for current use	262,406	-	-	-	(102,265)
Net investment income (loss)	10,008	-	1,537	-	-
Other non-operating revenue (expense)	1,774	(6)	-	(102,265)	102,265
Net non-operating revenue (expense)	274,188	(6)	1,537	(102,265)	-
Capital contributions and additions to permanent endowments	71,009	-	-	-	-
Transfers from (to) the university	(244,284)	-	-	-	-
Change in net position	88,148	(105)	1,429	(102,265)	-
Beginning net position	1,064,761	4,088	30,751	-	-
Ending net position	$ 1,152,909	$ 3,983	$ 32,180	$ (102,265)	$ -
Condensed statements of cash flows:					
Net cash provided (used) by:					
Operating activities	$ (10,507)	$ 245	$ (1,591)	$ -	$ -
Noncapital financing activities	(2,256)	-	-	-	-
Capital and related financing activities	25,476	(52)	-	-	-
Investing activities	8,063	(44)	1,511	-	-
Net increase (decrease) in cash	20,776	149	(80)	-	-
Beginning cash and cash equivalents	22,859	4,315	1,290	-	-
Ending cash and cash equivalents	$ 43,635	$ 4,464	$ 1,210	$ -	$ -

(dollars in thousands)

NOTE 22 — COMBINING INFORMATION FOR DISCRETELY PRESENTED COMPONENT UNITS

As indicated in the Basis of Presentation in Note 1, the university consolidates certain component units in a discrete presentation. Condensed combining financial information for the years ended June 30, 2020 and 2019 is presented below.

Condensed Combining Information – Year Ended June 30, 2020

	OSU Physicians	Campus Partners	Transportation Research Center	Dental Faculty Practice Plan	Science and Technology Campus Corporation
Condensed statements of net position:					
Current assets	$ 232,020	$ 11,741	$ 12,030	$ 1,892	$ 5,415
Capital assets, net	25,602	139,605	48,760	156	29,154
Other assets	-	800	-	-	50
Amounts receivable from the university	22,532	-	3,844	-	-
Deferred outflows	-	-	-	-	-
Total assets and deferred outflows	$ 280,154	$ 152,146	$ 64,634	$ 2,048	$ 34,619
Current liabilities	$ 33,830	$ 12,221	$ 9,647	$ 90	$ 1,575
Noncurrent liabilities	11,315	37,947	4,218	-	2,025
Amounts payable to the university	29,349	109,031	13,315	216	10,995
Deferred inflows	-	-	-	-	-
Total liabilities and deferred inflows	74,494	159,199	27,180	306	14,595
Net investment in capital assets	13,399	132,124	42,254	(60)	28,394
Unrestricted	192,261	(139,177)	(4,800)	1,802	(8,370)
Total net position	205,660	(7,053)	37,454	1,742	20,024
Total liabilities, deferred inflows and net position	$ 280,154	$ 152,146	$ 64,634	$ 2,048	$ 34,619

(dollars in thousands)

	OSU Physicians	Campus Partners	Transportation Research Center	Dental Faculty Practice Plan	Science and Technology Campus Corporation
Condensed statements of revenues, expenses and changes in net position:					
Operating revenues:					
Grants and contracts	$ -	$ 9,513	$ 36,682	$ -	$ 6,603
Sales and services of OSU Physicians	584,222	-	-	-	-
Other sales, services and rental income	-	-	-	9,354	-
Total operating revenues	584,222	9,513	36,682	9,354	6,603
Operating expenses, excluding depreciation	563,200	8,614	37,028	8,822	3,631
Depreciation expense	3,394	2,871	2,605	72	1,330
Total operating expenses	566,594	11,485	39,633	8,894	4,961
Net operating income (loss)	17,628	(1,972)	(2,951)	460	1,642
Non-operating revenues and expenses:					
CARES Assistance	11,805	-	-	-	-
Net investment income	1,668	175	25	-	57
Interest expense	(278)	(78)	(587)	-	(588)
Other non-operating revenue (expense)	(22,527)	601	8,914	(98)	-
Net non-operating revenue (expense)	(9,332)	698	8,352	(98)	(531)
Changes in net position					
Capital contributions and changes in net position	-	-	5,079	-	-
Change in net position	8,296	(1,274)	10,480	362	1,111
Beginning net position, as previously reported	197,364	(5,779)	26,974	1,380	18,913
Cumulative effect of accounting change	-	-	-	-	-
Ending net position	$ 205,660	$ (7,053)	$ 37,454	$ 1,742	$ 20,024
	-	-	-	-	-
Condensed statements of cash flows:					
Net cash provided (used) by:					
Operating activities	$ 46,739	$ 15,105	$ 3,470	$ 412	$ 3,414
Noncapital financing activities	(9,987)	19,759	8,908	(98)	(939)
Capital and related financing activities	(2,800)	(30,117)	(11,112)	(68)	(3,556)
Investing activities	3,106	322	-	(63)	57
Net increase (decrease) in cash	37,058	5,069	1,266	183	(1,024)
Beginning cash and cash equivalents	131,951	3,395	3,149	441	5,217
Ending cash and cash equivalents	$ 169,009	$ 8,464	$ 4,415	$ 624	$ 4,193

(dollars in thousands)

Condensed Combining Information – Year Ended June 30, 2019

	OSU Physicians	Campus Partners	Transportation Research Center	Dental Faculty Practice Plan	Science and Technology Campus Corporation
Condensed statements of net position:					
Current assets	$ 200,538	$ 8,646	$ 12,236	$ 1,713	$ 6,297
Capital assets, net	26,809	105,505	31,610	228	28,012
Other assets	-	2,461	-	-	474
Amounts receivable from the university	18,355	-	3,991	-	-
Deferred outflows	-	-	24	-	-
Total assets and deferred outflows	$ 245,702	$ 116,612	$ 47,861	$ 1,941	$ 34,783
Current liabilities	$ 16,645	$ 5,525	$ 6,851	$ 277	$ 1,216
Noncurrent liabilities	12,124	26,264	4,572	-	2,720
Amounts payable to the university	19,569	90,602	9,451	284	11,934
Deferred inflows	-	-	13	-	-
Total liabilities and deferred inflows	48,338	122,391	20,887	561	15,870
Net investment in capital assets	13,682	103,184	26,920	(56)	15,581
Unrestricted	183,682	(108,963)	54	1,436	3,332
Total net position	197,364	(5,779)	26,974	1,380	18,913
Total liabilities, deferred inflows and net position	$ 245,702	$ 116,612	$ 47,861	$ 1,941	$ 34,783

(dollars in thousands)

	OSU Physicians	Campus Partners	Transportation Research Center	Dental Faculty Practice Plan	Science and Technology Campus Corporation
Condensed statements of revenues, expenses and changes in net position:					
Operating revenues:					
Grants and contracts	$ -	$ 10,857	$ 39,124	$ -	$ 7,640
Sales and services of OSU Physicians	560,322	-	-	-	-
Other sales, services and rental income	-	-	-	9,440	-
Total operating revenues	560,322	10,857	39,124	9,440	7,640
Operating expenses, excluding depreciation	507,366	9,153	37,133	9,403	3,392
Depreciation expense	3,581	2,920	892	74	1,310
Total operating expenses	510,947	12,073	38,025	9,477	4,702
Net operating income (loss)	49,375	(1,216)	1,099	(37)	2,938
Non-operating revenues and expenses:					
Net investment income	2,373	222	29	-	-
Interest expense	(376)	(138)	(446)	-	(653)
Other non-operating revenue (expense)	(23,384)	605	21	(132)	-
Net non-operating revenue (expense)	(21,387)	689	(396)	(132)	(653)
Changes in net position					
Capital contributions and changes in net position	-	5,250	14,677	-	-
Change in net position	27,988	4,723	15,380	(169)	2,285
Beginning net position, as previously reported	169,376	(10,502)	11,594	1,549	16,629
Cumulative effect of accounting change	-	-	-	-	
Ending net position	$ 197,364	$ (5,779)	$ 26,974	$ 1,380	$ 18,914
Condensed statements of cash flows:					
Net cash provided (used) by:					
Operating activities	$ 39,180	$ 3,964	$ 2,536	$ 217	$ 2,829
Noncapital financing activities	(23,473)	9,366	7,662	(133)	(895)
Capital and related financing activities	(4,372)	(12,415)	(12,027)	(90)	(1,407)
Investing activities	(7,716)	36	199	(96)	-
Net increase (decrease) in cash	3,619	951	(1,630)	(102)	527
Beginning cash and cash equivalents	128,332	2,444	4,779	543	4,691
Ending cash and cash equivalents	$ 131,951	$ 3,395	$ 3,149	$ 441	$ 5,218

NOTE 23 — SEGMENT INFORMATION

A segment is an identifiable activity for which one or more revenue bonds are outstanding. A segment has a specific identifiable revenue stream pledged in support of revenue bonds or other revenue-backed debt and has related expenses, gains, losses, assets and liabilities that can be identified. The university has one segment that meets the GASB reporting requirements.

The Office of Student Life operates student housing, dining and recreational sports facilities on the university's main and regional campuses. In January 2013, the university issued $337,955 of Special Purpose General Receipts Bonds, Series 2013A. These bonds are solely payable from, and secured by, a pledge of the gross revenues of Special Purpose Revenue Facilities. Special Purpose Revenue Facilities are defined in the Series 2013 Supplement as all housing and dining facilities and such auxiliary facilities as shall constitute recreation facilities owned by the university. Special Purpose Pledged Revenues include all revenues, fees, rentals, rates, charges, insurance proceeds and other moneys derived from the ownership or operation of these facilities. Special Purpose Pledged Revenues totaled $185,362 and $221,757 for the years ended June 30, 2020 and 2019, respectively.

Condensed financial information for the Special Purpose Revenue Facilities, before the elimination of certain intra-university transactions, as of and for the years ended June 30, 2020 and 2019 is as follows:

(dollars in thousands)

Segment Disclosure Information – Year Ended June 30, 2020 and June 30, 2019

	2020	2019
Condensed Statement of Net Position		
Assets and deferred outflows:		
Current assets	$ 26,329	$ 27,489
Capital assets	693,545	715,499
Total assets	$ 719,874	$ 742,988
Liabilities and deferred inflows:		
Current liabilities	$ 7,485	$ 7,279
Amounts payable to the university	723,980	721,238
Total liabilities	731,465	728,517
Net position:		
Net investment in capital assets	(30,434)	(5,739)
Unrestricted	18,843	20,210
Total net position	(11,591)	14,471
Total liabilities and net position	$ 719,874	$ 742,988

	2020	2019
Condensed Statement of Revenues, Expenses and Changes in Net Position		
Special-purpose pledged revenues - operating	$ 185,362	$ 221,757
Operating expenses, excluding depreciation	(145,821)	(150,933)
Depreciation expense	(35,554)	(35,021)
Operating income	3,987	35,803
Nonoperating revenues, net	(29,647)	(30,478)
Net income (loss) before transfers	(25,660)	5,325
Transfers from (to) other university units, net	(402)	4,141
Increase (decrease) in net position	(26,062)	9,466
Beginning net position	14,471	5,005
Ending net position	$ (11,591)	$ 14,471
Condensed Statement of Cash Flows		
Net cash provided (used) by:		
Operating activities	$ 75,436	$ 103,485
Capital and related financing activities	(76,786)	(103,296)
Investing activities	693	645
Net increase (decrease) in cash	(657)	834
Beginning cash and cash equivalents	26,436	25,603
Ending cash and cash equivalents	$ 25,779	$ 26,437

NOTE 24 – SUBSEQUENT EVENTS

Postponement of Fall Athletic Events

On August 11, 2020, the Big Ten Conference announced the postponement of the 2020-21 fall sports season, including all regular-season contests and Big Ten Championships and Tournaments, due to ongoing health and safety concerns related to the COVID-19 pandemic. The fall sports included in this announcement are men's and women's cross country, field hockey, football, men's and women's soccer, and women's volleyball. On September 16, 2020, the Big Ten Council of Presidents and Chancellors voted unanimously to adopt significant medical protocols, including daily antigen testing, and to resume the football season starting the weekend of October 23-24, 2020. Attendance at the football games will be limited to families, staff and the media under strict safety protocols. Similar testing protocols are being established to allow the resumption of other fall sports. The attendance limitations for football are expected to significantly reduce auxiliary revenues in fiscal year 2021.

