NEW ISSUE; BOOK-ENTRY ONLY

Ratings: Moody's: "Aa3"
S&P: "AA-"
See **Ratings.**

*In the opinion of Squire Patton Boggs (US) LLP, Bond Counsel, under existing law (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Series 2025 Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals, and (ii) interest on, and any profit made on the sale, exchange or other disposition of, the Series 2025 Bonds are exempt from all Ohio state and local taxation, except the estate tax, the domestic insurance company tax, the dealers in intangibles tax, the tax levied on the basis of the total equity capital of financial institutions, and the net worth base of the corporate franchise tax. Interest on the Series 2025 Bonds may be subject to certain federal taxes imposed only on certain corporations. For a more complete discussion of the tax aspects, see **Tax Matters** herein.*

KENT STATE UNIVERSITY

OFFICIAL STATEMENT
$93,900,000
KENT STATE UNIVERSITY
(A State University of Ohio)
GENERAL RECEIPTS BONDS, SERIES 2025A

Dated: Date of Issuance **Due: May 1, as shown on the inside cover**

The Bonds. The $93,900,000 General Receipts Bonds, Series 2025A (the "Series 2025 Bonds") are special obligations issued by the University pursuant to a Trust Agreement, as supplemented by a Twenty-Sixth Supplemental Trust Agreement for the Series 2025 Bonds each between the University and the Trustee. The Series 2025 Bonds are issued to (i) refund the University's outstanding General Receipts Bonds, Series 2023, dated May 1, 2023 (the "Refunded Series 2023 Bonds"), (ii) refund by purchase and cancellation the Tendered Bonds (as defined herein, and the Tendered Bonds together with the Refunded Series 2023 Bonds, the "Refunded Bonds") through the University's tender offer program, (iii) pay a termination fee for an existing interest rate swap associated with the Refunded Series 2023 Bonds, and (iv) pay costs relating to the issuance of the Series 2025 Bonds and the refunding of the Refunded Bonds. See **Plan of Finance**. Principal, interest and any premium payable on the Series 2025 Bonds, and on other General Receipts Bonds, are payable solely from the General Receipts of the University and the Special Funds, as defined in and subject to the provisions of a Trust Agreement. See **Security and Sources of Payment**.

The Series 2025 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. Bondholders shall have no right to have excises or taxes levied by the Ohio General Assembly for payment of principal of or interest on the Series 2025 Bonds.

Book-Entry Only. The Series 2025 Bonds will be initially issued only as fully-registered bonds, one bond for each maturity and interest rate within a maturity issued in denominations of $5,000 and integral multiples thereof, issuable under a book-entry system, registered initially in the name of The Depository Trust Company or its nominee ("DTC"). There will be no distribution of Series 2025 Bonds to the ultimate purchasers. The Series 2025 Bonds in certificated form as such will not be transferable or exchangeable, except for transfer to another nominee of DTC or as otherwise described in this Official Statement. See **Appendix D**.

Payment. Principal and interest, and any premium, will be payable to the registered owner (DTC), principal and any premium upon presentation and surrender at the designated office of The Huntington National Bank, Cincinnati, Ohio (the "Trustee"), and interest transmitted by the Trustee on each interest payment date (May 1 and November 1 of each year, beginning May 1, 2025) to the registered owner (DTC) as of the 15th day of the calendar month preceding that interest payment date.

Prior Redemption. The Series 2025 Bonds maturing on or after May 1, 2035 are subject to optional redemption prior to maturity on any date on or after November 1, 2034 and are subject to purchase in lieu of redemption, all as described in this Official Statement. See **Certain Terms of the Series 2025 Bonds – Prior Redemption**.

The Series 2025 Bonds are offered by the Underwriters, when, as and if issued by the University and accepted by the Underwriters, subject to prior sale, withdrawal, or modification of the offer without any notice, and subject to the delivery of the approving opinion on certain legal matters relating to their issuance by Squire Patton Boggs (US) LLP, Bond Counsel. Certain legal matters will be passed upon for the Underwriters by Dinsmore & Shohl LLP and for the University by David Ochmann, General Counsel of the University. The Series 2025 Bonds are expected to be available for delivery to DTC or its agent on March 6, 2025.

This Official Statement has been prepared by the University in connection with its original offering for sale of the Series 2025 Bonds. This cover page includes certain information for quick reference only. It is not a summary of the issuance of the Series 2025 Bonds. Investors should read the entire Official Statement to obtain information as a basis for making informed investment judgments.

J.P. Morgan **PNC Capital Markets LLC**

KeyBanc Capital Markets Inc. **Loop Capital Markets**

The date of this Official Statement is February 13, 2025, and the information speaks only as of that date.

$93,900,000
KENT STATE UNIVERSITY
(A State University of Ohio)
GENERAL RECEIPTS BONDS, SERIES 2025A

PRINCIPAL MATURITY SCHEDULE

ON MAY 1

Year	Amount	Interest Rate	Yield	CUSIP No.©[a]
2029	$4,535,000	5.000%	2.960%	490728F72
2030	3,260,000	5.000	3.020	490728F80
2031	3,770,000	5.000	3.080	490728F98
2032	14,485,000	5.000	3.150	490728G22
2033	2,785,000	5.000	3.220	490728G30
2034	5,350,000	5.000	3.300	490728G48
2035	5,210,000	5.000	3.380*	490728G55
2036	$5,910,000	5.000%	3.430%*	490728G63
2037	18,775,000	5.000	3.500*	490728G71
2038	19,345,000	5.000	3.570*	490728G89
2039	2,500,000	5.000	3.660*	490728G97
2040	2,625,000	5.000	3.750*	490728H21
2041	2,610,000	5.000	3.880*	490728H39
2042	2,740,000	5.000	3.970*	490728H47

Table reflects initial offering yields
* Yield to call date of November 1, 2034.

REGARDING THIS OFFICIAL STATEMENT

This Official Statement does not constitute an offering of any security other than the original offering of the Series 2025 Bonds identified on the Cover. No dealer, broker, sales person or other person has been authorized by the Board of Trustees of the University to give any information or to make any representation other than as contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been given or authorized by the University. This 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 2025 Bonds by any person, in any jurisdiction in which it is unlawful to make that offer, solicitation or sale.

The information in this Official Statement is provided by the University in connection with the original offering of the Series 2025 Bonds. Reliance should not be placed on any other information publicly provided, in any format including electronic, by the University for other purposes, including general information provided to the public or to portions of the public. The information in this Official Statement is subject to change without notice. Neither the delivery of this Official Statement nor any sale made under it shall, under any circumstances, give rise to any implication that there has been no change in the affairs of the University since its date.

This Official Statement contains statements that the University believes may be "forward-looking statements." Words such as "plan," "estimate," "project," "budget," "anticipate," "expect," "intend," "believe" and similar terms are intended to identify forward-looking statements. The achievement of results or other expectations expressed or implied by such forward-looking statements involves known and unknown risks, uncertainties and other factors that are difficult to predict, may be beyond the University's control and could cause actual results, performance or achievements to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. The University undertakes no obligation, and does not plan, to issue any updates or revisions to such forward-looking statements.

UPON ISSUANCE, THE SERIES 2025 BONDS WILL NOT BE REGISTERED BY THE UNIVERSITY UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW, AND 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 WILL HAVE AT THE REQUEST OF THE UNIVERSITY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT OR APPROVED OR DISAPPROVED THE SERIES 2025 BONDS FOR SALE.

In connection with this offering, the Underwriters may overallot or effect transactions that stabilize or maintain the market price of the Series 2025 Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriters may offer and sell the Series 2025 Bonds to certain dealers and dealer banks and banks acting as agent at prices lower than the public offering price stated on the Cover, which public offering price may be changed from time to time by the Underwriters.

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INTRODUCTORY STATEMENT

General

This Official Statement has been prepared by Kent State University (the "University"), a state university of Ohio, in connection with the University's original issuance and sale of its General Receipts Bonds, Series 2025A (the "Series 2025 Bonds"). Certain information concerning the Series 2025 Bonds, including their authorization, purpose, terms, and security and source of payment is provided in this Official Statement. Information concerning the University appears in **Appendix A**.

This Introductory Statement briefly describes certain information relating to the Series 2025 Bonds and supplements certain information on the Cover. It is not intended as a substitute for the more detailed discussions in this Official Statement. Investors should read the entire Official Statement to obtain information as a basis for making informed investment judgments.

All financial and other information in this Official Statement has been provided by the University from its records, except for information expressly attributed to other sources and except for certain information on the Cover and under **Underwriting**. The presentation of information, including tables of receipts and other sources of revenue, is intended to show recent historical information, and is not intended to indicate future or continuing trends in the financial position or other affairs of the University. No representation is made that past experience, as is shown by that financial and other information, will necessarily continue or otherwise be predictive of future experience. See also **Regarding This Official Statement**.

This Official Statement should be considered in its entirety and no one subject should be considered less important than another by reason of location in the text. Reference should be made to laws, reports or documents referred to for more complete information regarding their contents. References to provisions of Ohio law, including the Revised Code and the Ohio Constitution, are references to those current provisions. Those provisions may be amended, repealed or supplemented.

As used in this Official Statement:

- **"Act"** means, collectively, Sections 3345.11 and 3345.12 of the Revised Code, and Sections 9.98 through 9.983 of the Revised Code made applicable by Section 3345.12(B) of the Revised Code, as the same may be amended, modified, revised, supplemented, or superseded from time to time, provided that no further action by the General Assembly shall alter the obligation of the University to pay the Bond Service Charges in the amount and manner, at the times, and from the sources provided in the Trust Agreement and the applicable Supplemental Trust Agreement, except as otherwise permitted therein.

- **"Beneficial Owner"** means the owner of a book-entry interest in the Series 2025 Bonds, as described in **Appendix D**.

- **"Board of Trustees"** means the Board of Trustees of Kent State University.

- **"Bond Service Charges"** means, generally, principal (including any mandatory sinking fund redemption requirements) of and interest and any redemption premium payable on the obligations referred to as those payments come due and are payable; debt charges may also be referred to as "debt service."

- **"Cover"** means the cover page and inside cover of this Official Statement.

- **"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 means the Fiscal Year that ends on June 30 in the indicated year: for example, "Fiscal Year 2025" refers to the Fiscal Year ending June 30, 2025.

- **"Revised Code"** means the Ohio Revised Code.

- **"State"** means the state of Ohio.

For definitions of other capitalized words and phrases used in this Official Statement, see **Appendix C**.

Authorization

The Series 2025 Bonds are authorized pursuant to the Act, enacted under authority of Section 2i of Article VIII of the Ohio Constitution which provides in relevant part that the General Assembly of the State 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 of those obligations, such as the Series 2025 Bonds, are not given the right to have excises or taxes levied by the General Assembly for the payment of principal or interest**.

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

The Series 2025 Bonds are being issued pursuant to the Act, a resolution adopted by the Board of Trustees on December 12, 2024 (the "Series 2025 Resolution"), an Amended and Restated Trust Agreement (Sixteenth Supplemental Trust Agreement) dated June 21, 2010 (the "Trust Agreement"), as supplemented by a Twenty-Sixth Supplemental Trust Agreement dated as of March 1, 2025 (the "Twenty-Sixth Supplemental Trust Agreement"), each between the University and The Huntington National Bank, as trustee (the "Trustee"). The Trust Agreement, as supplemented by the Series 2025 Supplemental Trust Agreements, is referred to in this Official Statement as the "Agreement."

The Trust Agreement authorizes the issuance of General Receipts Bonds of the University (the "Bonds") to finance costs of those authorized facilities (referred to in the Trust Agreement as "University Facilities") and to refund outstanding Bonds, and the Series 2025 Resolution and the Series 2025 Supplemental Trust Agreements specifically authorize the issuance of the Series 2025 Bonds.