Reporting Requirements for Provider Relief Funds

During fiscal year 2020, the Health System and OSU Physicians received and recognized $143,301 and $11,805 in revenue, respectively, related to CARES Act Provider Relief Funds, taking into consideration information available at June 30, 2020 based upon laws and regulations governing the funding as well as interpretations issued by the U.S. Department of Health and Human Services (HHS). On September 19, 2020, HHS issued new reporting requirements for the Provider Relief Funds, which were subsequently revised on October 22, 2020. Under the guidance issued on October 22, after reimbursing healthcare related expenses attributable to coronavirus that were unreimbursed by other sources, providers may use remaining PRF funds to cover any lost revenue, measured as a negative change in year-over-year actual revenue from patient care related sources. Due to these new reporting requirements there is a possibility that amounts recorded under CARES Act Provider Relief Funds may change in future periods.

Medicare Advance Payment Program

The Health System and OSU Physicians received advance payments under the Medicare Accelerated and Advance Payment Program totaling $274,915 and $12,585, respectively. Amounts provided are considered short-term loans and are reported as current liabilities in the Statement of Net Position as the Health System and OSU Physicians had previously planned to repay the funds in fiscal 2021. The Continuing Appropriations Act, 2021 and Other Extensions Act was signed into law on October 1, 2020 and as part of the legislation, the recoupment period was extended up to 29 months after the initial payments were issued.

The Ohio State University
Required Supplementary Information on GASB 68 Pension Liabilities (Unaudited)
Year Ended June 30, 2020

The schedule of the university's proportionate shares of STRS-Ohio and OPERS net pension liabilities are presented below:

(dollars in thousands)	2015	2016	2017	2018	2019	2020
STRS-Ohio:						
University's proportion of the net pension liability	4.4%	4.5%	4.5%	4.6%	4.6%	4.7%
University's proportionate share of the net pension liability	$ 1,070,914	$ 1,238,470	$ 1,510,814	$ 1,081,053	$ 1,019,690	$ 1,040,149
University's covered payroll	$ 381,669	$ 388,309	$ 392,797	$ 412,149	$ 434,106	$ 452,084
University's proportionate share of the net pension liability as a percentage of its covered payroll	281%	319%	385%	262%	235%	230%
Plan fiduciary net position as a percentage of the total pension liability	74.7%	72.1%	66.8%	75.3%	77.3%	77.4%
OPERS:						
University's proportion of the net pension liability	8.8%	9.0%	9.1%	9.4%	9.9%	10.2%
University's proportionate share of the net pension liability	$ 1,059,519	$ 1,556,156	$ 2,054,548	$ 1,466,955	$ 2,695,368	$ 1,984,881
University's covered payroll	$ 1,188,828	$ 1,236,914	$ 1,289,346	$ 1,381,054	$ 1,521,447	$ 1,574,490
University's proportionate share of the net pension liability as a percentage of its covered payroll	89%	126%	159%	106%	177%	126%
Plan fiduciary net position as a percentage of the total pension liability	86.5%	81.2%	77.4%	84.9%	74.9%	82.4%

The schedule of the university's contributions to STRS-Ohio and OPERS are presented below:

(dollars in thousands)	2015	2016	2017	2018	2019	2020
STRS-Ohio:						
Contractually required contribution	$ 65,738	$ 66,975	$ 70,373	$ 74,356	$ 77,781	$ 82,576
Contributions in relation to the contractually required	$ 65,738	$ 66,975	$ 70,373	$ 74,356	$ 77,781	$ 82,576
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
University's covered payroll	$ 388,309	$ 392,797	$ 412,149	$ 434,106	$ 452,084	$ 476,374
Contributions as a percentage of covered payroll	16.9%	17.1%	17.1%	17.1%	17.2%	17.3%
OPERS:						
Contractually required contribution	$ 170,979	$ 178,293	$ 188,762	$ 201,072	$ 220,062	$ 231,977
Contributions in relation to the contractually required	$ 170,979	$ 178,293	$ 188,762	$ 201,072	$ 220,062	$ 231,977
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
University's covered payroll	$ 1,208,710	$ 1,260,366	$ 1,334,350	$ 1,421,367	$ 1,525,502	$ 1,607,469
Contributions as a percentage of covered payroll	14.1%	14.1%	14.1%	14.1%	14.4%	14.4%

The Ohio State University
Required Supplementary Information on GASB 75 Net OPEB Liabilities (Unaudited)
Year Ended June 30, 2020

The schedule of the university's proportionate shares of STRS-Ohio and OPERS net OPEB liabilities are presented below:

(dollars in thousands)	2018	2019	2020
STRS-Ohio:			
University's proportion of the net OPEB liability	4.6%	4.6%	4.7%
University's proportionate share of the net OPEB liability	$ 177,556	$ (74,520)	$ (77,901)
University's covered payroll	$ 412,149	$ 434,106	$ 452,084
University's proportionate share of the net OPEB liability as a percentage of its covered payroll	43%	-17%	-17%
Plan fiduciary net position as a percentage of the total OPEB liability	47.1%	176.0%	174.7%
OPERS:			
University's proportion of the net OPEB liability	9.7%	10.1%	10.4%
University's proportionate share of the net OPEB liability	$ 1,055,239	$ 1,321,019	$ 1,436,889
University's covered payroll	$ 1,381,054	$ 1,521,447	$ 1,574,490
University's proportionate share of the net OPEB liability as a percentage of its covered payroll	76%	87%	91%
Plan fiduciary net position as a percentage of the total OPEB liability	54.1%	46.3%	47.8%

The Ohio State University
Notes to Required Supplementary Information (Unaudited)
Year Ended June 30, 2020

STRS-Ohio - Pensions:

Changes of benefit terms. Amounts reported in 2019 reflect a reduction in the COLA rate to 0%, effective July 1, 2017.

Changes of assumptions. Amounts reported in 2018 also reflect an adjustment of mortality assumptions based on the use of the RF-2014 Annuitant Mortality Table rather than the RP-2000 Combined Mortality Table. Amounts reported in 2017 reflect an adjustment of the discount rate from 7.75% to 7.45%.

OPERS – Pensions:

Changes of assumptions. Amounts reported in 2019 reflect an adjustment of the discount rate from 7.50% to 7.20%. Amounts reported in 2017 reflect an adjustment of the discount rate from 8.00% to 7.50%. Amounts reported in 2017 also reflect an updated healthy and disabled mortality assumptions, based on the RP-2014 mortality tables with generational improvement scale MP-2016. Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

STRS-Ohio – OPEB:

Changes of benefit terms. Amounts reported in 2020 reflect postponement of the Medicare Part B monthly reimbursement elimination date to January 1, 2021. Amounts reported in 2019 reflect adoption of a new premium subsidy plan for 2019 and future years that is intended to extent the fund's solvency to 2047. Amounts reported in 2019 also reflect postponement of the Medicare Part B monthly reimbursement elimination date to January 1, 2020. Amounts reported in 2018 reflect discontinuation of Medicare Part B premium reimbursements for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements, beginning January 2019.

Changes of assumptions. Amounts reported in 2019 reflect an adjustment of the discount rate from 4.13% to 7.45%. Amounts reported in 2018 reflect an adjustment of the discount rate from 3.26% to 4.13%. Amounts reported in 2018 also reflect an adjustment of mortality assumptions based on the use of the RF-2014 Annuitant Mortality Table rather than the RP-2000 Combined Mortality Table.

OPERS – OPEB:

Changes of assumptions. Amounts reported in 2020 reflect an adjustment of the discount rate from 3.96% to 3.16%. Amounts reported in 2019 reflect an adjustment of the discount rate from 3.85% to 3.96%.

The Ohio State University
Supplementary Information on the Long-Term Investment Pool
Year Ended June 30, 2020

The following section of the financial report provides additional information on the university's Long-Term Investment Pool, including a summary of changes in market value, investment returns and related expenses. Additional details on university investments, including asset allocations, endowment distribution policies, investment by type and risk disclosures, are provided in Notes 1 and 3 to the Financial Statements.

In 2020, the market value of the university's Long-Term Investment Pool – which includes gifted endowments, long-term investments of university operating funds and other funds internally designated to function as endowments – increased $30 million, to $5.29 billion at June 30, 2020. The Long-Term Investment Pool activity for 2020 is summarized below:

Long-Term Investment Pool Activity (in thousands)

	Gifted Endowments		Quasi-Endowments		
	University	Foundation	Operating	Designated	Total
Balance at June 30, 2019	**$ 1,070,008**	**$ 969,429**	**$ 1,289,534**	**$ 1,927,788**	**$ 5,256,759**
Net Principal Additions (Withdrawals)	7,809	63,970	123,485	30,451	225,715
Change in Fair Value	(1,924)	(2,178)	(2,888)	(3,933)	(10,923)
Income Earned	23,932	22,275	29,865	43,199	119,271
Distributions	(46,449)	(43,113)	(57,746)	(83,796)	(231,104)
Expenses	(15,263)	(14,206)	(19,046)	(24,072)	(72,587)
Balance at June 30, 2020	**$ 1,038,113**	**$ 996,177**	**$ 1,363,204**	**$ 1,889,637**	**$ 5,287,131**

Net principal additions (withdrawals) for gifted endowments include new endowment gifts and reinvestment of unused endowment distributions. **Change in fair value** includes realized gains and losses for assets sold during the year and unrealized gains and losses for assets held in the pool at June 30, 2020. **Income earned** includes interest and dividends and is used primarily to fund **distributions**. **Expenses** include investment management expenses ($53 million), University Development related expenses ($19 million) and other investment related expenses ($1 million).

Investment Returns and Expenses:

The investment return for the Long-Term Investment Pool was 1.1% for fiscal year 2020. The annualized investment returns for the three-year and five-year periods were 3.3% and 4.0%, respectively. These returns -- which are net of investment management expenses as defined by Cambridge Associates for its annual survey -- are used for comparison purposes with other endowments and various benchmarks. In addition to the $53 million of investment management expenses, which reduced the pool by 1.0% in fiscal year 2020, the $19 million of University Development expenses and $1 million of other investment related expenses further reduced the pool by 0.4%.

Additional Information:

For more information on how the Long-Term Investment Pool is invested, please visit the Office of Investments website at: **investments.osu.edu**.

Additional details on university and foundation endowments, including balances for individual funds, are available on the Office of the Controller's website at: **go.osu.edu/EndowAdmin** (click on the "Endowment Descriptions and Balances" link).

Report of Independent Auditors 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*

To the Board of Trustees of
The Ohio State University

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, the financial statements of the primary institution and of the aggregate discretely presented component units of The Ohio State University (the "University"), a component unit of the State of Ohio, which comprise of the statements of net position as of June 30, 2020, and the related statements of revenues, expenses, and changes in net position and of cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated November 21, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the University's internal control over financial reporting ("internal control") as a basis for designing 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 University's internal control. Accordingly, we do not express an opinion on the effectiveness of the University'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 University's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University'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 University's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PricewaterhouseCoopers LLP

November 21, 2020

Acknowledgements

The 2020 Financial Report and the included financial statements are prepared by the staff of the Office of the Controller.

Natalie H. Darner	Ben J. Moore
Allison M. Dodson	Lisa A. Plaga
Thomas F. Ewing	Wei Qu
Andrea Filbeck	Dawn M. Romie
Rachel R. Ford	Julie L. Saunders
Mitch P. Gill	Kathryn M. Seay
Robert L. Hupp, II	Jeffrey A. Smith
Gary L. Leimbach	Timothy A. Thibodeau
John C. Lister	Mary J. Wehner
Ruth McCollum	

Michael Papadakis – Senior Vice President and Chief Financial Officer

Kristine G. Devine – Vice President for Operations and Deputy Chief Financial Officer

Board of Trustees

The expiration date of each trustee's term is given in parentheses.