The General Receipts Bonds

The Series 2025 Bonds are to be issued as General Receipts Bonds under the Series 2025 Resolution and the Agreement. Upon issuance of the Series 2025 Bonds in the principal amount of $93,900,000 and the refunding of the Refunded Bonds, there will be outstanding (excluding the Refunded Bonds) $313,100,000 of General Receipts Bonds of the University. There is $325,780,000 of General Receipts Bonds of the University outstanding prior to the issuance of the Series 2025 Bonds. Additional financial obligations of the University not secured by General Receipts will be outstanding following the issuance of the Series 2025 Bonds. See **Appendix A – Kent State University – Financial Operations and Results - Outstanding Obligations**.

The University's General Receipts Bonds 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 the General Receipts Bonds financing are the broad scope and gross pledge character of the security afforded to the Bonds, and the simplicity and flexibility provided by permitting all authorized types of facilities to be financed under one open-ended trust agreement.

Security provisions include the pledge to the Bonds, on a gross pledge and first lien basis, of the General Receipts of the University, which include the full amount of every type and character of receipts, excepting only those specifically excluded (such as State appropriations). For Fiscal Year 2024 the pledged General Receipts amounted to approximately $413,799,000.00. See **Security and Sources of Payment – General Receipts Pledged to the Bonds**.

The Trust Agreement provides for the University's mandatory budgeting and setting aside in a special trust fund as collected for each regular academic term required amounts of its General Receipts sufficient to pay Bond Service Charges when due in that Fiscal Year. Payments then are to be made by the University to the Trustee, not later than one business day preceding the date upon which any Bond Service Charges are due, for deposit into the Bond Service Account of the Bond Service Fund, a special trust fund held in the custody of the Trustee. This procedure for budgeting and setting aside General Receipts is intended to assure timely availability of required moneys, but does not limit or modify the first pledge of and lien on all General Receipts. Amounts in the Bond Service Account are to be applied by the Trustee to pay Bond Service Charges when due. See **The Agreement – Funds and Accounts - Bond Service Fund**.

Pursuant to the Act, the Bond Service Fund so pledged and, upon their receipt by the University, the pledged General Receipts are immediately subject to the lien of the pledge made by the Agreement, and the lien of any such pledge is valid and binding 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.

In addition, the University has covenanted in the Trust Agreement for so long as any Bonds are outstanding under the Trust Agreement to fix, make, adjust and collect fees, rates, rentals, charges, and other items comprising General Receipts at least sufficient to pay Bond Service Charges on all Bonds when due, and to satisfy other requirements with respect to the Bonds and, together with any other moneys available, to pay all other costs and expenses necessary for the proper maintenance and successful and continuous operation of the University. See **Security and Sources of Payment – Covenant as to Sufficiency of General Receipts**.

The Trust Agreement is the basic document pertaining to all General Receipts Bonds and prescribes the conditions for the issuance of additional bonds on a parity basis ("Additional Bonds"), including debt service coverage requirements. For a discussion of debt service coverage requirements, see **The Agreement – Additional Bonds**. For each issue of General Receipts Bonds, the Board of Trustees adopts Bond Legislation, setting forth certain terms for that issue and authorizing a Supplemental Trust Agreement to be entered into in connection with the Additional Bonds. Each series of the Series 2025 Bonds are authorized by the Series 2025 Resolution, a separate certificate of award for each series signed pursuant to the Series 2025 Resolution, the Twenty-Sixth Supplemental Trust Agreement for the Series 2025 Bonds.

The proceeds of all General Receipts Bonds are to be applied solely to pay costs of University Facilities, and to refund, fund or retire obligations issued for that purpose, as specifically provided and allocated in the applicable Bond Legislation. Under the Trust Agreement, the term "University Facilities" has the meaning given to the term "facilities" in the Act, which is 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 site improvements, utilities, machinery, furnishing, 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 auxiliary, educational or housing and dining facilities; and includes any one, part of or any combination of those facilities.

PLAN OF FINANCE

General

The proceeds of the Series 2025 Bonds will be used to (i) refund the University's outstanding General Receipts Bonds, Series 2023, dated May 1, 2023 (the "Refunded Series 2023 Bonds"), (ii) refund by purchase and cancellation the Tendered Bonds (as defined herein, and the Tendered Bonds together with the Refunded Series 2023 Bonds, the "Refunded Bonds") through the University's tender offer program, (iii) pay a termination fee for an existing interest rate swap associated with the Refunded Series 2023 Bonds, and (iv) pay costs relating to the issuance of the Series 2025 Bonds and the refunding of the Refunded Bonds.

Refunded Series 2023 Bonds

A portion of the proceeds received by the University from the sale of the Series 2025 Bonds will be used to currently refund all of the $60,000,000 Kent State University General Receipts Bonds, Series 2023 (the "Refunded Series 2023 Bonds") on the date of issuance of the Series 2025 Bonds.

The Tender Offer

On January 29, 2025, the University released an Invitation to Tender (the "Invitation") inviting owners of certain of the Kent State University General Receipts Refunding Bonds, Series 2020B (Federally Taxable) identified in the Invitation (the "Target Bonds") to tender Target Bonds for purchase (the "Tender Offer"), on the terms and conditions set forth in the Invitation. The purpose of the Tender Offer was to give the University the opportunity to purchase and cancel, and thereby currently refund, the Target Bonds on the date of issuance of the Series 2025 Bonds (the "Settlement Date").

As set forth above, a portion of the proceeds of the Series 2025 Bonds will be used to purchase and cancel the following General Receipts Bonds of the University (the "Tendered Bonds"):

Bond Series	CUSIP[(a)] Number	Maturity (May 1)[†]	Interest Rate	Outstanding Principal Amount	Principal Amount Tendered[1]	Principal Amount Remaining Unrefunded
2020B	490728B35	2028	2.447%	$8,295,000	$3,390,000	$4,905,000
2020B	490728B43	2029	2.497	8,495,000	5,245,000	3,250,000
2020B	490728B50	2030	2.597	8,710,000	3,870,000	4,840,000
2020B	490728B68	2031	2.697	8,940,000	4,320,000	4,620,000
2020B	490728B76	2032	2.797	9,175,000	4,020,000	5,155,000
2020B	490728B84	2033	2.897	9,435,000	2,410,000	7,025,000
2020B	490728B92	2034	2.947	7,545,000	2,330,000	5,215,000
2020B	490728C26	2035	2.997	7,770,000	2,000,000	5,770,000
2020B	490728C34	2040[‡]	3.333	42,770,000	13,320,000	29,450,000
2020B	490728C42	2042[‡]	3.383	19,175,000	5,675,000	13,500,000

‡ Term Bonds

[1] The University accepted all tenders of the Target Bonds, and amounts in this column represent "Tendered Bonds".

Pursuant to the Tender Offer as set forth in the Invitation, the owners of Tendered Bonds will tender their Tendered Bonds for cash at the purchase prices and according to the terms set forth in the Invitation and the various notices transmitted in connection with the Invitation. The Tendered Bonds will be cancelled on the Settlement Date and shall no longer be deemed "outstanding" within the meaning of the Trust Agreement. Funds to pay the purchase price of the Tendered Bonds, including accrued interest thereon, and to pay the costs of the Tender Offer and related issuance costs of the Series 2025 Bonds, will be provided by the University from the proceeds of the Series 2025 Bonds.

Information provided under this heading is not intended to summarize all of the terms of the Tender Offer and reference is made to the Invitation for a discussion of the terms of the Tender Offer and the conditions for purchase of the Tendered Bonds. The University may conduct additional tender and/or exchange offers in the future and reserves the right to redeem any of the Target Bonds not selected for purchase pursuant to the Tender Offer, or not identified as Target Bonds in the Invitation, in accordance with the terms of such outstanding bonds. For further reference and detail, the Invitation along with various notices have been posted on, and can be viewed on the Electronic Municipal Market Access system of the MSRB; information regarding submissions to EMMA is available at http://emma.msrb.org.

Sources and Uses of Funds

The proceeds of the Series 2025 Bonds are expected to be applied for the following uses and in the following respective amounts:

Sources of Funds	Series 2025
Principal Amount	$93,900,000.00
Original Issue Premium	10,805,200.60
Total Sources	**$104,705,200.60**
Uses of Funds	
Deposit to Refunding Fund for Refunded Series 2023 Bonds	$60,240,000.00
Swap Termination Payment	2,012,000.00
Purchase and Cancel Tendered Bonds	41,585,376.10
Issuance Costs[a]	867,824.50
Total Uses	**$104,705,200.60**

[a] Issuance Costs include Underwriters' discount and legal and administrative fees related to the issuance of the Series 2025 Bonds and the refunding of the Refunded Bonds.

CERTAIN TERMS OF THE SERIES 2025 BONDS

General; Book-Entry System

The Series 2025 Bonds will be dated, will be payable in the principal amounts and on the dates, will bear interest (computed on the basis of a 360-day year and twelve 30-day months) at the rates and will be payable on the dates, at the place and in the manner described on the Cover. The Series 2025 Bonds are issued in denominations of $5,000 and integral multiples thereof.

The Trustee will keep all books and records necessary for registration, exchange and transfer of the Series 2025 Bonds.

The Series 2025 Bonds will be delivered in book-entry-only form and, when issued, registered in the name of The Depository Trust Company ("DTC") or its nominee Cede & Co., which will act as Securities Depository for the Series 2025 Bonds. For a discussion of the book-entry system and DTC and the replacement of Series 2025 Bonds in the event that the book-entry system is discontinued, see **Appendix D**.

Optional Redemption

Optional Redemption of the Series 2025 Bonds

The Series 2025 Bonds maturing on or after May 1, 2035 are subject to prior redemption on or after November 1, 2034 by and at the sole option of the University, in whole or in part, on any date, in integral multiples of $5,000, at a redemption price equal to 100% of the principal amount redeemed, plus interest accrued to the redemption date.

Purchase in Lieu of Redemption

The University has the option to purchase any Series 2025 Bonds that are then redeemable by optional redemption at a purchase price no less than the redemption price required to be paid to bondholders upon optional redemption. The University may exercise purchase in lieu of redemption by written notice from the University to the Trustee.

Selection of Series 2025 Bonds and Book-Entry Interests to be Redeemed

If fewer than all outstanding Series 2025 Bonds are called for redemption at one time, the Series 2025 Bonds to be called will be called as selected by, and selected in a manner as determined by, the University.

If less than all of an outstanding Series 2025 Bond of one maturity and interest rate within a maturity under a book-entry system is to be called for redemption (in the amount of $5,000 or any whole multiple), the Trustee will give notice of redemption only to DTC as registered owner. The selection of the book-entry interests in that Series 2025 Bond to be redeemed is discussed below under **Notice of Call for Redemption; Effect**.

If bond certificates are issued to the ultimate owners, and if fewer than all of the Series 2025 Bonds of a single maturity and interest rate within a maturity are to be redeemed, the selection of Series 2025 Bonds (or portions of Series 2025 Bonds in the amount of $5,000 or any whole multiple) to be redeemed will be made by lot in a manner determined by the Trustee. In the event of the partial redemption of any Series 2025 Bonds that is a Term Bond, the Trustee shall allocate to the principal amount of the applicable Term Bond redeemed against the related schedule of Mandatory Sinking Fund Requirements, as designated by the University.

In the case of a partial redemption by lot when Series 2025 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 2025 Bond of the denomination of $5,000.

Notice of Call for Redemption; Effect

The Trustee is to cause notice of the call for redemption, identifying the Series 2025 Bonds or portions of Series 2025 Bonds to be redeemed, to be sent by first-class mail or by electronic means, at least 30 days prior to the redemption date, to the registered owner (initially, DTC) of each Series 2025 Bond to be redeemed at the address then shown on the Register on the 15th day preceding that mailing. 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 2025 Bonds.