APPENDIX C

BOOK ENTRY ONLY SYSTEM

Book-Entry Only System—The Depository Trust Company

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Series 2021 A Bonds. The Series 2021 A Bonds will be issued as fully-registered securities 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 2021 A Bond certificate will be issued for each maturity in each series in the aggregate principal amount of the Series 2021 A Bonds for that maturity and series 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"). DTC has S&P's 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.

Purchases of the Series 2021 A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2021 A Bonds on DTC's records. The ownership interest of each actual purchaser of each of the Series 2021 A Bonds (the "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 purchases. Beneficial Owners are, however, expected to receive written confirmations providing details of the transactions, as well as periodic statements of their holdings, from the Direct or Indirect Participants through which the Beneficial Owners entered into the transaction. Transfers of ownership interests in the Series 2021 A 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 interest in Series 2021 A Bonds, except in the event that use of the Book Entry Only System for the Series 2021 A Bonds is discontinued.

To facilitate subsequent transfers, all Series 2021 A 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 the Series 2021 A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee does not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2021 A Bonds;

DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2021 A 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 2021 A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2021 A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2021 A Bond documents. For example, Beneficial Owners of Series 2021 A Bonds may wish to ascertain that the nominee holding the Series 2021 A 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 registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2021 A 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 such other DTC nominee) will consent or vote with respect to the Series 2021 A 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 University 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 2021 A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, premium, if any, and interest payments on the Series 2021 A 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 University or its agent, on the 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 Participants and not of DTC (or its nominee), or the University or its agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the University or its agent, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

Discontinuation of the Book Entry Only System

DTC may discontinue providing its service with respect to the Series 2021 A Bonds at any time by giving reasonable notice to the University or its agent. Under such circumstances, in the event a successor securities depository is not obtained, the Series 2021 A Bond certificates are required to be printed and delivered.

Revision of Book Entry Only System - Replacement Bonds

The Program II Resolution provides for issuance of fully registered 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 2021 A Bonds. In such event, the University may in its discretion establish a securities depository/book entry relationship with another qualified securities depository. If the University does not or is unable to do so, and after appropriate notice to DTC, the University's Bond Registrar will authenticate and deliver fully registered Replacement Bonds, in the denominations of $5,000 or any integral multiple thereof, to or at the direction of and, if the event is not the result of University action or inaction, at the expense (including printing costs) of, any persons requesting such issuance. The Replacement Bonds may be transferred, registered and assigned only in the registration books of the University's Bond Registrar.

DTC Letter of Representations

Certain duties of DTC and procedures to be followed by DTC and the Trustee are set forth in DTC's operational arrangements (the "Operational Arrangements"). In the event of any conflict between the provisions of the Indenture and the provisions of the Operational Arrangements relating to delivery of Bonds to the Trustee, the provisions of the Operational Arrangements shall control. The University has executed a blanket letter of representations enabling the Series 2021 A Bonds to be eligible for DTC's book entry only system.

Disclaimer by University, Trustee and Underwriter

Neither the University nor the Trustee has any responsibility or liability for any aspect of the records relating to, or payments made on account of book entry interest ownership, or for maintaining, supervising or reviewing any records relating to that ownership.

The University, the Trustee, and the Underwriters cannot and do not give any assurances that DTC, DTC Participants or others will distribute to the Beneficial Owners (i) payments of Debt Service Charges on the Series 2021 A Bonds paid or (ii) notices sent to DTC as the Holder or that they will do so on a timely basis, or that DTC or DTC Participants will serve and act in the manner described in this Supplemental Official Statement.

THE UNIVERSITY, UNDERWRITERS AND THE TRUSTEE CANNOT AND DO NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE SERIES 2021 A BONDS (1) PAYMENTS OF PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUM ON THE SERIES 2021 A BONDS; (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE SERIES 2021 A BONDS; OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE SERIES 2021 A BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS SUPPLEMENTAL OFFICIAL STATEMENT.

THE UNIVERSITY, THE UNDERWRITERS AND TRUSTEE WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OF DTC OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC, (2) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC, OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR REDEMPTION PREMIUM ON THE SERIES 2021 A BONDS; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS UNDER

THE TERMS OF THE CERTIFICATE; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED HOLDER OF THE SERIES 2021 A BONDS.

THE INFORMATION CONTAINED HEREIN CONCERNING DTC AND ITS BOOK ENTRY SYSTEMS HAS BEEN OBTAINED FROM DTC, AND THE UNIVERSITY MAKES NO REPRESENTATION AS TO THE COMPLETENESS OR THE ACCURACY OF SUCH INFORMATION OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF.

Procedures May Change

Although DTC has agreed to these procedures in order to facilitate transfers of securities among DTC and its participants, they are under no obligation to perform or continue to perform these procedures and these procedures may be discontinued and may be changed at any time by any of them.

APPENDIX D

FORM OF OPINION OF BOND COUNSEL

Barclays Capital Inc.
Representative of the Underwriters
identified in the Official Statement
New York, New York

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance of the General Receipts Bonds (Multiyear Debt Issuance Program II), Series 2021 A (the "Bonds") by The Ohio State University, Columbus, Ohio (the "University"), a state university and a body corporate and politic of the State of Ohio. We have examined the transcript of proceedings (the "Transcript"), which includes, among others, the following documents: (i) a copy of the Amended and Restated Trust Indenture (the "Original Indenture"), dated as of December 1, 1999, between the University and The Bank of New York Mellon Trust Company, N.A. as successor trustee to The Huntington National Bank (the "Trustee"), as supplemented by a Multiyear Debt Issuance Program II Supplement to the Amended and Restated Trust Indenture dated as of September 1, 2021 (the "Program II Supplement" and together with the Original Indenture, the "Indenture"), (ii) the 1999 General Bond Resolution (the "1999 General Bond Resolution") adopted by the Board of Trustees of the University on November 5, 1999, as supplemented by the resolution adopted by the Board of Trustees of the University on August 19, 2021, (the "Program II Series Bond Resolution") authorizing the issuance and sale of the Series 2021 A Bonds, (iii) a specimen of the form of the Series 2021 A Bonds and (iv) the Tax Certificate of the University (the "Tax Certificate"), dated of even date herewith. We have also examined Section 2i of Article VIII of the Ohio Constitution, Sections 3345.11 and 3345.12 of the Revised Code (the "Act") and such other law, as we deemed relevant and necessary to render this opinion. Terms used in this opinion with initial capitalization when the rules of grammar would not otherwise so require have the respective meanings given to them in the Indenture unless the context requires a different meaning.

Except to the extent set forth in our supplemental opinion addressed to you and dated the date hereof, we have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or the Supplemental Official Statement for the Series 2021 A Bonds dated September 21, 2021 or other offering material relating to the Series 2021 A Bonds and we express no opinion herein relating thereto.

As to questions of fact material to our opinion, we have relied on the representations of the University contained in the Program II Series Bond Resolution and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based on the foregoing and in reliance upon this examination, we are of the opinion that, under the law in effect on the date of this opinion:

1. The Program II Series Bond Resolution has been duly adopted by the Board of Trustees of the University and constitutes a valid and binding obligation of the University enforceable against the University in accordance with its terms.

2. The Series 2021 A Bonds have been duly authorized, executed and delivered by the University and are valid and legally binding special obligations of the University payable solely from the sources provided therefor in the Program II Series Bond Resolution.

3. The Debt Service Charges on the Series 2021 A Bonds, along with the Debt Service Charges on other Obligations, are payable solely from and are equally and ratably secured by a first pledge of the gross amount of General Receipts and, except to the extent provided in the Original Indenture or any supplement thereto, including without limitation the Program II Supplement, by the Special Funds and accounts therein. The Series 2021 A Bonds are not otherwise secured and the owners and holders of the Series 2021 A Bonds are given no right to have any excises or taxes levied by the General Assembly of Ohio for the payment of Debt Service Charges on the Series 2021 A Bonds. General Receipts do not include appropriations by the General Assembly of Ohio.

4. Based on existing law and assuming that the Series 2021 A Bonds are issued in accordance with the Tax Certificate, the interest on the Series 2021 A 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"). Interest on the Series 2021 A Bonds is not an item of tax preference for purposes of the alternative minimum tax. We express no opinion regarding other federal tax consequences arising with respect to the Series 2021 A Bonds.

5. The interest on the Series 2021 A Bonds, and any profits made on their sale, exchange or other disposition, are exempt from Ohio personal income tax, the Ohio commercial activities tax, the net income base of the Ohio corporate franchise tax and income taxes imposed by the Ohio Revised Code. We express no opinion regarding other state and local tax consequences arising with respect to the Series 2021 A Bonds.

In giving the opinions contained in this letter, we have assumed compliance with and the accuracy of, and have relied upon, the covenants, representations and certifications in the Transcript. We have not independently verified the accuracy of those representations and certifications. The accuracy of those representations and certifications, and the University's compliance with those covenants, may be necessary for the interest on the Series 2021 A Bonds to be and remain excluded from gross income for federal income tax purposes and for other tax effects stated above. Failure to comply with certain requirements subsequent to issuance of the Series 2021 A Bonds could cause the interest on the Series 2021 A Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2021 A Bonds.

The opinions hereinabove expressed are qualified to the extent that the binding effect and enforceability of any of the provisions of the Series 2021 A Bonds and the Program II Series Bond Resolution, or of any rights pursuant thereto, are subject to applicable bankruptcy, insolvency, reorganization, moratorium, or other laws in effect from time to time affecting the rights of creditors heretofore or hereinafter enacted, and also to the extent that the enforceability thereof may be limited by application of general principles of equity or public policy.

We bring to your attention the fact that our legal opinions are an expression of professional judgment and are not a guarantee of a result.

We do not undertake to advise you of matters which might come to our attention subsequent to the date hereof which may affect our legal opinions expressed herein.

Very truly yours,

APPENDIX E

GREEN BOND SECOND PARTY OPINION

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KESTREL VERIFIERS™

Second Party Opinion

EXECUTIVE SUMMARY

ISSUER

The Ohio State University

OPINION ON

General Receipt Bonds (Multiyear Debt Issuance Program II) Series 2021 A (Green Bonds)

GREEN STANDARD AND CATEGORY

The Green Bond Principles

- Green Buildings

EVALUATION DATE

September 15, 2021

SUMMARY

Kestrel Verifiers is of the opinion that the General Receipt Bonds (Multiyear Debt Issuance Program II) Series 2021 A (Green Bonds) ("Series 2021 A Bonds") conform with the four core components of the Green Bond Principles 2021 as follows:

- **Use of Proceeds**
  The Series 2021 A Bonds will finance construction of a new inpatient hospital facility ("Project") that will be part of The Ohio State University's ("Ohio State" or "University") Wexner Medical Center. The new facility will meet robust energy efficiency standards for hospitals and incorporate green building features. The Series 2021 A Bonds align with the *Green Buildings* eligible project category under the Green Bond Principles.
- **Process for Project Evaluation and Selection**
  Ohio State University identified the need for a modern inpatient facility with more hospital beds. Several documents guided decision-making regarding the design and objectives of the Project, including the University's long-term planning vision, Framework 2.0, and the Sustainable Campus Building Standard.
- **Management of Proceeds**
  Proceeds from the Series 2021 A Bonds will be allocated to finance the Project and to pay costs of issuance. Proceeds will be held in a bond-specific account and allocated to expenses following approval by the Treasurer's Office.
- **Reporting**
  Ohio State University will post continuing disclosures to the Municipal Securities Rulemaking Board ("MSRB") annually through the Electronic Municipal Market Access ("EMMA") system. Beginning with the period ending June 30, 2023, the University will provide voluntary annual update reports on the allocation of Bond proceeds and on construction status until such time that all proceeds have been spent. The University will post a one-time accountability report on EMMA summarizing actual building performance relative to expected performance. Sustainability achievements of the entire Wexner Medical Center such as energy use reduction, waste diversion, and use of renewable electricity are tracked and reported annually in the Wexner Medical Center Sustainability Report.
- **Impact and Alignment with United Nation Sustainable Development Goals**
  By financing the construction of a new inpatient teaching hospital built to green building standards, the Series 2021 A Bonds support and advance multiple UN SDGs, including Goal 3: *Good Health and Well-Being* and Goal 7: *Affordable and Clean Energy*.