On the date designated for redemption, Series 2025 Bonds or portions of Series 2025 Bonds called for redemption will become due and payable. If at the time of mailing of notice of redemption of Series 2025 Bonds there shall not have been deposited with the Trustee moneys sufficient to redeem all Series 2025 Bonds called for redemption, the notice of redemption may, at the direction of the Fiscal Officer, specify that the redemption is contingent upon the deposit of moneys with the Trustee in an amount sufficient to pay the redemption price of all Series 2025 Bonds or portions of Series 2025 Bonds that are to be redeemed on the applicable redemption date, and such notice will be of no effect unless such moneys are so deposited. If unconditional notice of redemption of Series 2025 Bonds has been duly given, or if conditional notice of optional redemption of Series 2025 Bonds has been given, and moneys sufficient to pay the redemption price of those Series 2025 Bonds on the redemption date have been deposited with the Trustee, then those Series 2025 Bonds so called for redemption will become due and payable on the redemption date designated in such notice, and interest on those Series 2025 Bonds called for redemption will cease to accrue from and after the date of redemption.

So long as all Series 2025 Bonds are held under a book-entry system by a securities depository (such as DTC), call notice is to be sent by the Trustee only to the depository or its nominee. Selection of book-entry interests in the Series 2025 Bonds called, and giving notice of the call to the owners of those interests called, is the sole responsibility of the depository and of its Direct Participants and Indirect Participants. Any failure of the depository to advise any Direct Participant, or of any Direct Participant or any Indirect Participant to notify the Beneficial 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 2025 Bonds or portions of Series 2025 Bonds. See **Appendix D**.

SECURITY AND SOURCES OF PAYMENT

General

The Series 2025 Bonds are being issued pursuant to, and will be secured by, the Agreement. All Bonds, including the Series 2025 Bonds and any Additional Bonds, are and will be payable from and secured by a first pledge of and lien on the General Receipts of the University and the Bond Service Fund, a special fund created under the Trust Agreement and held by the Trustee for the payment of Bond Service Charges on the Series 2025 Bonds.

The University is to make payments to the Bond Service Account of the Bond Service Fund at least one business day prior to each date Bond Service Charges are payable. That payment is to include an amount that will, together with any other moneys available, be sufficient to pay Bond Service Charges due and payable upon that date.

The University covenants in the Agreement to include in its budget for each Fiscal Year amounts from its General Receipts at least sufficient to pay the Bond Service Charges on the Bonds when due and satisfy other requirements with respect to the Bonds. See **The Agreement – Covenants of the University**.

The University may provide for bond insurance or other credit support instrument, or a reserve fund or account, with respect to any one or more Bonds or series of Bonds and not with respect to any other Bonds or series of Bonds.

General Receipts Pledged to the Bonds

General Receipts pledged to the security of the Bonds, including the Series 2025 Bonds, include virtually all the receipts of the University, excepting only receipts expressly excluded by the Agreement.

The Trust Agreement defines General Receipts to include 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 Bond Service Charges under the proceedings authorizing those obligations.

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

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

General Receipts, including receipts from the University's main and branch campuses, for the five most recent Fiscal Years for which audited numbers are available were as follows:

General Receipts Pledged to the Bonds
(Dollars in Thousands)

	Fiscal Years				
	2020	2021	2022	2023	2024
Net Student Tuition and Fees	$311,336	$297,616	$280,665	$289,630	$301,835
Auxiliary Enterprises	54,567	23,267	89,961	97,744	98,948
Sales and Charges	12,536	5,256	7,164	8,170	7,787
Other General Income	5,523	4,803	4,850	4,060	5,229
TOTAL	$383,962	$330,942	$382,640	$399,604	$413,799

The fees and surcharges charged by the University, including the general fees, are subject to change from time to time by action of the Board of Trustees. See **Appendix A – Kent State University – Enrollment - Student Fees and Charges**.

Covenant as to Sufficiency of General Receipts

The Series 2025 Bonds are further secured by the University's covenant in the Trust Agreement that so long as any Bonds are outstanding under the Trust Agreement the University will fix, make, adjust and collect fees, rates, rentals, charges, and other items comprising General Receipts at least sufficient to pay Bond Service Charges on all Bonds when due and to satisfy all other requirements with respect to the Series 2025 Bonds and, together with any other available moneys, to pay all other costs and expenses necessary for the proper maintenance and successful and continuous operation of the University. See **Appendix A – Kent State University – Student Fees and Charges**.

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Annual Bond Service Charges and Coverage

The following table presents the estimated Bond Service Charges payable on the Series 2025 Bonds and the Bond Service Charges on Outstanding Bonds, on a Fiscal Year basis.

Fiscal Year	Series 2025 Bonds		Total Principal and Interest on Other Outstanding General Receipts Bonds(a)	Total General Receipts Principal and Interest(b)
	Principal	Interest		
2025	$ -	$ 717,291.67	$ 21,970,262.60	$ 22,687,554.27
2026	-	4,695,000.00	19,232,560.10	23,927,560.10
2027	-	4,695,000.00	19,112,060.10	23,807,060.10
2028	-	4,695,000.00	23,746,560.10	28,441,560.10
2029	4,535,000	4,695,000.00	19,997,534.76	29,227,534.76
2030	3,260,000	4,468,250.00	21,423,382.26	29,151,632.26
2031	3,770,000	4,305,250.00	21,594,687.46	29,669,937.46
2032	14,485,000	4,116,750.00	10,961,086.06	29,562,836.06
2033	2,785,000	3,392,500.00	23,027,900.70	29,205,400.70
2034	5,350,000	3,253,250.00	21,011,886.46	29,615,136.46
2035	5,210,000	2,985,750.00	21,413,450.40	29,609,200.40
2036	5,910,000	2,725,250.00	20,982,023.50	29,617,273.50
2037	18,775,000	2,429,750.00	8,414,625.20	29,619,375.20
2038	19,345,000	1,491,000.00	8,412,810.86	29,248,810.86
2039	2,500,000	523,750.00	8,412,913.80	11,436,663.80
2040	2,625,000	398,750.00	8,409,517.40	11,433,267.40
2041	2,610,000	267,500.00	8,557,455.00	11,434,955.00
2042	2,740,000	137,000.00	8,562,992.96	11,439,992.96
2043	-	-	1,463,500.00	1,463,500.00
2044	-	-	1,464,000.00	1,464,000.00
2045	-	-	1,467,000.00	1,467,000.00
2046	-	-	1,467,250.00	1,467,250.00
2047	-	-	1,464,750.00	1,464,750.00
2048	-	-	1,464,500.00	1,464,500.00
2049	-	-	1,466,250.00	1,466,250.00
2050	-	-	1,464,750.00	1,464,750.00
TOTAL	$93,900,000	$49,992,041.67	$ 306,965,709.72	$ 450,857,751.39

(a) Debt service on Refunded Bonds is included for Fiscal Year 2025 until March 6, 2025; debt service on Refunded Bonds not included thereafter; for Refunded Bonds that are variable rate Series 2023 Bonds, assumed rate of 4.54% for Fiscal Year 2025 until March 6, 2025.

(b) Debt service on Refunded Bonds is not included after March 6, 2025.

The University's General Receipts for Fiscal Year 2024 (approximately $413,799,000) were approximately 13.9 times greater than the maximum annual Bond Service Charges payable on the Series 2025 Bonds and the Outstanding Bonds in any future Fiscal Year ($29,669,937.46 in 2031).

THE AGREEMENT

The following is a summary of certain provisions of the Agreement and does not purport to be complete. The term "Agreement" refers to the Trust Agreement, as supplemented by the each of the Series 2025 Supplemental Trust Agreements. All capitalized terms in this section not otherwise defined in the body of this Official Statement shall have the meanings given to them in **Appendix C** hereto.

The Trust Agreement, as supplemented by each of the Series 2025 Supplemental Trust Agreements, contains provisions as to special funds; Bond authentication, registration, transfer, exchange and replacement; redemption; events of default and remedies; duties of the Trustee (and any successor); supplemental trust agreements; and defeasance, among others. Certain provisions of the Agreement as to University budgeting requirements, special funds, University covenants, events of default and remedies, enforcement by mandamus, defeasance, nonpresentment of Bonds, supplemental trust agreements, Additional Bonds, annual reports and records, and the Trustee, are summarized below.

So long as the Series 2025 Bonds are immobilized in a book-entry system with a Securities Depository, that depository or its nominee for all purposes of the Trust Agreement will be considered by the University and the Trustee to be the owner or holder of the Series 2025 Bonds, and (except as otherwise provided in the Continuing Disclosure Agreement) the owners of book-entry interests will not be considered owners or holders and have no rights as holders or owners under the Trust Agreement. See **Certain Terms of the Series 2025 Bonds - General; Book-Entry System**.

Funds and Accounts

Bond Service Fund; Payments of the University. The Trust Agreement establishes the Bond Service Fund, which will be maintained in the Trustee's custody. The Bond Service Fund and the moneys and investments in it are pledged to and are to be applied exclusively to the payment of Bond Service Charges. The Trust Agreement also establishes the Bond Service Account, the Bond Service Reserve Account and the Bond Redemption and Purchase Account, as accounts of the Bond Service Fund, and permits other accounts to be established as special accounts in the Bond Service Fund as may be provided in any Supplemental Trust Agreement in connection with the issuance of Additional Bonds and in certain other circumstances.

From General Receipts, the University will pay into the Bond Service Account, not later than one Business Day prior to a date when Bond Service Charges are due, an amount that will be sufficient to pay the Bond Service Charges payable from that Account on that date. In addition, if and to the extent required under the Bond Proceedings for a series of Bonds, the University is to pay from the General Receipts to the Bond Service Reserve Account any such amounts and at such times as may be required in accordance with the applicable Supplemental Trust Agreement. No Bond Service Reserve Account has been established for the Series 2025 Bonds.

Each of the Series 2025 Supplemental Trust Agreements establishes for the respective series of the Series 2025 Bonds a series Bond Service Account as an additional and separate sub-account in the Bond Service Account. Moneys in the respective series Bond Service Account will be applied to the payment of Bond Service Charges on those Series 2025 Bonds when due. Each of the Series 2025 Supplemental Trust Agreements further establishes for the respective series of the Series 2025 Bonds a Redemption and Purchase Account as an additional and separate sub-account in the Bond Redemption and Purchase Account for the deposit by the University of moneys to be used for the optional redemption of the applicable series of the Series 2025 Bonds.

The University is obligated pursuant to each Series 2025 Supplemental Trust Agreement to make deposits to: (i) the respective series Bond Service Account with respect to the payment of Bond Service Charges on that series of the Series 2025 Bonds; and (ii) the respective series Bond Redemption and Purchase Account with respect to the payment of principal of, premium, if any, and accrued interest, on applicable series of the Series 2025 Bonds called for optional redemption.

Issuance Expenses Fund. Each Series 2025 Supplemental Trust Agreement establishes an Issuance Expenses Fund for the series to be maintained in the custody of the Trustee, as a separate deposit account. Proceeds of the respective series of the Series 2025 Bonds deposited in the applicable Issuance Expenses Fund will be used by the Trustee to pay costs of issuing the respective series of the Series 2025 Bonds and refunding the Refunded Bonds with respect to the Series 2025 Bonds. If, after the payment from an Issuance Expenses Fund of costs of issuing the applicable series of the Series 2025 Bonds and refunding the Refunded Bonds, any moneys remain in the applicable Issuance Expenses Fund, the Fiscal Officer will file a certificate with the Trustee stating that all amounts to be paid from the applicable Issuance Expenses Fund have been paid and that no other amounts are owing and payable from that Issuance Expenses Fund. As soon as practicable after the filing of that certificate with the Trustee, any balance remaining in the applicable Issuance Expenses Fund will be deposited in the applicable series Bond Service Account and used to pay interest next due on the applicable series of the Series 2025 Bonds.

Eligible Investments of Amounts in the Bond Service Account

Amounts in a Bond Service Account of the Bond Service Fund may be invested by the Trustee in any Eligible Investments, subject to any orders of the Fiscal Officer with respect thereto. Investments of moneys in a Bond Service Account will mature or be redeemable at the option of the holder at the times and in the amounts necessary to provide moneys to meet the payment of Bond Service Charges of the applicable series as they fall due. Subject to any orders of the Fiscal Officer with respect thereto, the Trustee may from time to time sell such investments and reinvest the proceeds therefrom in Eligible Investments so maturing or redeemable. Any such investments may be purchased from the Trustee. The Trustee must sell or redeem investments standing to the credit of a Bond Service Account to produce sufficient moneys at the times required for the purposes of meeting Bond Service Charges when due, and must do so without necessity for any order on behalf of the University and without restriction by reason of any such order. An investment made from moneys credited to a Bond Service Account shall constitute part of that Account. That Account will be credited with all proceeds of sale and income from that investment. Those investments will be valued at face amount or market value, whichever is less.

Covenants of the University

In the Trust Agreement, the University covenants to pay, or cause to be paid, the Bond Service Charges on the dates, at the places and in the manner provided in the Trust Agreement and the applicable Bond Proceedings.

The University covenants in the Trust Agreement to include in its budget for each Fiscal Year an amount sufficient to make all deposits required to be made in that Fiscal Year to the Bond Service Fund and to satisfy any payments to be made in that Fiscal Year with respect to any Parity Obligations. The University also covenants to determine and reflect in its budgets the amounts from the respective sources of General Receipts to be applied to meet those payments, in such manner that the amounts from such sources, in aggregate, will at all times be sufficient in amounts and times of collection to meet all payments required to be made with respect to Bonds and any Parity Obligations.

For the further security of the Bonds, the University also covenants that so long as any Bonds are Outstanding the University will fix, make, adjust and collect fees, rates, rentals, charges, and other items comprising General Receipts at least sufficient to pay Bond Service Charges on all Bonds when due, to pay when due amounts owed with respect to any Parity Obligations, and to satisfy all other requirements of the Bond Proceedings with respect to the Series 2025 Bonds, and together with any other moneys lawfully available therefor, to pay all other costs and expenses necessary for the proper maintenance and successful and continuous operation of the University.

Events of Default and Remedies

So long as the Series 2025 Bonds are held under a book-entry system with DTC (or any successor Securities Depository), that depository or its nominee is for all purposes of the Agreement considered the owner or holder of the Series 2025 Bonds, and, except as provided in the Continuing Disclosure Agreement, the owners of book-entry interests will not be considered owners or holders and have no rights as holders or owners under the Agreement to receive notices relating to Events of Default, to enforce remedies or to take other steps to protect or enforce the rights of bondholders.

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

(i) Failure to pay any interest on any Bond when and as due and payable and such failure shall have continued for a period of 30 days.

(ii) Failure to pay the principal of or any Accreted Amount or any redemption premium on any Bond, when and as due and payable, whether at maturity or by acceleration or by call for redemption and such failure shall have continued for a period of 30 days.

(iii) Failure to perform or observe duly or punctually any other covenant, condition or agreement contained in the Bonds and in the Trust Agreement and to be performed by the University, continued for a period of 90 days after written notice specifying the default and requiring the default to be remedied given to the University by the Trustee or by the holders of not less than 25% in Aggregate Outstanding Principal Amount (if, however, the failure is other than the payment of money and is of such nature that it can be corrected but not within the applicable period, then that failure shall not constitute an Event of Default so long as the University institutes curative action within the applicable period and diligently pursues that action to completion).

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

If an Event of Default has occurred and is continuing, the Trustee may, and upon the written request of the holders of not less than 25% of Aggregate Outstanding Principal Amount of Bonds must, take appropriate actions to protect and enforce the rights of bondholders, including by mandamus, bringing suit upon the Bonds and enjoining any unlawful activities or activities in violation of the bondholders' rights under the Trust Agreement. In the case of an Event of Default in the payment of Bond Service Charges, the Trustee may take those appropriate actions and, in addition, may, and upon the written request of the holders of not less than 25% of Aggregate Outstanding Principal Amount of Bonds must, by notice in writing delivered to the University declare the principal of and interest (and any Accreted Amount) accrued on all then Outstanding Bonds to be immediately due and payable.

If, after the Trustee has declared the principal, any Accreted Amount and interest immediately due and payable and before the entry of a court judgment for enforcement under the Trust Agreement, all sums payable under the Bonds and the Trust Agreement (except the principal and any Accreted Amount of the Bonds that have not reached their stated maturity dates and which are due and payable solely by reason of such declaration) plus interest (to the extent permitted by law) on any overdue installments of interest at the rate borne by the Bonds in respect of which such Event of Default has occurred, has been duly paid or provided for by deposit with the Trustee or Paying Agents and all existing defaults have been corrected, that Event of Default and its consequences will be considered to have been waived and the declaration of acceleration will be automatically rescinded and annulled.

The holders of not less than a majority in Aggregate Outstanding Principal Amount of the Bonds will have the right at any time, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting any and all remedial proceedings under the Trust Agreement. That direction must be in accordance with the provisions of law and the Trust Agreement, and the Trustee must be indemnified to its satisfaction. The Trustee, however, will have the right to decline.

Before taking certain actions under the Trust Agreement, the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement to it of all reasonable expenses to which it may be put and to protect it against all liability by reason of any action so taken, except liability which is adjudicated to have resulted from its negligence, bad faith or willful default by reason of any action so taken. The Trustee may take such action without such indemnity, and in that case the University will reimburse the Trustee for all such expenses from moneys available from General Receipts.

Each bondholder will have a right of action to enforce the payment of the principal and any Accreted Amount of and interest on any Bond owned by that holder at and after the due date thereof at the place, from the sources and in manner stated in that Bond. It is, however, understood and intended under the Trust Agreement that no one or more holders of the Bonds will have any right in any manner whatsoever to affect, disturb or prejudice the benefit of the Trust Agreement by its or their action or to enforce any right under the Trust Agreement except in the manner provided in the Trust Agreement, and that the proceedings will be instituted, had and maintained in the manner provided in the Trust Agreement and for the benefit of the holders of all Bonds then Outstanding.

Enforcement by Mandamus

The Act provides that the duties of the University, the Board of Trustees and its members, and University officers and employees provided for by the Agreement, the Series 2025 Bonds and other resolutions and agreements regarding the issuance, sale and security of the Series 2025 Bonds are duties enforceable by mandamus.

Defeasance

If the University pays or causes to be paid all of the Outstanding Bonds or if Bond Service Charges due or to become due on the Outstanding Bonds are paid or caused to be paid and provision is made for paying all other sums payable under the Trust Agreement, the Trust Agreement (with certain exceptions) will cease, determine and become null and void, and the University's covenants, agreements and other obligations under it will be released, discharged and satisfied. Upon such discharge of the Trust Agreement, the Trustee is to assign and deliver to the University any funds at the time subject to the lien of the Trust Agreement which may then be in its possession except for funds for the payment of Bond Service Charges (subject to certain provisions in the Trust Agreement for unclaimed moneys).

Bonds will be deemed to have been paid or caused to be paid for the purpose of defeasance (and for the purpose of particular Bonds being refunded and no longer deemed Outstanding under the Trust Agreement) if:

(i) the Trustee and any Paying Agents have received, in trust for and irrevocably committed thereto, sufficient moneys, or

(ii) the Trustee holds, in trust for and irrevocably committed thereto, non-callable Direct Obligations which are certified by an independent certified public accountant or firm of such accountants or such other verifier as shall be acceptable to the Trustee to be of such maturities or redemption dates and to have payment dates, and to bear such interest or other investment income, as will be sufficient without further investment or reinvestment of either the principal amount of or the interest or other investment earnings from them (likewise to be held in trust and so committed, except as otherwise provided in the Trust Agreement), together with any moneys referred to above in paragraph (i),

for the payment when due of all applicable Bond Service Charges to the date of maturity or redemption, as the case may be. If any Bonds are to be redeemed prior to their maturity, notice of that redemption must have been given or provisions satisfactory to the Trustee have been made for the giving of that notice.

Any moneys held in cash may be invested only in Direct Obligations the maturities or redemption (at the holder's option) dates of which will coincide as nearly as practicable with, but will not be later than, the times at which those moneys will be required for the payment of Bond Service Charges. Any income or interest earned by, or increment to, those investments, to the extent not required for the applicable purposes, will be transferred to the University, at the University's request.

The Trust Agreement authorizes partial defeasance as to any series of Bonds or as to certain of the Bonds of any series upon deposits described above.

Any Bond Proceedings providing for a series of Additional Bonds may vary the Trust Agreement's defeasance provisions.

Additional Bonds

Additional Bonds, as they may from time to time be authorized by series Bond Legislation, are issuable on a parity with the then Outstanding Bonds. The University may provide for bond insurance or other Credit Support Instrument, or a reserve fund or account, with respect to any one or more Bonds or series of Bonds and not with respect to any other Bonds or series of Bonds.

Besides the conditions of authentication, the Trust Agreement requires that the following conditions be satisfied before the University may issue a series of Additional Bonds:

(i) The University is not in default, and as a result of the authentication and delivery of the Additional Bonds will not be in default, of any of its covenants or obligations under the Trust Agreement, and

(ii) The General Receipts during each of the two preceding Fiscal Years adjusted to reflect, if applicable, changes in the fees and charges of the University approved by the Board of Trustees before that date of authentication, were at least equal to two times the maximum amount required to be paid from General Receipts into the Bond Service Account in any subsequent Fiscal Year for Bond Service Charges on all Bonds to be Outstanding upon the original delivery of the Additional Bonds.

For purposes of computing the required coverage of General Receipts over Bond Service Charges, the Trust Agreement provides:

(i) Bond Service Charges that are to be or have been funded or refunded by such Additional Bonds or by Obligations previously issued are to be excluded from Bond Service Charges and the proceeds of the Additional Bonds applied or committed thereto are not to be counted in General Receipts.

(ii) Proceeds from the sale of any Obligations, excepting any portion representing accrued interest or capitalized interest on Bonds, are not to be counted in the General Receipts.

(iii) The University may, at its option, exclude from Bond Service Charges that portion of those Charges to be provided by payments from the United States of America or any office, department, agency, instrumentality or corporation thereof or created thereby under programs established by law or under a then-existing agreement with the University. In such case, there is to be subtracted from the amount of General Receipts in the coverage calculation being made the amount, if any, then received under such program or agreement but not exceeding an amount equal to the amount so excluded from Bond Service Charges for the Fiscal Year in which the maximum Bond Service Charges are required.

(iv) The General Receipts are to be adjusted to reflect changes in fees and charges of the University theretofore approved by the Board of Trustees.

(v) Any Bonds that are or are to be issued bearing interest at a variable rate are to be assumed to bear interest as follows:

(1) if the University has entered into a Hedge Agreement with respect to such Bonds under which the University will make fixed interest rate payments in exchange for a counterparty making variable rate payments, then the fixed rate of interest simulated by such Hedge Agreement is to apply to that calculation for the period of such Hedge Agreement;

(2) with respect to any Outstanding Bonds bearing interest at a variable rate for which there is no related Hedge Agreement, the rate of interest on the Bonds is to be deemed to be the average rate of interest borne by such variable rate Bonds during the preceding 12 months or such shorter period of time that such variable rate Bonds have been Outstanding; and

(3) with respect to any proposed variable rate Additional Bonds for which there is no related Hedge Agreement, the rate of interest on the Bonds is to be deemed to be the rate shown in the most recently published SIFMA Municipal Swap Index.

(vi) Any Bonds 25% or more of the principal payment of which is due in a single year, excluding any such principal payments that are subject to mandatory sinking fund requirements in a prior year, shall be assumed to have Bond Service Charges amortized on the basis of level debt service over the Assumed Amortization Period and bearing interest at the Assumed Interest Rate.

The authentication of Bonds by the Trustee will be conclusive evidence that the requirements of the Trust Agreement for the issuance of Additional Bonds have been met for purposes of the validity and binding effect of those Bonds and the rights of the bondholders.

Nonpresentment; Uncashed Checks

If a Bond is not presented for payment when due in whole or in part, whether at maturity, prior redemption or otherwise, or a check for interest is uncashed, and if moneys for the purpose of paying and sufficient to pay the amount involved have been made available to the Trustee for the benefit of the bondholder, all liability of the University to that holder for that payment will be discharged completely, and it will then be the duty of the Paying Agents to hold those moneys in trust, without liability for interest on them, for the exclusive benefit of that holder. That bondholder (and successive owners of that Bond) will then be restricted exclusively to those moneys for any claim of whatever nature on that bondholder's part under the Trust Agreement or on or with respect to that amount then due on that Bond or that check.