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Second Party Opinion

Issuer:	**The Ohio State University**
Issue Description:	General Receipts Bonds (Multiyear Debt Issuance Program II) Series 2021 A (Green Bonds)
Project:	Wexner Medical Center Inpatient Facility
Green Standard:	Green Bond Principles
Green Category:	Green Buildings
Par:	$600,000,000
Evaluation Date:	September 15, 2021

GREEN BONDS DESIGNATION

Kestrel Verifiers, an Approved Verifier accredited by the Climate Bonds Initiative, conducted an independent external review of this bond to evaluate conformance with the Green Bond Principles (June 2021) established by the International Capital Market Association.

This Second Party Opinion reflects our review of the uses and allocation of proceeds, and oversight and conformance of the bonds with the Green Bond Principles. In our opinion, The Ohio State University General Receipts Bonds (Multiyear Debt Issuance Program II) Series 2021 A (Green Bonds) ("Series 2021 A Bonds") are aligned with the four core components of the Green Bond Principles and qualify for Green Bonds designation.

ABOUT THE ISSUER

The Ohio State University ("Ohio State" or "University") is a public land-grant research university founded in 1870 and governed by the Ohio Department of Higher Education.[1] The University's main campus is located in the City of Columbus in Franklin County, Ohio, and is home to Ohio State's College of Medicine and the Ohio State Wexner Medical Center. Ohio State also has five other regional campuses throughout the state. The academic organization of the University consists of 15 colleges, seven schools, the Graduate School and the Agricultural Technical Institute. Ohio State offers more than 200 undergraduate majors, 166 programs leading to the doctoral degrees, and over 12,000 different courses. Approximately 68,000 students are enrolled across Ohio State campuses with approximately 900 MD students enrolled in the College of Medicine.

The Ohio State Wexner Medical Center is a comprehensive academic medical center which is co-located in a health sciences district that includes the colleges of Dentistry, Nursing, Optometry, Pharmacy, Public Health and Veterinary Medicine, and the School of Health and Rehabilitation Sciences. Facilities include two full-service hospitals, five specialized hospitals, a unified physician practice of 1200 physicians, and a network of community-based primary and subspecialty care providers. The Ohio State Wexner Medical

[1] Morrill Land-Grant Act, signed in 1862, provided each state with parcels of land that could be used or sold off to build an institution of higher learning. Many of these land-grant institutions dispossessed Native tribes and peoples. Ohio State University acknowledges the land the campus occupies is the ancestral and contemporary territory of the Shawnee, Potawatomi, Delaware, Miami, Peoria, Seneca, Wyandotte, Ojibwe and Cherokee peoples. The University continues to examine the effects its founding has had on the economic, educational, and health disparities of Ohio's Native peoples. First Nations Development Institute, https://www.firstnations.org/stories/dotting-the-i-at-the-ohio-state-university/; The Ohio State University Multicultural Center, https://mcc.osu.edu/about-us/land-acknowledgement.

Center served more than 62,000 inpatients in the 2020 fiscal year. Ohio State's College of Medicine is ranked #33 in research and #28 in primary care by US News and World Report.

The Ohio State University and the Wexner Medical Center have developed several equity and anti-racism initiatives. In June of 2020, the University addressed and confronted institutional racism through the following activities: forming a Citizen's Review Board for instances of police misconduct; mobilizing research around the social determinants of health; and supporting a grant research fund to promote multi-disciplinary studies of and solutions to racism and racial disparities.[2] Wexner Medical Center released the "Health Equity and Anti-Racism Report 2021," which outlines several goals, including:

- fighting to eliminate structural racism within the Wexner Medical Center workforce and the patients served through education, research, clinical care and community engagement;
- reducing infant mortality rates in central Ohio and beyond;
- investing in ending food insecurity in Black and Brown communities;
- keeping economically vulnerable patients out of the hospital; and
- tackling the opioid epidemic and addiction.[3]

Wexner Medical Center has also received the LGBTQ Health Care Equality Leader Award from the Human Rights Campaign Foundation.

Environmental Sustainability at Ohio State

The Ohio State University is demonstrating leadership in environmental sustainability through teaching and action. Ohio State has defined goals, metrics, and strategies to achieve environmental sustainability through the 2011 Climate Action Plan which committed the University to carbon neutrality by 2050. Ohio State achieved a Gold rating in 2019 through the Sustainability Tracking, Assessment & Rating System ("STARS"), a self-reporting framework for colleges and universities to measure their sustainability performance, and strives for future ratings.

In 2017 Ohio State approved a public-private partnership with Ohio State Energy Partners ("OSEP") for comprehensive energy management. The partnership provides capital funding for significant energy conservation measures across the campus with a goal of improving energy efficiency by 25 percent in 10 years. OSEP has agreed to invest up to $50 million in the Energy Advancement and Innovation Center, a hub for collaboratively advancing clean and renewable energy and mobility systems and solutions. Because of OSEP, energy use intensity on the Columbus campus has declined 13% since 2017 and is expected to decline dramatically as energy conservation measures continue to be implemented. Sustainability achievements such as energy use reduction, waste diversion, and use of renewable electricity are tracked and reported annually in the Sustainability Institute at Ohio State's Annual Reports.[4]

As further evidence of environmental stewardship, the Wexner Medical Center received a gold level Environmental Excellence award from the Ohio Environmental Protection Agency in 2020, an Emerald level award and a Climate Circles of Excellence (top 10 award) from Practice Greenhealth in 2020, and Tree Campus Healthcare designation from the Arbor Foundation for 2020 and 2021.

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[2] "Ohio State addresses institutional racism," The Ohio State University Wexner Medical Center, June 10, 2020, https://wexnermedical.osu.edu/-/media/files/wexnermedical/about-us/diversity/ohio-state-addresses-institutional-racism.pdf

[3] "Health Equity and Anti-Racism Report 2021," The Ohio State University Wexner Medical Center and Health Science Colleges, accessed September 9, 2021, https://wexnermedical.osu.edu/-/media/files/wexnermedical/about-us/anti-racism/hearreportjune24.pdf

[4] "Sustainability Institute at Ohio State Annual Report 2020," The Ohio State University, accessed September 9, 2021, https://si.osu.edu/sites/default/files/SI_2020_AnnualReportFinal.pdf

ALIGNMENT TO GREEN STANDARDS

Use of Proceeds

The Series 2021 A Bonds will finance construction of a new inpatient hospital facility ("Project") within the University's Wexner Medical Center. The new facility will meet robust energy efficiency standards for hospitals and incorporate multiple green building features. The Project is an eligible project as defined by the Green Bond Principles in the project category of *Green Buildings.*

Green Standard
The Green Bond Principles
Eligible Project Category: ▪ Green Buildings

The Project will be a 1.9 million square foot inpatient teaching hospital conscientiously designed with a focus on long-term sustainability. It will include 60 neonatal intensive care unit bassinets, up to 820 beds, 10 interventional radiology rooms, six endoscopy rooms, 192 intensive care unit beds, 42 beds for neuro and transplant care and modern diagnostic and treatment areas, imaging, and 24 operating rooms. The new facility will operate in conjunction with Ohio State's existing healthcare facilities, including the Ohio State University Comprehensive Cancer Center, Rhodes Hall, Doan Hall, the Richard M. Ross Heart Hospital, and the Brain and Spine Hospital. The Project is expected to be operational in early 2026.

Ohio State developed custom building standards tailored to its sustainability goals, called the Sustainable Campus Building Standards ("SCBS"), which have since been expanded and integrated into Ohio State's Building Design Standards in Division 18. The new inpatient Project will align to SCBS, as outlined in Table 1.

Table 1. Sustainable Campus Building Standard Requirements

Category	Requirement
Sustainability Project Management and Commissioning	Project teams must document project need, sustainability targets, perform life cycle assessments, and consider planning for resiliency.
Energy	Every building must include energy metering for every energy source and meet energy use intensity targets based on the building type.
Water	Every building must include comprehensive water metering (smart meters) and the facility must meet water use intensity targets.
Materials	Construction waste, source materials, and management of materials are all considered. At least 50% of materials must meet sustainability criteria such as recycled content, FSC lumber, or be locally sourced. The project must have a materials management plan to maximize diversion of waste from landfills once the project is in operation, and 85% of construction waste must be diverted.
Ecosystem Services	Ohio State has developed an Ecosystem Services Index that lists natural assets that are important to the University (consists of metrics related to ecosystem services). Teams prepare an Ecosystem Services Assessment (using the Ecosystem Assessment Scorecard) to maximize effective stormwater management, conserve valuable natural resources, and protect biodiversity.
User Experience	Buildings must be constructed to meet high indoor air quality standards and maintain adequate thermal comfort levels. Designs are required to consider connections to nature, acoustic performance, and light quality.

In Kestrel Verifiers' view, SCBS energy and water use intensity targets are adequate to meet the *Green Buildings* project category of the Green Bond Principles. Ohio State's green building standards are comparable to LEED, but omit certain aspects such as green vehicles and multimodal access which are included in other University programs. The ambitious SCBS energy use intensity targets were selected based on data from the Department of Energy, the Commercial Buildings Energy Consumption Survey, and Energy Star. According to Energy Star data, the Project is expected to reduce energy use intensity by approximately 35% in comparison to the median inpatient hospital in the US. SCBS water use intensity targets were selected based on data from the Commercial Buildings Energy Consumption Survey ("Survey") by the US

Energy Information Administration.[5] Ohio State compiled historical water use data from campus buildings and found average gallons of water usage per square foot. Ohio State's hospital buildings are currently operating below the average gallons per square foot specified in the Survey, and the new building is designed to exceed this performance.

Process for Project Evaluation and Selection

The decision to design and construct a new inpatient hospital is centered on the need for a modern facility with more hospital beds, as identified in the FY2021 Financial Plan. The Project also aligns and advances the university's long-term planning vision, Framework 2.0.

The Ohio State University identified a significant demand for hospital beds and several outdated facilities requiring replacement. Based on this identified need, potential facilities and projects were measured based on the degree to which it advances goals in Framework 2.0. The Framework 2.0 was adopted in 2017 and articulates the long-range vision for facilities on the University's Columbus campus. The Framework has a clear emphasis on sustainability through one of the primary goals: *Resource Stewardship and Sustainability.*

By incorporating green building features and ambitious energy efficiency standards, the Project directly aligns with the University's resource stewardship goals to:

- increase energy efficiency by 25% by 2025;
- divert 90% of waste away from landfills by 2025;
- reduce potable water consumption by 5% every five years;
- provide a net increase in the Ecosystem Services from the site (such as providing a recreational greenspace to improve storm water runoff management and provide a healing respite for patients and visitors); and
- achieve carbon neutrality by 2050.

Project owner and design teams oversee implementation of the Sustainable Campus Building Standard, and projects must meet checkpoints throughout design and construction.

Management of Proceeds

Proceeds from Series 2021 A Bonds will be allocated to finance the Project and to pay costs of issuance. Proceeds will be held in a bond-specific account and allocated to expenses following approval by the Treasurer's Office. Proceeds are expected to be fully expended in approximately two years and may be temporarily invested in accordance with the University's Investment Policy.

Reporting

The University will submit continuing disclosures to the Municipal Securities Rulemaking Board ("MSRB") so long as the Series 2021 A Bonds are outstanding. The University will also provide reports in the event of material developments. This reporting will be done annually on the Electronic Municipal Market Access ("EMMA") system operated by the MSRB.

Beginning with the period ending June 30, 2023, the University will voluntarily produce annual update reports on the allocation of Bond proceeds until such time that all proceeds have been spent. These updates will be available on EMMA and will include information on construction status.

Ohio State will also report on the performance of the green building. SCBS requires a 12-month post-construction review of actual energy use intensity for buildings in operation. The University will post a one-time accountability report on EMMA summarizing actual building performance relative to expected performance. This report will be based on building performance over the first full year of hospital operations. Sustainability achievements of the entire Wexner Medical Center such as energy use reduction, waste

[5] *Commercial Buildings Energy Consumption Survey*, US Energy Information Administration, accessed September 10, 2021, https://www.eia.gov/consumption/commercial/reports/2012/water/

diversion, and use of renewable electricity are tracked and reported annually in the Wexner Medical Center Sustainability Report.[6]

IMPACT AND ALIGNMENT WITH UN SDGS

The Series 2021 A Bonds support and advance UN SDGs 3: *Good Health and Well-Being* and 7: *Affordable and Clean Energy*. By expanding critical space for teaching and clinical care, the Wexner Medical Center project addresses Target 3.8. By financing the construction of a new inpatient facility built to green building standards, the Project supports Target 7.3.