Any moneys so held by the Paying Agents and remaining unclaimed by the holder (or successive holders) of that Bond, for a period of three years after the date on which that Bond became payable as provided above or on which that check was issued, will be paid to the University. Thereafter, the holder (or successive holders) of that Bond will look only to the University for payment and then only to the amounts so received by the University without any interest on those amounts, and the Paying Agents and Trustee will have no further responsibility with respect to those moneys. The moneys so paid to the University will be credited to a special account. The Fiscal Officer will keep a record of the amounts with respect to each series of Bonds, and to Bonds of such series, so deposited in the special account, and moneys in that account will be applied to payment of Bond Service Charges on the Bonds with respect to which such moneys are transferred to the University. Investment income from moneys in that account will be credited to the University's general fund.

Supplemental Trust Agreements

A Supplemental Trust Agreement will be entered into in connection with the issuance of each series of Additional Bonds.

Supplemental Trust Agreements (other than those described above and in the next paragraph) adding any provisions to, changing or eliminating any of the provisions of the Trust Agreement or any Supplemental Trust Agreement or restricting the rights of the holders, require the consent and approval of the owners of not less than a majority (51%) in Aggregate Outstanding Principal Amount of the Bonds (excluding the principal amount of any Bonds owned by the University). No Supplemental Trust Agreement, however, may be entered into for the following purposes, unless the required consent, as noted below, is given:

(i) Without the consent of the holder of each Bond so affected, an extension of the maturity of the principal of or the interest on any Bond, or a reduction in the principal amount of any Bond or the rate of interest or premium thereon, or the creation of a right in the University to call any Bond for redemption prior to its maturity, or the advancement of the time or reduction of the redemption price at which any existing right of the University to call Bonds for redemption may be exercised, or a reduction in the amount or extension of the time of payment of any Mandatory Sinking Fund Requirements or Mandatory Redemption Obligations, or

(ii) Without the consent of the holders of all Bonds then Outstanding, a reduction in the aggregate principal amount of the Bonds required for consent to a Supplemental Trust Agreement.

The University and the Trustee may enter into agreements supplemental to the Trust Agreement without the consent of or notice to any of the holders, but with notice to any Credit Support Provider, for the following purposes:

(a) To cure any ambiguity, inconsistency or formal defect or omission in the Trust Agreement.

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

(c) To submit additional General Receipts to the lien and pledge of the Trust Agreement.

(d) To add to the University's covenants and agreements under the Trust Agreement other covenants and agreements thereafter to be observed for the protection of all or particular holders, or to surrender or limit any right, power or authority under the Trust Agreement reserved to or conferred upon the University in the Trust Agreement.

(e) To evidence any succession to the University and the assumption by that successor of the University's covenants and agreements in the Bonds and the Trust Agreement.

(f) To make necessary or advisable amendments or additions in connection with the issuance of Additional Bonds as do not adversely affect the interests of holders of the then Outstanding Bonds.

(g) To facilitate (i) the transfer of Bonds held in book-entry form from one depository to another, (ii) the succession of depositories, or (iii) the withdrawal of Bonds issued to a depository for use in a book-entry system and the issuance of replacement Bonds in fully-registered form to others than a depository.

(h) To permit the Trustee to comply with any obligations imposed upon it by law.

(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.

(j) To permit compliance with any applicable federal securities or tax law or regulations.

(k) To adopt or amend procedures or agreements for the disclosure of information to holders and others with respect to the Bonds and the University in accordance with any applicable State or federal regulations.

(l) To accept additional security and instruments and documents of further assurance, including any provision for a Credit Support Provider.

(m) To limit the Eligible Investments of moneys in the Bond Service Account, or to add to that list of Eligible Investments other investments. If there be such a Rating Service at the time, the addition of Eligible Investments must be approved for the purpose by each Rating Service that has at the University's request assigned a rating to, and at the time maintains a rating on, Outstanding Bonds.

(n) Any other amendment which, in the judgment of the Trustee, is not to the material prejudice of the Trustee or the holders of Outstanding Bonds.

Annual Reports and Records

The Trust Agreement requires the University to keep or cause to be kept proper books of record and account (separate and distinct from all other records and accounts of the University) in such manner as is necessary to show the complete financial results of operation of the University, all capital expenditures for improvements, General Receipts, and amounts deposited in the Special Funds.

The University is required by the Trust Agreement to permit the authorized representative of the Trustee, of the holders of at least 25% in Aggregate Outstanding Principal Amount of the Bonds, or of any Credit Support Provider, to inspect the University and all records, accounts and data of the University at all reasonable times.

If the Auditor of State of Ohio (the "State Auditor"), or an independent certified public accounting firm at the direction of the State Auditor, has not commenced such audit on or before 180 days after the end of the Fiscal Year with respect to which audited financial statements are required to be produced, the University agrees that it will request the State Auditor to immediately commence such an audit, and if the State Auditor is unable to so commence such an audit, will request the State Auditor to authorize the University to engage an independent certified public accounting firm to conduct the required audit. If so authorized, the University agrees that it will engage an independent certified public accounting firm to conduct the required audit.

Pledge of General Receipts

The University may pledge the General Receipts to the payment of "Bond Service Charges" on "Obligations," each as defined in Revised Code Section 3345.12. Obligations as so defined include bonds, notes or other evidences of obligation authorized to be issued under applicable provisions of the Revised Code. Bond Service Charges as so defined include principal, including any mandatory sinking fund or redemption requirements for the retirement of obligations, interest or interest equivalent and other accreted amounts and any call premium required to be paid on Obligations. Interest or interest equivalent means those payments or portion of payments, however denominated, that constitute or represent consideration for forbearing the collection of money, or for deferring the receipt of payment of money to a future time.

TRUSTEE

The Trustee, The Huntington National Bank, with its main offices and principal corporate trust office located in Cincinnati, Ohio, is a national bank organized and existing under the laws of the United States, and is authorized to exercise corporate trust powers in the State of Ohio and regularly acts as trustee for revenue bond issues of Ohio issuers.

The Trustee will, prior to the occurrence of an Event of Default and after the cure of any Event of Default which may have occurred, undertake to perform only such duties as are specifically set forth in the Trust Agreement. At the time of an Event of Default and during its continuation, the Trustee will exercise such of the rights and powers vested in the Trustee by the Agreement, and is to use the same degree of care and skill in their exercise as a prudent corporate trustee would exercise or use under a trust agreement securing securities of a public entity.

The Trust Agreement contains provisions for the Trustee's removal by the holders of not less than a majority in aggregate principal amount of Bonds then Outstanding, or by the University. No resignation or removal of the Trustee will be effective until the appointment of a successor Trustee.

LIMITATIONS ON ENFORCEABILITY OF REMEDIES

Enforcement of the Agreement may be limited or delayed in the event of application of federal bankruptcy laws or other laws affecting creditors' rights and may be substantially delayed and subject to judicial discretion in the event of litigation. The enforceability of the pledge of the General Receipts may be subject to subordination of prior claims in addition to those arising from bankruptcy proceedings. Examples of cases of possible limitations on enforceability, and of possible subordination or prior claims, are (i) rights arising in favor of the United States of America or any agency thereof, (ii) constructive trusts, equitable liens or other rights impressed or conferred by any court in the exercise of its equitable jurisdiction, and (iii) rights of third parties in General Receipts converted to cash and not in the custody of the Trustee. All rights and remedies provided for in the Agreement may be exercised only to the extent that the exercise thereof does not violate any applicable law, and are limited to the extent necessary so that they will not render the General Receipts invalid or unenforceable.

BONDHOLDER RISKS

An investment in the Series 2025 Bonds is subject to a number of significant risk factors. The following is a discussion of certain risks that could affect payments to be made with respect to the Series 2025 Bonds. Such discussion is not, and is not intended to be, exhaustive and should be read in conjunction with all other parts of this Official Statement and should not be considered as a complete description of all risks that could affect such payments. Prospective purchasers of the Series 2025 Bonds should analyze carefully the information contained in this Official Statement, including the Appendices hereto, and additional information in the form of the complete documents summarized herein, copies of which are available as described in this Official Statement.

Competition

The University is subject to changes in the demand for higher education in general and for programs offered by the University in particular. The University is also subject to the same competitive pressures that affect other public colleges and universities. Changing demographics may mean a smaller pool of college-bound persons from which to draw entering classes. Various political and legal developments, including U.S. governmental policy regarding international relations and trade and immigration, may affect the demand among foreign students for education at U.S. universities and colleges, including the University. Greater competition for students together with potentially rising tuition may mean that the University will need to increase its financial aid packages to attract and retain students or that it may face fewer students and decreased revenues. Attracting and keeping qualified administrators and faculty may mean higher expenditures for salaries and administrative costs. Each of these factors can have an impact on the revenues of the University.

The University competes for students generally with other universities located throughout the United States, some of which may charge lower tuition rates than the University. Other educational institutions may in the future expand their programs in competition with the programs offered by the University. Increased competition from other educational institutions (including the availability of online courses and programs) or a decrease in the student population interested in pursuing higher education could have a material adverse economic impact on the University. In addition, future revenues and expenses of the University will be subject to conditions which may differ from current conditions to an extent that cannot be determined at this time.

Legislation

There are or may be pending in the Congress of the United States or the Ohio General Assembly legislative proposals that could adversely impact University operations or revenues, including some that carry retroactive effective dates, that, if enacted, could alter or amend the tax matters referred to herein or affect the market value of the Series 2025 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment.

Prospective purchasers of the Series 2025 Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. No opinion is being given regarding any pending or proposed federal tax legislation.

Other Risk Factors

Other factors that may also adversely affect the operations of the University, although the extent cannot be presently determined, include, among others: (1) a decrease in availability of student loan funds or other student financial aid; (2) reductions in funding support from donors or other external sources; (3) a decline, freeze or elimination in funding, including research funding, from the U.S. government, including without limitation, as a result of executive branch actions and policies; (4) risks relating to expansions or construction projects undertaken by the University, including risks relating to construction and operation; (5) an increase in the costs of health care benefits, retirement plan or other benefit packages offered by the University to its employees and retirees; (6) a significant decline in the University's investments based on market or other external factors; (7) cost and availability of energy; (8) high interest rates, which could strain cash flow or prevent borrowing for needed capital expenditures; (9) an increase in the cost of outstanding variable rate debt or short-term borrowings the University periodically uses to fund operations; (10) risks associated with interest rate hedges, including basis risk, obligations to post collateral or counterparty risk; (11) increased costs and decreased availability of public liability insurance; (12) litigation; (13) employee strikes and other labor actions that could result in a substantial reduction in revenues without corresponding decreases in costs; (14) natural disasters, which might damage the University's facilities, interrupt service to its facilities or otherwise impair the operation of the facilities; (15) damages, penalties or other liability associated with cyber security or data breaches; and (16) decrease in financial support from the State of Ohio whether through decreased appropriations or otherwise.

TAX MATTERS

General

In the opinion of Squire Patton Boggs (US) LLP, Bond Counsel, under existing law: (i) interest on the Series 2025 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; and (ii) interest on, and any profit made on the sale, exchange or other disposition of, the Series 2025 Bonds are exempt from all Ohio state and local taxation, except the estate tax, the domestic insurance company tax, the dealers in intangibles tax, the tax levied on the basis of the total equity capital of financial institutions, and the net worth base of the corporate franchise tax. Bond Counsel expresses no opinion as to any other tax consequences regarding the Series 2025 Bonds.

The opinion on federal tax matters will be based on and will assume the accuracy of certain representations and certifications, and continuing compliance with certain covenants, of the University contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Series 2025 Bonds are and will remain obligations the interest on which is excluded from gross income for federal income tax purposes. Bond Counsel will not independently verify the accuracy of the University's certifications and representations or the continuing compliance with the University's covenants.