Full text of the Targets for Goals 3 and 7 is available in Appendix A, with additional information available on the United Nations website: www.un.org/sustainabledevelopment

Good Health and Well-Being (Target 3.8)

Possible Indicators

- Number of patients served per year
- Equity and anti-racism initiatives

Affordable and Clean Energy (Target 7.3)

Possible Indicators

- Energy use intensity reduction
- Avoided GHG emissions (CO_2-eq)

CONCLUSION

Based on our independent external review, the Series 2021 A Bonds (Green Bonds) conform, in all material respects, with the Green Bond Principles (2021) and are in complete alignment with one eligible project category: *Green Buildings*. The new inpatient facility at the University's Wexner Medical Center will incorporate green building features and align with strong energy efficiency standards for hospitals.

ABOUT KESTREL VERIFIERS

For 20 years Kestrel has been a trusted consultant in sustainable finance. Kestrel Verifiers, a division of Kestrel 360, Inc. is a Climate Bonds Initiative Approved Verifier qualified to verify transactions in all asset classes worldwide. Kestrel is a US-based certified Women's Business Enterprise.

For more information, visit www.kestrelverifiers.com

DISCLAIMER

This Opinion aims to explain how and why the discussed financing meets the ICMA Green Bond Principles based on the information which was available to us during the time of this engagement (September 2021) only. By providing this Opinion, Kestrel Verifiers is not certifying the materiality of the projects financed by

[6] FY20 Sustainability Report: Sustainability at the Ohio State University Wexner Medical Center (2019-2020)," The Ohio State University Wexner Medical Center, accessed September 9, 2021, https://wexnermedical.osu.edu/-/media/files/wexnermedical/about-us/sustainability/sustainabilityaccomplishmentsreportexternalfinal31621.pdf

the Green Bonds. It was beyond Kestrel Verifiers' scope of work to review for regulatory compliance and no surveys or site visits were conducted. Furthermore, we are not responsible for surveillance on the project or use of proceeds. Kestrel Verifiers relied on information provided by the University and publicly available information. The Opinion delivered by Kestrel Verifiers does not address financial performance of the Green Bonds or the effectiveness of allocation of its proceeds. This Opinion does not make any assessment of the creditworthiness of the University, or its ability to pay principal and interest when due. This is not a recommendation to buy, sell or hold the Bonds. Kestrel Verifiers is not liable for consequences when third parties use this Opinion either to make investment decisions or to undertake any other business transactions. This Opinion may not be altered without the written consent of Kestrel Verifiers. Kestrel Verifiers reserves the right to revoke or withdraw this Opinion at any time. Kestrel Verifiers certifies that there is no affiliation, involvement, financial or non-financial interest in the University or the projects discussed. Language in the offering disclosure supersedes any language included in this Second Party Opinion.

Use of the United Nations Sustainable Development Goal (SDG) logo and icons does not imply United Nations endorsement of the products, services or bond-financed activities. The logo and icons are not being used for promotion or financial gain. Rather, use of the logo and icons is primarily illustrative, to communicate SDG-related activities.

Appendix A.
UN SDG TARGET DEFINITIONS

Target 3.8

Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all

Target 7.3

By 2030, double the global rate of improvement in energy efficiency

OFFICIAL STATEMENT

Relating to

$800,000,000
In maximum principal amount of
THE OHIO STATE UNIVERSITY
General Receipts Bonds
(Multiyear Debt Issuance Program II)

The Ohio State University (the "University") has authorized the issuance of its General Receipts Obligations (Multiyear Debt Issuance Program II) (the "Program II Bonds") up to a maximum principal amount of $800,000,000 between the date of this Official Statement and June 30, 2025 (the "Offering Period"). The maximum principal amount limitation in the Program II Resolution (as defined herein) does not apply to Obligations issued to retire or refund Obligations previously issued by the University ("Refunding Obligations") and such Refunding Obligations are excluded for purposes of calculating the amount of Obligations issued pursuant to the authorization provided in the Program II Resolution.

The Program II Bonds may be issued in one or more series from time to time during the Offering Period. The specific terms of each series of Program II Bonds issued during the Offering Period will be set forth in supplements to this Official Statement (each a "Supplemental Official Statement"). The Program II Bonds will be special obligations of The Ohio State University (the "University") issued to pay costs of capital facilities, refund General Receipts Obligations previously issued and to pay costs of issuance of the Program II Bonds.

Each series of the Program II Bonds is to be issued pursuant to an Amended and Restated Trust Indenture dated as of December 1, 1999 between the University and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the "Trustee"), as amended and supplemented to date, including by the Multiyear Debt Issuance Program II Supplement to Amended and Restated Trust Indenture dated as of September 1, 2021. Principal of, and interest and any premium on, the Program II Bonds, and any other parity obligations, are payable solely from the General Receipts of the University and the Debt Service Fund. See **SECURITY AND SOURCES OF PAYMENT** herein.

The Program II Bonds are not obligations of the State of Ohio, are not general obligations of the University, and the full faith and credit of the University is not pledged to their payment. The owners of the Program II Bonds have no right to have any excises or taxes levied by the Ohio General Assembly for the payment of the principal, interest and redemption premium.

This cover page contains certain information for quick reference only. Investors must read the entire Official Statement and the applicable Supplemental Official Statement to obtain information essential to the making of an informed investment decision. This Official Statement may not be used to offer and sell Program II Bonds unless accompanied by a Supplemental Official Statement.

This Official Statement is dated September 15, 2021.

REGARDING THIS OFFICIAL STATEMENT

This Official Statement is delivered in connection with the proposed issuance from time to time of Program II Bonds authorized by the University to pay costs of capital facilities, refund General Receipts Obligations previously issued, and to pay costs of issuance of the Program II Bonds. During a period commencing on the date of this Official Statement and terminating on June 30, 2025 (the "Offering Period"), the University may issue one or more series of General Receipts Bonds in the form of Program II Bonds including:

- Fixed Rate Senior Lien Obligations;
- Variable Rate Senior Lien Obligations; and
- Special Purpose General Receipts Obligations.

Program II Bonds may be issued as either taxable or tax-exempt Program II Bonds, as specified in the applicable Supplemental Official Statement (as defined below).

This Official Statement provides a general description of the University and the various types of Program II Bonds that may be offered. For each issuance of Program II Bonds during the Offering Period, the University will prepare a supplement to this Official Statement (each a "Supplemental Official Statement") with specific information about the terms of the series of Program II Bonds being offered, including the price, interest rate, payment dates, priority of lien, maturity date, redemption terms, tax status and other terms specific to the series of Program II Bonds being offered. Each Supplemental Official Statement will also describe the use of proceeds, the names and compensation of the underwriters of the Program II Bonds and other important considerations for investors. Each Supplemental Official Statement may also add, update or change information contained in this Official Statement. Investors must read this Official Statement and the applicable Supplemental Official Statement before making an investment decision. This Official Statement may not be used to offer and sell Program II Bonds unless it is accompanied by a Supplemental Official Statement that more fully describes the Program II Bonds being offered and the terms of the offering.

AVAILABLE INFORMATION

The University intends (as a voluntary practice) to continue to file quarterly reports for quarterly periods ending September 30, December 31, March 31 and June 30 of each year, including September 30, 2021, with the Municipal Securities Rulemaking Board's ("MSRB") Electronic Municipal Market Access System ("EMMA") which will update some of the information contained in this Official Statement and the applicable Supplemental Official Statement, including certain operating data and financial information included in Appendix A attached to each Supplemental Official Statement. Such quarterly reports can be inspected electronically at http://www.emma.msrb.org. Such quarterly reports do not constitute a part of this Official Statement or the applicable Supplemental Official Statement and should not be relied upon in making a decision to purchase Program II Bonds. The University's plan to file quarterly reports does not constitute an obligation of the University under its continuing disclosure agreement. See **CONTINUING DISCLOSURE** in the accompanying Supplemental Official Statement.

$800,000,000
THE OHIO STATE UNIVERSITY
General Receipts Bonds
(Multiyear Debt Issuance Program II)

INTRODUCTORY STATEMENT

General

This Official Statement has been prepared by The Ohio State University (the "University"), a state university of the State of Ohio, in connection with the issuance and sale by the University of up to a maximum of $800,000,000 in aggregate principal amount of its Program II Bonds in one or more series during the Offering Period described herein. The specific terms of each series of Program II Bonds issued during the Offering Period will be set forth in one or more supplements to this Official Statement (each a "Supplemental Official Statement"). Each series of Program II Bonds will be special obligations of the University issued for the purpose of paying costs of capital facilities, refunding General Receipts Obligations previously issued by the University and paying costs of the issuance of the Program II Bonds, each as described in the applicable Supplemental Official Statement and will constitute an issue of Obligations under the Indenture described below.

Each series of Program II Bonds will be issued pursuant to Sections 3345.11 and 3345.12 of the Ohio Revised Code (the "Act"), the General Bond Resolution adopted by the Board on November 5, 1999 (the "1999 General Bond Resolution") and the Multiyear Debt Issuance Program II Bond Resolution (the "Program II Resolution"), adopted by the Board of Trustees of the University (the "Board") on August 19, 2021, an Amended and Restated Trust Indenture (the "Amended and Restated Trust Indenture") dated as of December 1, 1999, as amended and supplemented to date, including by the Multiyear Debt Issuance Program II Supplement to Amended and Restated Trust Indenture (the "Program II Supplement"), dated as of September 1, 2021 both between the University and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the "Trustee") and a Certificate of Award to be dated the date of issuance of the applicable series of Program II Bonds (each a "Certificate of Award"). The Program II Resolution, the Amended and Restated Trust Indenture and the Program II Supplement are collectively referred to in this Official Statement as the "Indenture." Capitalized terms used herein which are not defined herein shall have the meanings described in the Indenture. See **THE INDENTURE** for a summary of certain terms and provisions of the Indenture.

Pursuant to the Act, the University is authorized, among other things, to acquire, construct, improve and furnish certain "facilities" as defined in the Act, and to pay costs of those facilities by the issuance of obligations payable from the General Receipts of the University. The Indenture authorizes the issuance of obligations (as defined in the Indenture, the "Obligations") of the University to finance the costs of those authorized facilities (as defined in the Indenture, the "University Facilities"). The Program II Supplement specifically authorizes the issuance of $800,000,000 maximum principal amount of General Receipts Obligations (to be denominated "Program II Bonds") in one or more series, during the Offering Period. The maximum principal amount limitation in the Program II Resolution does not apply to Refunding Obligations issued by the University and such Refunding Obligations are excluded for purposes of calculating the amount of Obligations issued pursuant to the authorization provided in the Program II Resolution.

The University has previously authorized and issued Obligations secured by the Amended and Restated Indenture, including Senior Lien Obligations and Special Purpose General Receipts Obligations. Senior Lien Obligations are secured by General Receipts of the University. Special Purpose General

Receipts Obligations are subordinated obligations of the University payable solely from Special Purpose Pledged Revenues, as described herein (Senior Lien Obligations and Special Purpose General Receipts Obligations are collectively referred to herein as "Obligations"). See **GENERAL RECEIPTS OBLIGATIONS** herein. The University may designate a series of the Program II Bonds upon its issuance as either Senior Lien Obligations or Special Purpose General Receipts Obligations.

References to provisions of Ohio law, whether codified in the Ohio Revised Code or uncodified, or 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 Charges" means principal (including any mandatory sinking fund requirements), interest and any redemption premium required to be paid by the University on the Obligations, and "Fiscal Year" means the University's fiscal year, currently the 12-month period from July 1 to June 30. Reference to a particular fiscal year (such as "Fiscal Year 2021") means the Fiscal Year that ends on June 30 in the indicated year.

The Program

The Multiyear Debt Issuance Program II (the "Program") is the second multiyear debt issuance program established by the University in order to streamline its debt issuance process. The first multiyear debt issuance program was established by the Board in 2015, and University issued its Series 2016 A Bonds, Series 2016 B Bonds, Series 2017 Bonds and Series 2020 A Bonds during the term of the first multiyear debt issuance program.

The Board of Trustees adopted the Program II Resolution on August 19, 2021 to authorize the issuance of $800,000,000 maximum principal amount of Program II Bonds, in one or more series, from time to time. Proceeds of the Program II Bonds are authorized to be used to finance University Facilities as well as refund, either currently or in advance of their respective maturities, General Receipts Obligations of the University previously issued to finance or refinance University Facilities. The maximum principal amount limitation in the Program II Resolution does not apply to Refunding Obligations issued by the University and such Refunding Obligations are excluded for purposes of calculating the amount of Obligations issued pursuant to the authorization provided in the Program II Resolution.

The University may establish one or more additional Multiyear Debt Issuance Programs in the future. Bonds to be issued under any such additional program will be offered pursuant to a separate official statement and a supplement or supplements thereto.

All Program II Bonds will be General Receipts Obligations of the University. They may be issued as Senior Lien Obligations or Special Purpose General Receipts Obligations, bear interest at fixed interest rates or variable interest rates, and be tax-exempt or federally taxable. The attributes of each series of Program II Bonds will be identified in the Certificate of Award for such series executed by the University at the time of issuance of such series and may be described in a Supplemental Official Statement.

GENERAL RECEIPTS OBLIGATIONS

General

The 1999 General Bond Resolution and the Amended and Restated Trust Indenture are the basic documents pertaining to all Obligations and prescribe the conditions for the issuance of additional Obligations, such as the Program II Bonds. For each issue of Obligations, a Series Resolution setting forth detailed provisions for that issue is usually adopted. The Program II Resolution authorized the issuance of not to exceed $800,000,000 in General Receipts Obligations in one or more series for the purpose of paying the costs of certain University Facilities, refunding outstanding Obligations previously issued by the University and paying the costs of issuance of such Program II Bonds. The maximum principal amount limitation in the Program II Resolution does not apply to Refunding Obligations issued by the University and such Refunding Obligations are excluded for purposes of calculating the amount of Obligations issued pursuant to the authorization provided in the Program II Resolution. The specifications of each series of Program II Bonds issued pursuant to the Program II Resolution and the Program II Supplement will be set forth in the Certificate of Award for that series.

The proceeds of all Obligations, including the Program II Bonds, are to be applied solely to pay costs of University Facilities, including capitalized interest, to refund, fund or retire obligations previously issued for that purpose, as specifically provided and allocated in the applicable Certificate of Award, and to pay issuance costs associated with the issuance of such Obligations.

University Facilities are defined in the Indenture 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 authorizes the financing of "facilities," defined in the Act to include "auxiliary facilities" (student activity or student service facilities, housing and dining 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, hospitals, infirmaries and other medical and health facilities, research and continuing education facilities); "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); "housing and dining facilities" (dormitories or other living quarters and accommodations, or related dining halls or other food service and preparation facilities, for students, members of the faculty, officers, or employees of the institution of higher education, and their spouses and families); and any one, part of or any combination of those facilities.

The Program II Bonds are not obligations of the State of Ohio, are not general obligations of the University, and the full faith and credit of the University is not pledged to their payment. The owners of the Program II Bonds have no right to have any excises or taxes levied by the Ohio General Assembly for the payment of the principal, interest and redemption premium.

Senior Lien Obligations

Program II Bonds to be issued under this Official Statement may be issued as Senior Lien Obligations. The University has previously issued Senior Lien Obligations and may at any time incur additional Senior Lien Obligations secured by a pledge and lien on all General Receipts of the University (which includes all Special Purpose Pledged Revenues, described below) and such pledge is senior in priority to the pledge and lien securing the Special Purpose General Receipts Obligations described below.

Senior Lien Obligations secured by General Receipts of the University represent a type of financing of facilities by state universities 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 Senior Lien Obligations, and the simplicity and flexibility provided by permitting all authorized types of facilities to be financed under one open end trust indenture.

Security provisions include the pledge to secure the Senior Lien Obligations with a gross pledge and first lien on all General Receipts of the University. See **SECURITY AND SOURCES OF PAYMENT – General Receipts Pledged to Senior Lien Obligations** herein.

Special Purpose General Receipts Obligations

In 2013, the University issued a series of Special Purpose General Receipts Bonds (the "Series 2013 A Bonds") as subordinated obligations of the University, payable solely from the Special Purpose Pledged Revenues, as hereinafter described. Under the Indenture, the pledge and lien on Special Purpose Pledged Revenues is junior to the pledge and lien of Senior Lien Obligations issued by the University. See **SECURITY AND SOURCES OF PAYMENT – Special Purpose Pledged Revenue Pledged to Special Purpose General Receipts Obligations** herein. The Indenture permits the University to issue additional obligations secured by a pledge and lien on Special Purpose Pledged Revenues (collectively, the "Special Purpose General Receipts Obligations"), on a parity with, or subordinate in priority to, the pledge and lien securing the Series 2013 A Bonds.

The proceeds of any obligations issued by the University as Special Purpose General Receipts Obligations are required to be applied solely to pay costs of acquisition, construction, improvement and renovation of certain student housing, dining and student recreation facilities of the University, including capitalized interest, as specifically provided and allocated in the applicable Bond proceedings, and to pay issuance costs associated with the issuance of such Obligations.

Special Purpose Revenue Facilities are defined as all housing and dining facilities and such auxiliary facilities as shall constitute recreation facilities owned by the University.

Special Purpose Pledged Revenues include all revenues, fees, rentals, rates, charges, insurance proceeds and other moneys derived by the University from the ownership or operation of Special Purpose Revenue Facilities, subject and subordinate to the lien on General Receipts securing any Senior Lien Obligation.

Constitutional and Statutory Authorization

The University's General Receipts Obligations, and consequently the Program II Bonds, are authorized pursuant to the Act, enacted under authority of the Ohio Constitution, and particularly Section 2i of Article VIII thereof, 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 are not given the right to have excises or taxes levied by the General Assembly for the payment of principal or interest**.

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

SECURITY AND SOURCES OF PAYMENT

General Receipts Pledged to Senior Lien Obligations

All Senior Lien Obligations, including any outstanding Senior Lien Obligations, each series of Program II Bonds designated Senior Lien Obligations and any additional Senior Lien Obligations, are and will be payable from and secured by a first pledge of and lien on the General Receipts of the University and the Debt Service Fund.

The Indenture establishes the Debt Service Fund, a special fund held by the Trustee, for the payment of Debt Service Charges on the Obligations. The University is to make payments to the Debt Service Fund in time and amount sufficient to pay Debt Service Charges when due.

The University may provide for bond insurance or other types of credit support, or a reserve fund or account, with respect to any one or more Obligations or series of Obligations and not with respect to any other Obligations or series of Obligations.

General Receipts pledged to the security of all Senior Lien Obligations include virtually all the receipts of the University, excepting only receipts expressly excluded by the Indenture.

The General Receipts are defined in the Indenture and consist of all moneys received by the University including but not limited to all gross fees, deposits, charges, receipts and income from all or any part of the students of the University, 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 University 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 Debt 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 Debt Service Charges is authorized by law and is made by a supplemental trust agreement approved by the Board; 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 Debt Service Charges; moneys received in connection with branch campus operations; any special fee charged pursuant to Section 154.21(D) of the Ohio Revised Code and receipts therefrom (that fee, relating to General Receipts 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 University, the General Receipts are immediately subject to the lien of the pledge made by the Indenture, 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 University.

Special Purpose Pledged Revenues Pledged to Special Purpose General Receipts Obligations

Special Purpose General Receipts Obligations are secured by a pledge of Special Purpose Pledged Revenues. Special Purpose Pledged Revenues consist of all revenues, fees, rentals, rates, charges, insurance proceeds and other moneys derived by the University from the ownership or operation of Special Purpose Revenue Facilities, subject and subordinate in each case to the lien securing any Senior Lien Obligations issued pursuant to the Indenture.

The pledge of Special Purpose Pledged Revenues is subordinate to the pledge and lien of present and future Senior Lien Obligations issued under the Indenture, which are secured by all General Receipts of the University including all of the Special Purpose Pledged Revenues.

Subject to the terms and conditions of the Indenture, no payment on account of debt service charges on Special Purpose General Receipts Obligations shall be made, nor shall any property or assets be applied to the purchase or other acquisition or retirement of Special Purpose General Receipts Obligations, unless full payment of amounts then due and payable for principal, purchase price, premium, if any, sinking funds, reserve funds and interest on Senior Lien Obligations has been made or duly provided for in accordance with the terms of the Indenture and such Senior Lien Obligations. No payment on account of debt service charges on Special Purpose General Receipts Obligations shall be made, nor shall any property or assets be applied to the purchase or other acquisition or retirement of Special Purpose General Receipts Obligations, if, at the time of such payment or application or immediately after giving effect thereto, (i) there shall exist a default in the payment of principal, purchase price, premium, if any, sinking funds or interest with respect to any Senior Lien Obligations, or (ii) there shall have occurred and be continuing an Event of Default (other than a default in the payment of principal, premium, if any, sinking funds or interest) with respect to any Senior Lien Obligations or in the Indenture, permitting the holders thereof to accelerate the maturity thereof.

So long as any Special Purpose General Receipts Obligations are outstanding, the University shall set rates, charges and fees in each Fiscal Year so as to cause Special Purpose Pledged Revenues to be in an amount not less than 1.10 the aggregate debt service for the then-current Fiscal Year on all Special Purpose General Receipts Obligations.

The amount of Special Purpose Pledged Revenues in each year will change based upon various factors affecting the Special Purpose Revenue Facilities and the other income constituting Housing, Dining and Recreation Pledged Revenues, including usage, occupancy levels and the rates, fees and charges attributable to the Special Purpose Revenue Facilities and the other activities producing income constituting Special Purpose Pledged Revenues.

The University has undertaken to furnish to the Trustee the annual financial report of the University, including the audit opinion from an Independent Certified Public Accountant, and such financial report shall include the amount of Special Purpose Pledged Revenues for such Fiscal Year.

Covenant as to Sufficiency of General Receipts

Each Series of General Receipts Bonds, including the Program II Bonds, are further secured by the University's covenants in the Indenture that the University 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 sufficient to pay (i) Debt Service Charges on the Obligations when due, (ii) all other costs and expenses required to be paid under the Indenture and (iii) all other costs and expenses necessary for the proper maintenance and successful and continuous operation of the University.

State Legislation Relative to University Fiscal Difficulties

The Ohio General Assembly has enacted Sections 3345.70 to .78 of the Ohio Revised Code (hereinafter in this section the "Fiscal Watch Act") providing methods for dealing with fiscal difficulties of state-supported universities and colleges in Ohio.

Under the Fiscal Watch Act, a board of trustees of a state university may declare that the university is in a state of fiscal exigency. So long as such a state exists, the board (i) shall file minutes of their meetings and fiscal performance reports with the State Board of Regents, (ii) shall not use state funds to provide grants or scholarships to out-of-state students or subsidize off-campus housing or subsidize transportation to and from off-campus housing, and (iii) subject to any applicable Bond proceedings and pledges, shall place all residence hall and meal fees in a rotary account dedicated to the upkeep and maintenance of dormitory buildings and to fund meal programs and place moneys for the operation of residence halls and meal programs in separately maintained auxiliary funds in the university accounting system.

The Fiscal Watch Act also requires the State's Office of Budget and Management to prepare rules for financial reporting by State-supported colleges and universities, establishing criteria for the State Board of Regents to determine when such a college or university is under a "fiscal watch," and specifying actions which must be taken by a college or university under a fiscal watch.

If the State Board of Regents determines that a fiscal watch exists, then the Governor of the State may, after consulting legislative leaders, appoint a conservator for the institution. Upon the making of such an appointment, all duties, responsibilities and powers of the institution's board of trustees are suspended and the management and control of the institution are assumed by the conservator, who also assumes custody of all property of the institution and the duties of the institution's president or chief executive officer. The conservator also conducts a preliminary performance evaluation of the institution's president or chief executive officer.