The opinion of Bond Counsel is based on current legal authority and covers certain matters not directly addressed by such authority. It represents Bond Counsel's legal judgment as to exclusion of interest on the Series 2025 Bonds from gross income for federal income tax purposes but is not a guaranty of that conclusion. The opinion is not binding on the Internal Revenue Service (IRS) or any court. Bond Counsel expresses no opinion about (i) the effect of future changes in the Code and the applicable regulations under the Code or (ii) the interpretation and the enforcement of the Code or those regulations by the IRS.

The Code prescribes a number of qualifications and conditions for the interest on state and local government obligations to be and to remain excluded from gross income for federal income tax purposes, some of which require future or continued compliance after issuance of the obligations. Noncompliance with these requirements by the University may cause loss of such status and result in the interest on the Series 2025 Bonds being included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2025 Bonds. The University has covenanted to take the actions required of it for the interest on the Series 2025 Bonds to be and to remain excluded from gross income for federal income tax purposes, and not to take any actions that would adversely affect that exclusion. After the date of issuance of the Series 2025 Bonds, Bond Counsel will not undertake to determine (or to so inform any person) whether any actions taken or not taken, or any events occurring or not occurring, or any other matters coming to Bond Counsel's attention, may adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series 2025 Bonds or the market value of the Series 2025 Bonds.

Interest on the Series 2025 Bonds may be subject: (1) to a federal branch profits tax imposed on certain foreign corporations doing business in the United States; (2) to a federal tax imposed on excess net passive income of certain S corporations; and (3) to the alternative minimum tax imposed under Section 55(b) of the Code on "applicable corporations" (within the meaning of Section 59(k) of the Code). Under the Code, the exclusion of interest from gross income for federal income tax purposes may have certain adverse federal income tax consequences on items of income, deduction or credit for certain taxpayers, including financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, those that are deemed to incur or continue indebtedness to acquire or carry tax-exempt obligations, and individuals otherwise eligible for the earned income tax credit. The applicability and extent of these and other tax consequences will depend upon the particular tax status or other tax items of the owner of the Series 2025 Bonds. Bond Counsel will express no opinion regarding those consequences.

Payments of interest on tax-exempt obligations, including the Series 2025 Bonds, are generally subject to IRS Form 1099-INT information reporting requirements. If a Series 2025 Bond owner is subject to backup withholding under those requirements, then payments of interest will also be subject to backup withholding. Those requirements do not affect the exclusion of such interest from gross income for federal income tax purposes.

Bond Counsel's engagement with respect to the Series 2025 Bonds ends with the issuance of the Series 2025 Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the University or the owners of the Series 2025 Bonds regarding the tax status of interest thereon in the event of an audit examination by the IRS. The IRS has a program to audit tax-exempt obligations to determine whether the interest thereon is includible in gross income for federal income tax purposes. If the IRS does audit the Series 2025 Bonds, under current IRS procedures, the IRS will treat the University as the taxpayer and the beneficial owners of the Series 2025 Bonds will have only limited rights, if any, to obtain and participate in judicial review of such audit. Any action of the IRS, including but not limited to selection of the Series 2025 Bonds for audit, or the course or result of such audit, or an audit of other obligations presenting similar tax issues, may affect the market value of the Series 2025 Bonds.

Prospective purchasers of the Series 2025 Bonds upon their original issuance at prices other than the respective prices indicated on the Cover of this Official Statement, and prospective purchasers of the Series 2025 Bonds at other than their original issuance, should consult their own tax advisors regarding other tax considerations such as the consequences of market discount, as to all of which Bond Counsel expresses no opinion.

Risk of Future Legislative Changes and/or Court Decisions

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the State legislature. Court proceedings may also be filed, the outcome of which could modify the tax treatment of obligations such as the Series 2025 Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Series 2025 Bonds will not have an adverse effect on the tax status of interest or other income on the Series 2025 Bonds or the market value or marketability of the Series 2025 Bonds. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Series 2025 Bonds from gross income for federal or state income tax purposes for all or certain taxpayers.

For example, federal tax legislation that was enacted on December 22, 2017 reduced corporate tax rates, modified individual tax rates, eliminated many deductions, repealed the corporate alternative minimum tax that was in effect at that time, and eliminated the tax-exempt advance refunding of tax-exempt bonds and tax-advantaged bonds, among other things. Additionally, investors in the Series 2025 Bonds should be aware that future legislative actions might increase, reduce or otherwise change (including retroactively) the financial benefits and the treatment of all or a portion of the interest on the Series 2025 Bonds for federal income tax purposes for all or certain taxpayers. In all such events, the market value of the Series 2025 Bonds may be affected and the ability of holders to sell their Series 2025 Bonds in the secondary market may be reduced.

Investors should consult their own financial and tax advisors to analyze the importance of these risks.

Original Issue Discount and Original Issue Premium

Certain of the Series 2025 Bonds ("Discount Bonds") may be offered and sold to the public at an original issue discount (OID). OID is the excess of the stated redemption price at maturity (the principal amount) over the "issue price" of a Discount Bond. The issue price of a Discount Bond is the initial offering price to the public (other than to bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of the Discount Bonds of the same maturity is sold pursuant to that offering. For federal income tax purposes, OID accrues to the owner of a Discount Bond over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the period of ownership of a Discount Bond (i) is interest excluded from the owner's gross income for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as other interest on the Series 2025 Bonds, and (ii) is added to the owner's tax basis for purposes of determining gain or loss on the maturity, redemption, sale or other disposition of that Discount Bond. A purchaser of a Discount Bond in the initial public offering at the issue price (described above) for that Discount Bond who holds that Discount Bond to maturity will realize no gain or loss upon the retirement of that Discount Bond.

Certain of the Series 2025 Bonds ("Premium Bonds") may be offered and 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 a Premium Bond 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 Discount Bonds and/or Premium Bonds should consult their own tax advisors as to the determination for federal income tax purposes of the existence of OID or bond premium, the determination for federal income tax purposes of the amount of OID or bond premium properly accruable or amortizable in any period with respect to the Discount Bonds or Premium Bonds, other federal tax consequences in respect of OID and bond premium, and the treatment of OID and bond premium for purposes of state and local taxes on, or based on, income.

LEGAL OPINIONS

Certain legal matters incident to the issuance of the Series 2025 Bonds, and with respect to the federally tax-exempt status of the interest on the Series 2025 Bonds and the state tax law exemptions on the Series 2025 Bonds (see **Tax Matters**), are subject to the opinion of Squire Patton Boggs (US) LLP, whose legal services as bond counsel have been retained by the University. The legal opinion, dated and premised on law in effect as of the date of issuance of the Series 2025 Bonds, will be delivered to the Underwriters and the University on the date of issuance of the Series 2025 Bonds.

The proposed text of the legal opinion is set forth as **Exhibit A**. The legal opinion to be delivered may vary from that text if necessary to reflect facts and law on that date of delivery. The opinions will speak only as of their date, and subsequent distribution of an opinion by recirculation of this Official Statement or otherwise shall create no implication that Bond Counsel has reviewed or expresses any opinion concerning any of the matters referred to in the opinions subsequent to its date.

The opinion of Bond Counsel and any other legal opinions and letters of counsel to be delivered concurrently with the delivery of the Series 2025 Bonds express the professional judgment of the attorneys rendering the opinions or advice regarding the legal issues and other matters expressly addressed therein. By rendering a legal opinion or advice, the giver of such opinion or advice does not become an insurer or guarantor of the result indicated by that opinion, or the transaction on which the opinion or advice is rendered, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

In addition to rendering its opinion, Bond Counsel will assist in the preparation of and advise the University concerning documents for the bond transcript. The University has also retained the legal services of that law firm from time to time as special counsel in connection with matters that do not relate to University financings. Squire Patton Boggs (US) LLP also serves and has served as underwriter's counsel for one or more of the Underwriters in connection with matters that do not relate to the Series 2025 Bonds or the University.

Certain legal matters will be passed upon for the Underwriters by their counsel, Dinsmore & Shohl LLP, and for the University by David Ochmann, General Counsel of the University.

LITIGATION

To the knowledge of the appropriate officials of the University and Board of Trustees, no litigation or administrative action or proceeding is pending restraining or enjoining, or seeking to restrain or enjoin, the issuance and delivery of the Series 2025 Bonds or contesting or questioning the proceedings and authority under which the Series 2025 Bonds have been authorized and are to be issued, sold, signed or delivered, or the validity of the Series 2025 Bonds. The University will deliver to the Underwriters a certificate to that effect at the time of original delivery of the Series 2025 Bonds to the Underwriters.

The University is a party to various legal proceedings seeking damages or injunctive or other relief and generally incidental to its operations. These proceedings are unrelated to the Bonds, including the Series 2025 Bonds, or the security for the Bonds, or the Refunded Bonds. The ultimate disposition of these proceedings is not now determinable, but will not, in the opinion of the appropriate University officials, have a material adverse effect on the Series 2025 Bonds, the security for the Series 2025 Bonds or those improvements.

RATINGS

The Series 2025 Bonds have been rated "Aa3" (outlook negative) by Moody's Ratings and "AA-" (outlook negative) by S&P Global Ratings. 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 University furnished to each rating service certain information and materials, some of which may not have been included in this Official Statement, relating to the Series 2025 Bonds and the University. Generally, rating services base their ratings on such information and materials and on their own investigation, studies and assumptions.

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 value of the Series 2025 Bonds.

The University expects to furnish the rating services with information and materials that may be requested. The University, however, 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 2025 Bonds.

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 2025 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 Official Statement and addressed to the Underwriters, relating to the accuracy and completeness of this Official Statement and to its being a "final official statement" in the judgment of the University for purposes of SEC Rule 15c2-12(b)(3).

CONTINUING DISCLOSURE AGREEMENT

The University has agreed, for the benefit of the holders and Beneficial Owners from time to time of the Series 2025 Bonds, in accordance with SEC Rule 15c2-12 (the "Rule"), to provide or cause to be provided to the Municipal Securities Rulemaking Board ("MSRB") such annual financial information and operating data, audited financial statements and notices of the occurrence of certain events in such manner as may be required for purposes of paragraph (b)(5)(i) of the Rule for the Series 2025 Bonds (the "Continuing Disclosure Agreements"). See **Exhibit B** for the proposed form of the Continuing Disclosure Agreement.

The performance by the University of the Continuing Disclosure Agreement will be subject to the annual appropriation by the Board of Trustees of any funds that may be necessary to perform it. The Continuing Disclosure Agreement will remain in effect only for such period that the Series 2025 Bonds are outstanding in accordance with their terms and the University remains an Obligated Person with respect to the Series 2025 Bonds within the meaning of the Rule.

Within the last five years, the University has made all filings and notices required under its prior continuing disclosure agreements, except that the University issued its $60,000,000 University's General Receipts Bonds, Series 2023 ("Series 2023 Bonds") on May 1, 2023, and the issuance of those bonds represented the incurrence of a material financial obligation under the Rule. On January 29, 2024, the University filed an event disclosure concerning the incurrence of that material financial obligation and a notice of failure to file with the MSRB.

The University has reviewed the current requirements of its continuing disclosure undertakings and has adopted procedures to ensure full compliance with those undertakings.

The information in the immediately preceding paragraph is included in this Official Statement out of an abundance of caution in light of the uncertainty that exists in the municipal market concerning what constitutes a failure to comply with a prior continuing disclosure agreement and whether a particular instance of noncompliance constitutes material noncompliance, and also in keeping with the spirit of the Rule to improve disclosure in the municipal securities market. By providing that information, the University does not intend to make, and is not making, any statement or suggestion regarding its materiality to any investor.

The Continuing Disclosure Agreement will be solely for the benefit of the holders and Beneficial Owners of the Series 2025 Bonds. The exclusive remedy for any breach of the Continuing Disclosure Agreement by the University is 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.

INDEPENDENT AUDITORS

The financial statements of the University as of and for the years ended June 30, 2024 and 2023, included in **Appendix B** of this Official Statement, have been audited by RSM US LLP, independent auditors, as stated in their report appearing herein, at the direction of the Ohio Auditor of State (the "State Auditor").