Within 30 days after the appointment of a conservator for such a college or university, the Governor must appoint, with the advice and consent of the State Senate, a five-member governance authority (the "Authority"). The Authority appoints an executive director and conducts a final evaluation of the institution's president or chief executive officer, who may be reinstated or terminated by the Authority. The Authority assumes management and control of the institution and its property from the conservator. The Authority also must prepare periodic reports about the institution including any progress in implementing reforms at the institution.

At least annually, the Authority must apply the fiscal watch criteria to the institution to determine whether sufficient fiscal stability has been achieved to warrant terminating the Authority's governance of the institution, and if so, the Authority must certify such finding to the Governor. The Governor may then issue an order terminating the Authority and fill vacancies on the board of trustees of such institution, which board assumes management and control of the institution and its property from the Authority.

The University's administration has reviewed applicable portions of the Fiscal Watch Act and the applicable rules of the State Office of Budget and Management, as well as records pertaining to the University's circumstances with respect to the Fiscal Watch Act, and is of the opinion that, with respect to the University, no circumstances or conditions exist that will cause a fiscal watch condition to be determined to exist under the Fiscal Watch Act.

THE INDENTURE

Each Series of Program II Bonds issued pursuant to this Official Statement and an accompanying Supplemental Official Statement will be issued under the 1999 General Bond Resolution, the Program II Resolution, the Amended and Restated Trust Indenture, the Program II Supplement and the applicable Certificate of Award. Reference is made to the Program II Resolution, the Amended and Restated Trust Indenture, the Program II Supplement and the form of Program II Bonds for each applicable series of Program II Bonds for complete details of the terms of such series of Program II Bonds and security therefor. The following is a summary of certain provisions of the Indenture and should not be considered a full statement thereof.

Debt Service Fund

Monies in the Debt Service Fund are used for the payment of current Debt Service Charges. Payments sufficient in time and amount to pay the Debt Service Charges on each series of General Receipts Bonds as they become due are to be paid by the University directly to the Trustee and deposited in the Debt Service Fund to the extent monies in the Debt Service Fund are not otherwise available therefor.

If the University determines to direct the redemption of all or a part of each series of General Receipts Bonds, the University must deliver to the Trustee, for deposit in the Debt Service Fund, to be credited to the Special Bond Service Account, prepayments in an amount equal to the redemption price to effect such redemption.

Moneys in the Debt Service Fund shall be invested and reinvested by the Trustee, to the extent permitted by applicable law, in: (i) (a) direct obligations of the United States of America for the payment of which the full faith and credit of the United States of America is pledged, (b) obligations issued by a Person controlled or supervised by and acting as an instrumentality of the United States of America, the payment of the principal of, premium, if any, and interest on which is fully guaranteed as a full faith and credit obligation of the United States of America (including any securities described in (a) or (b) issued or held in book-entry form on the books of the Department of Treasury of the United States of America or Federal Reserve Bank), and (c) securities which represent an interest in the obligations described in (a) and (b) above; (ii) any bonds, participation certificates or other obligations of any agency or instrumentality of the United States, including obligations of the Federal Farm Credit Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Federal Land Banks, Federal Home Loan Mortgage Corporation, Federal Home Loan Banks, Federal National Mortgage Association, Government National Mortgage Association and Student Loan Marketing Association; (iii) certificates of deposit of banks or trust companies, including the Trustee, organized under the laws of the United States or any state thereof, having a capital and surplus of $50,000,000 or more and which are members of the Federal Reserve System; (iv) repurchase agreements with banks or other financial institutions, including the Trustee, which are fully collateralized by obligations described in clauses (i) or (ii) above based upon market value, which obligations are in the possession of the Trustee or its agent and are free and clear of all security interests, liens or other rights of any third party, and in which obligations the Trustee has a first, perfected security interest; provided that any financial institution which is a broker-dealer must be a member of the Securities Investor Protection Corporation; (v) any no front end load money market mutual fund or collective investment fund, as defined in Section 1111.01(A) of the Ohio Revised Code, established by a bank, including the Trustee, in either case consisting exclusively of obligations of the United States or any agency thereof; (vi) the Ohio Subdivision's Fund created by Section 135.45 of the Ohio Revised Code; and (vii) general or full faith and credit obligations of the State of Ohio and obligations of any state of the United States or any political subdivision thereof, the full payment of principal of and premium, if any, and interest on which are provided for by an irrevocable deposit in trust of obligations of the type specified in (i) above and which carry either of the two highest rating categories of Moody's Investors Service, Inc. and Standard & Poor's Rating Service or their respective successors.

Facilities Fund

The Indenture provides for the Facilities Fund to be held by the University and provides for certain proceeds of the General Receipts Bonds to be deposited in the Project Account therein. The Indenture establishes the Project Account in the Facilities Fund from which the costs of a specific project and the cost of the issuance of a particular series of General Receipts Bonds will be paid. The Facilities Fund shall be invested in accordance with the Investment Policy (as such Policy may be amended from time to time by the University) of the University and may be disbursed by the University to pay costs of a specific project in accordance with the Indenture. The Facilities Fund is neither held by the Trustee nor pledged as security for the General Receipts Bonds or any other Obligations.

Covenants of the University

In the Indenture, the University covenants, among other things:

(a) to pay the Debt Service Charges on any Obligation according to their terms and the terms of the Indenture;

(b) to pay all the costs, charges and expenses incurred by the Trustee or any Holder, including reasonable attorneys' fees reasonably incurred or paid because of the failure on the part of the University to perform, comply with and abide with each and every one of the stipulations, agreements, conditions and covenants of the Obligations and the Indenture, or either of them;

(c) to fix, make, adjust and collect fees, rates, rentals and charges and other items of General Receipts as will produce at all times General Receipts sufficient to pay the Debt Service Charges when due, to establish and maintain amounts, if any required to be deposited in any Bond Reserve Fund, to pay all other costs and expenses for the proper maintenance and successful and continuous operation of the University and to pay any amounts due and payable to the provider of any insurance policy, guaranty, surety bond or letter of credit held in the Bond Reserve Fund; and

(d) to do any and all things necessary in order to maintain the pledge, assignment and grant of a lien on and security interest in the pledged General Receipts and Special Funds as valid, binding, effective and perfected, all as provided in the Indenture.

Events of Default and Remedies

Each of the following is declared in the Indenture to be an "Event of Default":

(a) Failure to pay any interest on any Obligation when and as the same shall become due and payable;

(b) Failure to pay the principal of or any redemption premium on any Obligation when and as the same shall become due and payable, whether at the stated maturity thereof or by redemption or acceleration or pursuant to any mandatory sinking fund requirements;

(c) Failure by the University to perform or observe any other covenant, agreement or condition on the part of the University contained in the Indenture or in the Obligations, which failure or default shall have continued for a period of 30 days after written notice, by registered or certified mail, given to the University by the Trustee, specifying the failure or default and requiring the same to be remedied, which notice shall be given by the Trustee upon the written request of the holders of not less than 25% in aggregate principal amount of the Obligations then outstanding, provided that the person or persons requesting such notice may agree in writing to a 90-day extension of such period prior to the expiration of the initial 30-day period; provided, further, however, that if the University shall proceed to take curative action which, if begun and prosecuted with due diligence, cannot be completed within a period of 90 days, then such period shall be increased without such written extension to such extent as shall be necessary to enable the University to diligently complete such curative action; or

(d) The University shall (i) admit in writing its inability to pay its debts generally as they become due, (ii) have an order for relief entered in any case commenced by or against it under federal bankruptcy laws, as now or hereafter in effect, (iii) commence a proceeding under any federal or state bankruptcy, insolvency, reorganization or similar laws, or have such a proceeding commenced against it and have either an order of insolvency or reorganization entered against it or have the proceeding remain undismissed and unstayed for 90 days, (iv) make an assignment for the benefit of creditors, or (v) have a receiver or trustee appointed for it or for the whole or substantial part of its property.

Upon the happening and continuance of any Event of Default, the Trustee may, and upon the written request of the holders of not less than 25% in aggregate principal amount of outstanding Obligations shall, upon being properly indemnified, take appropriate actions, in equity or at law including application to a court for the appointment of a receiver to receive and administer pledged General Receipts, to protect and enforce all the rights of the Trustee and the Obligation holder under the Indenture. In addition, in the event of the occurrence of any Event of Default, the Trustee may, and upon the request of the holders of at least 25% in aggregate principal amount of the then outstanding Obligations, shall so long as properly indemnified, by appropriate notice to the University, declare the principal of all the outstanding Obligations and the accrued interest thereon, immediately due and payable. Further provision is made for the rescission of such last declaration upon the payment of all amounts due, and for waivers in connection with events of default.

Furthermore, the Holders of a majority in aggregate principal amount of the Obligations then outstanding, shall, in accordance with the terms of the Indenture, have the right by written instrument delivered to the Trustee to direct the method and place of conducting any and all remedial proceedings under the Indenture, as to their respective interests.

As provided in the Indenture, 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 which is adjudicated to have resulted from its gross negligence or willful misconduct, by reason of any action so taken. The Trustee may act without such indemnity, in which case its expenses are reimbursable by the University from General Receipts available therefor.

The holders of the Obligations are not entitled to enforce the provisions of the Indenture or to institute, appear in or defend any suit, action or proceeding to enforce any rights, remedies or covenants granted or contained in the Indenture or to take any action with respect to any Event of Default under the Indenture, except as provided in the Indenture.

Defeasance

If there is paid or caused to be paid all Debt Service Charges due or to become due on outstanding Obligations, and provision is made for paying all other sums payable under the Indenture by the University, then the Indenture shall cease, determine and become null and void, and the covenants, agreements and other obligations of the University thereunder shall be discharged and satisfied. Thereupon, the Trustee shall release the Indenture and shall execute and deliver to the University such instruments to evidence such release and discharge as may be reasonably required by the University, and the Trustee and Paying Agents shall deliver to the University any property at the time subject to the lien of the Indenture which may then be in their possession except for amounts in the Debt Service Fund required to be held by the Trustee and Paying Agent, as required under the Indenture.

All Debt Service Charges due or to become due on any series of outstanding Obligations will be deemed to have been paid or caused to be paid for such purpose if:

(a) the Trustee and Paying Agents hold, in the Debt Service Fund in trust for and irrevocably committed thereto, sufficient monies, or

(b) the Trustee holds, in trust for and irrevocably committed thereto, in the Debt Service Fund, investments qualifying as Government Obligations (as defined in the Indenture) certified by an independent public accounting firm of national reputation to be of such maturities and interest payment dates and to bear such interest as will, without further investment or reinvestment of either the principal or the interest earnings (likewise to be held in trust and committed, except as described below), be sufficient together with monies referred to in (a) above, for the payment at their maturity or redemption date, of all Debt Service Charges thereon to the date of maturity or redemption, as the case may be, or if default in such payment shall have occurred on such date of maturity or redemption, as the case may be, or if default in such payment shall have occurred on such date then to the date of the tender of such payment; provided, that if any such Obligations are to be redeemed prior to their maturity, notice of such redemption has been given or irrevocable provision satisfactory to the Trustee has been made for the giving of such notice.

Any monies held by the Trustee in accordance with provisions (a) or (b) above shall be invested only in investments qualifying as Government Obligations, the maturities or redemption dates of which, at the option of the holder, shall coincide as nearly as practicable with, but no later than, the time or times at which said monies will be required for such purposes. Any income or interest earned by, or increment to, such investments shall, to the extent not required for the applicable purposes, be transferred to the University free of any trust or lien.

In the event that the Indenture is satisfied and discharged in accordance with the two preceding paragraphs with respect to all Obligations, all Obligations then outstanding shall cease to be entitled to any lien, benefit or security of the Indenture except the right to receive the funds held by the Trustee and the Paying Agents pursuant to such paragraphs or by the University (pursuant to the provisions for unclaimed monies described below), and such will be deemed not to be outstanding under the Indenture. It is the duty of the Trustee and the Paying Agents and the University to so hold such funds for the benefit of the holders of Obligations.