Under Ohio law, a report prepared by a firm of independent auditors on the financial statements of a governmental entity is filed with the State Auditor for analysis of certain matters specified in State law and following that is incorporated in a report of the State Auditor which constitutes the audit report under Ohio law. The report of RSM US LLP rendered with respect to the University's financial statements has been filed with, and incorporated in a report of, the State Auditor.

The audited financial statements are public records, no consent to their inclusion is required, and no bring-down procedures have been undertaken by the State Auditor, RSM US LLP or any other certified public accounting firm since the date of the independent auditor's report.

UNDERWRITING

The Series 2025 Bonds are being purchased by J.P. Morgan Securities LLC, on behalf of itself and as representative of PNC Capital Markets, LLC, KeyBanc Capital Markets Inc. and Loop Capital Markets LLC (collectively, the "Underwriters"), at a purchase price of $104,416,202.00 for the Series 2025 Bonds, which is equal to the aggregate principal amount of the Series 2025 Bonds, $93,900,000, plus original issue premium of $10,805,200.60, less the Underwriters' discount of $288,998.60. The Underwriters have provided the information in this Official Statement pertaining to the offering prices and to the offering of the Series 2025 Bonds in the sixth paragraph of **Regarding This Official Statement**. As noted in that paragraph, the Underwriters may offer the Series 2025 Bonds to certain dealers (including dealers depositing into investment trusts) and others at a price lower than that offered to the public. The public offering prices of the Series 2025 Bonds set forth on the Cover may be changed after the initial offering by the Underwriters. The purchase of the Series 2025 Bonds by the Underwriters is subject to certain conditions and requires that the Underwriters will purchase all of the Series 2025 Bonds, if any are purchased.

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, 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 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.

J.P. Morgan Securities LLC ("JPMS"), one of the Underwriters for the Series 2025 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 2025 Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any Series 2025 Bonds that such firm sells.

Loop Capital Markets LLC, one of the Underwriters of the Series 2025 Bonds, has entered into distribution agreements (each a "Distribution Agreement") with each of UBS Financial Services Inc. ("UBSFS") and Deutsche Bank Securities Inc. ("DBS") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Distribution Agreement, each of UBSFS and DBS will purchase the Series 2025 Bonds from Loop Capital Markets LLC at the original issue prices less a negotiated portion of the selling concession applicable to any Series 2025 Bonds that such firm sells.

PNC Capital Markets LLC ("PNCCM"), an underwriter for the Series 2025 Bonds, may offer to sell to its affiliate, PNC Investments, LLC ("PNCI"), securities in PNCCM's inventory for resale to PNCI's customers, including securities such as those to be offered by the University. PNCCM may share with PNCI a portion of the fee or commission paid to PNCCM if any of the Series 2025 Bonds are sold to customers of PNCI.

PNCCM and PNC Bank, National Association are both wholly-owned subsidiaries of PNC Financial Services Group, Inc. PNCCM is not a bank, and is a distinct legal entity from PNC Bank, National Association. PNC Bank, National Association has other banking and financial relationships, including credit relationships, with the University.

As described above under the heading THE PLAN OF FINANCE – The Tender Offer, pursuant to the Invitation, the University invited owners of the Target Bonds to tender their bonds for cash payment. J.P. Morgan Securities LLC is serving as dealer manager (the "Dealer Manager") for the Tender Offer. For its services as Dealer Manager, the Dealer Manager will be compensated in an amount equal to a percentage of the aggregate principal amount of Tendered Bonds.

FINANCIAL ADVISOR

The University has retained PFM Financial Advisors LLC (the "Financial Advisor") in connection with the University's issuance of the Series 2025 Bonds. The Financial 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 Financial Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

ELIGIBILITY FOR INVESTMENT AND AS PUBLIC MONEYS SECURITY

To the extent that the matter as to a particular investor is governed by Ohio law, and subject to any applicable limitations under other provisions of Ohio law, under the Act the Series 2025 Bonds are lawful investments for banks, societies for savings, savings and loan associations, deposit guarantee associations, trust companies, trustees, fiduciaries, insurance companies (including domestic life and domestic not for life), trustees or other officers having charge of sinking and bond retirement or other special funds of political subdivisions and taxing districts of the State, the Commissioners of the Sinking Fund, the Administrator of Workers' Compensation, in accordance with the investment policy established pursuant to applicable State law, and State retirement systems (Teachers, Public Employees, School Employees, and Police and Fire), notwithstanding any other provisions of the Revised Code or rules adopted pursuant thereto by any State agency with respect to investments by them.

The Act provides that the Series 2025 Bonds are acceptable under Ohio law as security for the deposit of public moneys.

Beneficial Owners of the Series 2025 Bonds should make their own determination as to such matters as legality of investment in or pledgeability of book-entry interests.

CONCLUDING STATEMENT

To the extent that any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated to be such, they are made as such and not as representations of fact or certainty and no representation is made that any of those statements have been or will be realized. Information in this Official Statement has been derived by the University from official and other sources and is believed by the University to be accurate and reliable. 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.

Neither this Official Statement nor any statement that may have been or that may be made orally or in writing is to be construed as or as part of a contract with the original purchasers or subsequent holders or Beneficial Owners of the Series 2025 Bonds.

This Official Statement has been prepared and delivered by the University and signed for and on behalf of the Board of Trustees and the University by the officials identified below.

KENT STATE UNIVERSITY

/s/ Todd A. Diacon
President

/s/ Mark M. Polatajko
Senior Vice President for Finance and Administration

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APPENDIX A

Kent State University

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INTRODUCTION

Established in 1910 by State legislation, Kent State University (the "University", "Kent State University" or "Kent State") is one of the 14 State universities in Ohio. Based on Fall 2024 enrollment at the University's Kent Campus and its Regional Campuses (each as defined below), the University is among the top three largest of those State universities and one of only five Ohio universities with a R1 Carnegie Classification for Research. The combined headcount enrollment for Fall 2024 at the Kent Campus and the Regional Campuses aggregated 34,012.

Fall semester headcount enrollment at the Kent Campus for the 2024-25 academic year was 25,530, which consisted of 20,016 undergraduate and 5,514 graduate students. Ohio residents comprised approximately 78% of that enrollment. The University attracts students from 48 states with the largest number of out-of-state, domestic students coming from Pennsylvania at 1,571. The University also attracted 2,169 international students from 103 countries, with the largest number of international students coming from India at 887.

In addition to its campus in Kent, Ohio, and the location of its College of Podiatric Medicine in Independence, Ohio (together, the "Kent Campus"), the University has seven regional campuses: Ashtabula, East Liverpool, Geauga, Salem, Stark, Trumbull and Tuscarawas, as well as the Regional Academic Center in Twinsburg, Ohio, which is an extension of the Geauga campus (collectively, the "Regional Campuses"). The University's seven Regional Campuses offer bachelor's and associate degrees, certificate programs and select master's degrees. Fall 2024 enrollment at the Regional Campuses aggregated 8,482.

The University offers more than 9,000 courses leading to degrees, certificates and minors administered by 22 departments and 16 schools in 11 colleges. Faculty and instructional staff for the Kent Campus and Regional Campuses aggregated 1,501 on a full-time equivalent ("FTE") basis for the 2024-25 academic year. In addition to the classes that the University offers on the Kent Campus and at its Regional Campuses and other approved locations, the University delivers distance learning education via the internet, offering approximately 2,120 distance learning courses in Fall 2024, with 22,860 students (all levels of the University) or 67% enrolled in at least one distance learning course.

Scholars and researchers from across the country and more than 103 foreign countries are attracted to the University's more than 41 academic institutes and centers at its Kent Campus and Regional Campuses. These include the internationally respected Advanced Materials and Liquid Crystal Institute, the Lyman L. Lemnitzer Center for NATO and European Union Studies and the Brain Health Research Institute.

The Kent Campus is located in the City of Kent, which has a population of 27,601 (based on the 2023 U.S. census) excluding nonresident students. Kent is approximately 15 miles east of Akron and 40 miles southeast of Cleveland.

The University is the largest employer in Portage County. According to *Crain's Cleveland Business* newspaper's 2024 rankings, the University is 24th in the top 100 largest employers in Cleveland, Akron, and greater Northeast Ohio.

GOVERNANCE AND ADMINISTRATION

Board of Trustees

The University is currently governed by a nine-voting member 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. The members of the Board are appointed by the Governor with the advice and consent of the State Senate for overlapping nine-year terms.

The current voting members and officers of the Board, the years in which their respective terms expire, all on May 16, and vocation in private life are as follows:

Ann Womer Benjamin (2028)	Mayor, City of Aurora, Ohio
Pamela Bobst (2030)	Mayor, City of Rocky River, Ohio
Rob Frost (2026)	Partner, Capitol Partners, Cleveland
Donald Mason (2029)	Private Attorney and Mayor, City of Zanesville, Ohio
Christian R. Palich (2031)	Vice President of government and external affairs, Eagle Forge Services Company, LLC
Shawn Riley (2025)	President and CEO, McDonald Hopkins, LLC
Renato Camacho (2032)	President and CEO, Akron-Canton Airport
Larry L. Macon, Jr. (2027)	Senior Pastor and Bishop, Mt. Zion Church in Oakwood Village, Ohio
Gregory A. White (2033)	Retired; former Coordinator of City of Cleveland, Consent Decree; United States Magistrate Judge in the Northern District of Ohio; United States Attorney for Northern Ohio; and Lorain County, Ohio Prosecutor

The Board of Trustees also includes three national trustees, listed below, and two student trustees. The national trustees and the student trustees are nonvoting members.

Edward F. Crawford (2028)	Former United States Ambassador to Ireland, Chairman of Crawford United Corporation, CEO of the Crawford Group, Director of Park-Ohio
Barry Fetterman (2027)	Retired, Sirach Capital Management
Sandra Volpe (2027)	Senior Vice President, Strategic Planning, Communications, and Business Development Solutions

Administrative Officers

The administrative direction of the University has been delegated by the Board to the President and administrative staff. The administrative staff is appointed by the President subject to Board approval. The current administrative officers are:

Dr. Todd A. Diacon	President
Dr. Melody Tankersley	Executive Vice President and Provost
Dr. Mark M. Polatajko	Senior Vice President for Finance and Administration
Stephen Ward	Vice President for University Communications and Marketing
Dr. Peggy Shadduck	Vice President for Regional Campuses and Dean of the College of Applied and Technical Studies
David Ochmann	Acting General Counsel
Nicholas M. Gattozzi	Executive Director, Government & Community Relations
Dr. Eboni Pringle	Senior Vice President for Student Life
John M. Rathje	Vice President for Information Technology and Chief Information Officer
Dr. Doug Delahanty	Vice President for Research and Economic Development
Valoree Vargo	Vice President for Philanthropy and Alumni Engagement
Randale Richmond	Vice President and Director of Intercollegiate Athletics
Dr. Amoaba Gooden	Vice President for People Culture and Belonging
Dr. Charlene K. Reed	Vice President and University Secretary
Dr. Sean Broghammer	Vice President for Enrollment Management

Dr. Todd A. Diacon became the 13th president on July 1, 2019. Dr. Diacon joined Kent State on April 2, 2012 as Executive Vice President for Academic Affairs and Provost. President Diacon previously served as Deputy Chancellor of the University of Massachusetts-Amherst where he was also a professor of history. He began his career at the University of Tennessee. Dr. Diacon received his bachelor's degree in history from Southwestern College in Winnfield, Kansas and his master's and doctoral degrees in history from the University of Wisconsin-Madison.

Dr. Melody Tankersley joined the University in 1993 and became the Executive Vice President and Provost effective November 1, 2024. She previously served as Senior Vice President and Provost since 2020, Senior Associate Provost since 2015 and Dean of Graduate Studies since 2016. She is a tenured professor in the College of Education, Health and Human Services and has been at Kent State for 31 years. She earned her bachelor's and master's degrees in special education from Winthrop University in South Carolina and her doctorate in special education from the University of Virginia, followed by a postdoctoral fellowship at the University of Kansas.