Supplemental Indentures, Modifications

The Trustee and the University may, from time to time, enter into Supplemental Indentures for any of the following purposes without the consent of or any action by the Holders:

(a) To cure any ambiguity, inconsistency or formal defect or omission in the Indenture or in any Supplemental Indenture;

(b) To grant or confer upon the Trustee for the benefit of the Holders any additional rights, remedies, powers or authority that may be lawfully granted to or conferred upon the Holders or the Trustee;

(c) To subject additional revenues or property to the lien and pledge of the Indenture or to provide for the partial release of General Receipts from the lien of the Indenture in accordance with the provisions thereof;

(d) To add to the covenants and agreements of the University contained in the Indenture other covenants and agreements thereafter to be observed for the protection of the Holders, or, if in the judgment of the Trustee such is not to the prejudice of the Trustee or the Holders, to surrender or limit any right, power or authority reserved to or conferred upon the University in the Indenture, including the limitation of rights of redemption so that in certain instances Obligations of different series will be redeemed in some prescribed relationship to one another;

(e) To evidence any succession to the University and the assumption by such successor of the covenants and agreements of the University contained in the Indenture or other instrument providing for the operation of the University or University Facilities, and the Obligations;

(f) In connection with the issuance of Obligations, all in accordance with the provisions of the Indenture;

(g) To permit the Trustee to comply with any obligations imposed upon it by law;

(h) To permit the exchange of Obligations, at the option of the Holder or Holders thereof, for coupon Obligations of the same series payable to bearer, in an aggregate principal amount not exceeding the unmatured and unredeemed principal amount of the Predecessor Obligations (as defined in the Indenture), bearing interest at the same rate or rates and maturing on the same date or dates, with coupons attached representing all unpaid interest due or to become due thereon if, in the opinion of nationally recognized General Receipts Bond counsel selected by the University and acceptable to the Trustee, that exchange would not result in the interest on any of the Obligations outstanding becoming subject to federal income taxation;

(i) To specify further the duties and responsibilities of, and to define further the relationship among, the Trustee, the Registrar and any Authenticating Agents or Paying Agents (all as defined in the Indenture);

(j) To achieve compliance of the Indenture with any applicable federal or Ohio laws, including tax laws; and

(k) In connection with any other change to the Indenture which, in the judgment of the Trustee, is not to the prejudice of the Trustee or the Holders of the Obligations.

Exclusive of Supplemental Indentures referred to above, and subject to terms, provisions and limitations contained in the Indenture, the Holders of a majority in aggregate principal amount of the Obligations then outstanding shall have the right, from time to time, anything contained in the Indenture to the contrary notwithstanding, to consent to and approve the execution by the University and the Trustee of such other indenture or indentures supplemental to the Indenture as shall be deemed necessary and desirable by the University for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture; provided that nothing in the Indenture or elsewhere shall permit, or be construed as permitting, a Supplemental Indenture providing for (a) (i) a reduction in the percentage of Obligations the consent of the Holders of which is required to consent to such Supplemental Indenture or (ii) a preference or priority of any Obligation or Obligations over any other Obligation or Obligations, without the consent of the Holders of all Obligations then outstanding, (b) effect a change in the times, amount or currency of payment of the principal of, premium, if any, on or interest on any Obligation or a reduction in the principal amount or redemption price of any Obligation or the rate of interest thereon, without the consent of the Holder of each such Obligation so affected, or (c) modify the right of the holders of not less than twenty-five percent in aggregate principal amount of the Obligations then outstanding and in default as to payment of principal, premium or interest to compel the Trustee to declare the principal of all Obligations to be due and payable, without the consent of the Holders of a majority in aggregate principal amount of the Obligations then outstanding.

Additional Obligations; Partial Release of General Receipts

Additional Obligations, as the same may from time to time be authorized by Series Resolutions, are issuable on parity with or subordinate to all other Obligations, subject to the conditions set forth in the Indenture. The Indenture provides that, except when necessary or appropriate in the opinion of the Trustee to avoid an Event of Default, no Obligations shall be issued unless (i) no Event of Default exists with respect to any covenants or obligations of the University contained in the Indenture or in the Obligations and the authentication and delivery of those Obligations will not result in any such Event of Default and (ii) the General Receipts of the University for the most recently completed Fiscal Year are at least one and one half times the Maximum Annual Debt Service on all Obligations outstanding and to be outstanding after the issuance of the Obligations then under consideration.

The University may incur indebtedness payable from General Receipts other than pursuant to the Indenture as long as such indebtedness is expressly subordinate to indebtedness incurred under and subject to the lien of the Indenture ("Subordinated Indebtedness"). The Indenture may be amended and supplemented to release specified sources or portions of General Receipts from the pledge and lien of the Indenture; *provided* that, the General Receipts for the most recently completed Fiscal Year are certified to be at least equal to the sum of the highest annual Debt Service Charges for any future Fiscal Years with respect to all Obligations and Subordinated Indebtedness then outstanding and to be outstanding after the issuance of any Subordinated Indebtedness then under consideration.

Enforcement by Mandamus

The Act establishes the duties of the University, the University officers and the University employees as duties enforceable by mandamus, and a covenant to that effect is contained in the 1999 General Receipts Bond Resolution.

Trustee

The Trustee, The Bank of New York Mellon Trust Company, N.A., as successor trustee, with its designated corporate trust office located in Columbus, Ohio, is a national banking association organized and existing under the laws of the United States, and is authorized to exercise corporate trust powers in the State of Ohio. The Trustee is among the banks that serve as depositories for University monies.

TERMS OF PROGRAM II BONDS

The specific terms of each series of Program II Bonds issued during the Offering Period will be set forth in a Certificate of Award and described in a Supplemental Official Statement. The specific terms set forth in the applicable Certificate of Award will include some or all of the following:

- whether the Program II Bonds are being issued as Senior Lien Obligations or as Special Purpose General Receipts Obligations;
- the aggregate principal amount of the Program II Bonds being issued;
- the price at which the Program II Bonds will be issued;
- whether the interest on the Program II Bonds will be fixed or variable and if variable, the interest rate mode the applicable Program II Bonds will be in on the date of issue;
- the interest payment dates and principal dates on which principal and interest on the Program II Bonds will be payable;
- the maturity date of the Program II Bonds;
- terms of any mandatory or optional redemption of the Program II Bonds;
- specifics relating to the tax treatment of the Program II Bonds;
- the name or names of any underwriters or agents of the Program II Bonds; and
- any other terms specific to such series of Program II Bonds.

The Program II Resolution authorizes the University to issue Program II Bonds as fixed rate General Receipts Bonds or variable rate General Receipts Bonds, and each series may be designated by the University in the applicable Certificate of Award as either federally taxable Obligations or Obligations the interest on which is excluded from income for federal tax purposes. Further, the University will specify in each Certificate of Award whether the applicable series of Program II Bonds is being issued as a series of Senior Lien Obligations or as a series of Special Purpose General Receipts Obligations.

Variable Rate Program II Bonds

For Program II Bonds issued as variable rate Program II Bonds (collectively, the "Variable Rate Program II Bonds"), the Program II Supplement authorizes the University to issue such Program II Bonds in a Commercial Paper Mode, a Daily Mode, a Weekly Mode, or a Term Rate Mode, and such Program II Bonds may be subsequently converted to a Fixed Rate Mode, each as defined and further described in the Program II Supplement.

The modes under which the University may issue a series of Variable Rate Program II Bonds, and the specific terms applicable to such modes, may be adjusted or modified by the University if otherwise provided in a Certificate of Award or Supplemental Indenture for such series executed by the University at the time of issuance of such series and described in a Supplemental Official Statement.

When a Commercial Paper Mode, a Daily Mode or a Weekly Mode is in effect, interest will be calculated on the basis of a 365/366 day year for the actual number of days elapsed, and when a Term Rate Mode or Fixed Rate Mode is in effect, interest will be calculated on the basis of a 360 day year comprised of twelve 30-day months.

For any series of Program II Bonds issued as Variable Rate Program II Bonds, certain of the provisions relating to the modes available with respect thereto are set forth below unless otherwise provided in the applicable Certificate of Award or Supplemental Indenture for such series and described in a Supplemental Official Statement (with all terms as defined in the Program II Supplement unless otherwise provided in the applicable Certificate of Award or Supplemental Indenture):

Mode	Interest Period	Interest Payment Date	Record Date
Commercial Paper	The period of from one to 270 calendar days as established by the Remarketing Agent	The last day of the Interest Period	The day next preceding each Interest Payment Date
Daily	From each Rate Determination Date to (but excluding) the next such Determination Date)	First Business Day of each month	The last day of each month
Weekly	From each Wednesday to and including the next Tuesday	First Business Day of each month	The day next preceding each Interest Payment Date
Term Rate	As determined by the University pursuant to the Indenture	As determined by the University pursuant to the Indenture	15th day of the month next preceding each Interest Payment Date
Fixed Rate	Mode Change Date to maturity	As determined by the University pursuant to the Indenture	15th day of the month next preceding each Interest Payment Date

For each series of Variable Rate Program II Bonds, unless otherwise provided in the Certificate of Award or Supplemental Indenture for such series, the term "Interest Accrual Period" means the period during which the applicable series of Variable Rate Program II Bonds accrues interest payable on the next Interest Payment Date applicable thereto. With respect to Variable Rate Program II Bonds in the Daily Mode, the Interest Accrual Period shall commence on (and include) the first day of each month and shall extend through (and include) the last day of such month; *provided*, that if such month is the month in which the applicable Variable Rate Program II Bonds were authenticated and delivered or were changed to the Daily Mode, the Interest Accrual Period shall commence on the date of authentication and delivery of such Variable Rate Program II Bonds or the Mode Change Date, as the case may be; *provided*, *further*, that if no interest has been paid on any Variable Rate Program II Bonds in the Daily Mode, interest shall accrue from the date of original authentication and delivery of such Variable Rate Program II Bonds or the applicable Mode Change Date, as appropriate. With respect to Variable Rate Program II Bonds in all Modes other than the Daily Mode, the Interest Accrual Period shall commence on the last Interest Payment Date to which interest has been paid (or, if no interest has been paid in such Mode, from the date of original authentication and delivery of such Variable Rate Program II Bonds, or the applicable Mode Change Date, as the case may be) to, but not including, the Interest Payment Date on which interest is to be paid.

Unless otherwise specified in the applicable Certificate of Award or Supplemental Indenture, Program II Bonds issued as Variable Rate Program II Bonds will be subject to provisions regarding mode changes, optional tender, mandatory purchase and optional redemption, all as described in the Program II Supplement.

CONTINUING DISCLOSURE

In accordance with Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the "Rule"), the University (the "Obligated Person") will agree pursuant to a continuing disclosure agreement included in the Program II Supplement to cause certain information to be provided to the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access System ("EMMA"). See **CONTINUING DISCLOSURE** in the accompanying Supplemental Official Statement.

PLAN OF DISTRIBUTION

The University may sell Program II Bonds to or through underwriters or dealers, and also may sell Program II Bonds directly to one or more other purchasers or through agents. A Supplemental Official Statement will set forth the names of any underwriters or agents involved in the sale of the Program II Bonds and any applicable discounts or commissions.

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 Program II Bonds are lawful investments for banks, societies for savings, savings and loan associations, deposit guaranty associations, trust companies, trustees, fiduciaries, insurance companies (including domestic life and domestic not for life), trustees or other officers having charge of sinking and Program II Bond retirement or other funds of political subdivisions and taxing districts of the State, the Commissioners of the Sinking Fund of the State, the administrator of Workers' Compensation in accordance with applicable investment policies, and 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 Program II Bonds are acceptable under Ohio law as security for the deposit of public moneys.

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

This Official Statement has been duly prepared and delivered by the University, and executed for, and on behalf of, the University by the official identified below.

THE OHIO STATE UNIVERSITY

By: */s/ Michael Papadakis*
Michael Papadakis, Senior Vice President for
Business and Finance

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THE OHIO STATE UNIVERSITY • GENERAL RECEIPTS BONDS (MULTIYEAR DEBT ISSUANCE PROGRAM II), SERIES 2021 A (GREEN BONDS)

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