Dr. Mark M. Polatajko, CPA, joined the University in January 2016 and serves as the Senior Vice President for Finance and Administration. Prior to coming to the University, he served for four years as the Vice President for Business and Fiscal Affairs and University Treasurer at Wright State University. He has also served as the Vice President of the Administration and Finance Division of Cuyahoga Community College, Deputy Director of Finance for the Ohio Lottery Commission, and has five years of public accounting experience. Dr. Polatajko earned his doctorate degree in urban education from Cleveland State University, specializing in leadership and lifelong learning. He also has a Master of Business Administration degree from Ashland University and a Bachelor of Science degree in accountancy from the University of Akron.

Stephen Ward joined Kent State in 2022 and is the Vice President for University Communications and Marketing where he leads strategic communication initiatives that tell the Kent State story to advance engagement among various stakeholders. A member of the President's Cabinet, he collaborates with University leaders and faculty to implement effective marketing strategies that reflect core Kent State values. With a master's degree in public Affairs Communication from The American University and a Bachelor's in Journalism from Michigan State University, Stephen has held senior roles at various universities, including at the University of North Carolina at Charlotte, Hawaii Pacific University, UW-Stevens Point and Grand Valley State University. His career began in broadcast journalism and included work on Capitol Hill and in banking marketing and community development.

Dr. Margaret (Peggy) Shadduck joined the University in 2021 and became the Vice President for Regional Campuses and dean of the College of Applied and Technical Studies on April 1, 2021. She previously served as associate dean and faculty and unit director of New College at the University of North Texas in Denton, Texas. After receiving a bachelor's degree from Oberlin College with majors in mathematics and East Asian Studies, Dr. Shadduck earned a master's degree in neuroscience from Northwestern University, a Master of Public Administration degree from the University of Illinois at Springfield and a Ph.D. in pharmacology from Southern Illinois University School of Medicine.

David Ochmann joined the University in 1997 and became Associate Vice President & Deputy General Counsel in January 2024. He also holds the position of Acting General Counsel. Mr. Ochmann began practicing law in 1991. His primary practice areas are Employment Litigation, Human Resources, Labor Relations, Affirmative Action, Diversity, Personnel, and Workers' Compensation matters. Mr. Ochmann is a member of the Ohio Bar and was admitted to practice before the Federal 6th Circuit Court of Appeals and the United States Supreme Court. He has been with Kent State University for almost forty years, working in various University departments, including the Office of Student Conduct as a Conduct Officer, the Office of Affirmative Action as Coordinator of Student Discrimination Complaints and Multi-Cultural Awareness Programs, the Office of Registrar as Assistant Registrar, the Division of Academic Affairs as Associate Provost for Faculty Affairs, and the Office of Diversity as its Acting Director. Mr. Ochmann holds a Juris Doctorate from The University of Akron School of Law, Master of Arts in Corrections, and Bachelor of Science in Criminal Justice, both from Kent State University.

Nicholas M. Gattozzi joined the University and became the Executive Director of Government and Community Relations in August 2015. Prior to joining the University, he served as the Vice President of Government Advocacy at the Greater Cleveland Partnership and as a Vice President and Relationship Manager at KeyBank. Mr. Gattozzi earned a Bachelor of Arts in Political Science from The Ohio State University.

Dr. Eboni Pringle joined the University in 1998 and was appointed Senior Vice President for Student Affairs on December 1, 2024. As Senior Vice President, Dr. Pringle oversees 25 departments that foster the holistic well-being of students at Kent State. Prior to assuming the role of Senior Vice President, Dr. Pringle served as Senior Associate Vice President of Student Access and Support and Dean of University College. Dr. Pringle received both her Ph.D. in higher education administration and a Master of Education in higher education and student personnel from Kent State. She received her Bachelor of Science in speech and hearing from Ohio University.

John Rathje joined Kent State University in March of 2018 and serves as the Vice President for Information Technology and the Chief Information Officer. Prior to joining Kent State, John spent 15 years in informational technology roles in higher education. Most recently he served as the Assistant Vice Chancellor and CIO at the University of Arkansas at Little Rock. He also served as the Assistant Dean of Technology for Central Michigan University College of Medicine, as the Dean of Technology, and as the Director of Applications Development and Support at Central Michigan University. In the private sector, John served as President and CEO of a technology advocacy firm and Co-Founder and President of Diversified Computer Group, Inc.

Dr. Doug Delahanty has served as the Vice President for the Division of Research and Economic Development since January 1, 2023, after serving in the interim role since June 1, 2021. Dr. Delahanty came to Kent State in 1997 as an Assistant Professor in Psychology and was promoted to Full Professor in 2007. He is an internationally recognized expert in the area of traumatic stress. He has been involved with the Research Office since 2009, serving as Associate VP for Research since 2015. He earned a BA at Luther College, an MS at Uniformed Services University of the Health Sciences, and a PhD at the University of Pittsburgh.

Valoree Vargo currently serves as the vice president for Kent State University's Division of Philanthropy and Alumni Engagement and the Chief Executive Officer of the Kent State Foundation, effective August 2021. Prior to this, she worked as the first associate chief of staff to serve a president of Kent State. In 2016, she returned home to Institutional Advancement as senior associate vice president, Advancement Operations and chief operating officer. Ms. Vargo graduated from Mount Aloysius College in Cresson, PA.

Randale Richmond joined and became Kent State's 12th Director of Athletics on May 1, 2021, and will lead through July 1, 2028. Richmond has over 20 years of experience in Intercollegiate Athletics Division 1 leadership. He was promoted to Vice President, Director of Intercollegiate Athletics in the Spring of 2023. He currently serves on the D1 Baseball Committee and as chair of the Mid-American Conference basketball committee. He previously served for six and half years as the Sr. Associate Athletic Director for Sport Administration and Student-Athlete Welfare at Old Dominion University after his first 10-year stint at Kent State University working in the Student-Athlete Academic Services and Compliance. Mr. Richmond earned a Bachelor of Arts degree from Baldwin-Wallace College and a Master of Education degree from Kent State University.

Dr. Amoaba Gooden joined the University in 2006 and now serves as Vice President for the Division of People, Culture and Belonging, starting in 2023. She previously served as the vice president for the Division of Diversity, Equity and Inclusion for three years and the chairperson of the Department of Africana Studies for nine years, where she is a tenured full professor. Dr. Gooden holds a bachelor's and a master's degree in History from the University of Guelph, and a master's degree and a doctorate in African American Studies from Temple University.

Dr. Charlene K. Reed serves as Vice President and University Secretary. Dr. Reed joined the University in the President's office on June 29, 2004, as its Secretary to the Board and Senior Assistant to the President. Dr. Reed previously was at the University of Akron where she had served in various capacities for more than 20 years. Dr. Reed received her undergraduate, graduate, and doctoral degrees from the University of Akron.

Dr. Sean Broghammer became the Vice President for Enrollment Management on March 1, 2022. Dr. Broghammer joined Kent State in March 2020 as associate vice president for enrollment management, admissions after holding progressively responsible leadership roles in enrollment management and student affairs at the University of Northern Colorado. After receiving his Bachelor of Arts degree in Business Administration, Dr. Broghammer also earned a master's degree in Higher Education Administration, from Washington State University. Dr. Broghammer then completed his Doctor of Philosophy, in Higher Education Student Affairs Leadership in 2017, at the University of Northern Colorado.

VISION AND PRIORITIES

The University refreshed its strategic plan in 2022 to better represent a deep commitment to access, completion, inclusion and excellence. The plan, Flashes Together: A Strategic Roadmap to a Distinctive Kent State, serves to guide the University over the next five years. Additional information regarding the strategic plan can be found at https://www.kent.edu/strategicroadmap.

PROGRAMS

Academic Programs

The University is recognized by the Carnegie Foundation for the Advancement of Teaching as one of 146 universities nationwide to have "very high research activity," the highest recognition that doctoral universities can receive. The University offers 47 degrees in 339 majors at the associate, bachelor's, master's, post-master's and doctoral levels. The University's degree programs are administered by the following 11 colleges:

Ambassador Crawford College of Business and Entrepreneurship
College of Aeronautics and Engineering
College of Applied and Technical Studies
College of Architecture and Environmental Design
College of Arts and Sciences
College of Communication and Information
College of Education, Health and Human Services
College of Nursing
College of Podiatric Medicine
College of Public Health
College of the Arts

Student-support and development services are administered through three additional colleges:

The University College helps undergraduate students achieve academic success at Kent State University. University College oversees new-student orientation; volunteer, internship and employment opportunities; advising of undecided students to find their degree program; tutoring and accessibility services and supplemental instruction; assessment of the basic skills of all first-year students to course placement; and career development to connect students' interests and skills to careers and to prepare them for future employment.

The Honors College provides an enriched educational experience for academically motivated and talented undergraduate students. The Honors College emphasizes small classes, seminars, interdisciplinary team-taught courses and other engaging learning experiences, as well as opportunities for scholarships and research funding and an on-campus housing-based community.

The Graduate College provides centralized services for graduate students that address professional development, career advising, academic success, research opportunities and health and well-being. The Graduate College collaborates with all the colleges on graduate policies, processes, best practices for student support and mentorship, as well as faculty and staff training for those who serve graduate students.

Since the University was authorized to award its first master's degrees in 1935 and its first doctoral degrees in 1961, it has evolved into a major center for graduate education and research. In Fall 2024, 5,514 students were enrolled in graduate degree programs, 21.6% of the total student body on the Kent Campus. The University offers 25 associate, 145 bachelor's, 114 master's, 6 post-master's and 49 doctoral degree programs.

As a member of the Northeast Ohio Medical University ("NEOMED"), a consortium of the University, the University of Akron, Cleveland State University and Youngstown State University, the University offers students the opportunity to earn a combined Bachelor of Science and Doctor of Medicine or a Doctor of Pharmacy degree. The University is not fiscally responsible for NEOMED, and NEOMED revenues are not included in the General Receipts.

Accreditations

The University has been accredited by the Higher Learning Commission since 1915. Kent State's most recent reaffirmation of accreditation became effective on January 27, 2015, with the next reaffirmation occurring in April 2025. Additionally, the University has programs, departments and colleges that are accredited by 45 specialized accrediting bodies. The University is also a member of the Association of Public & Land-Grant Universities.

Faculty and Employees

As of November 1, 2024, the University had 4,649 (3,738 FTE) Kent Campus employees, of which the faculty and instructional staff numbered 1,559 (1,127 FTE). The Regional Campuses had 944 (673 FTE) employees, of which faculty and instructional staff numbered 616 (374 FTE). The FTE staff by employment category for the Kent Campus and Regional Campuses for academic year 2024-25 is as follows:

	Kent Campus	Regional Campuses	Total
Professor	298	48	346
Associate Professor	318	103	421
Assistant Professor	180	19	199
Instructor	115	104	219
Other Teaching Staff	216	100	316
Total Faculty/Instructors	1,127	374	1,501
Graduate Assistants	415	2	417
Clerical/Secretarial Worker	161	48	209
Executive/Administrator	666	58	724
Non-Faculty Professional	861	101	962
Service/Maintenance Worker	403	61	464
Skilled Crafts Worker	70	0	70
Technical/Paraprofessional	35	29	64
Total Support Staff	2,196	297	2,493
Total	3,738	673	4,411

Of the full-time Kent Campus faculty, 60.5% are tenured. Of the full-time Regional Campuses faculty, 41.61% are tenured. Members of the faculty are active in the University setting and in community programs, research projects and the publication of professional articles and textbooks.

A statewide public employee collective bargaining law applies generally to public employee relations and collective bargaining. The University is a party to collective bargaining agreements with: (i) the American Association of University Professors ("AAUP") for tenure/tenure-track faculty (current agreement extended through December 31, 2025; (ii) the AAUP for non-tenure track faculty (current agreement extended through August 31, 2026); and (iii) the American Federation of State, County, and Municipal Employees ("AFSCME") for certain service and maintenance staff (skilled and unskilled) (current agreement expires on September 30, 2025). The AAUP and the AFSCME unions represent 1,182 and 374 employees respectively.

The remaining University employees have not elected to join a bargaining unit.

There have been no strikes or job actions undertaken by any bargaining unit representing employees of the University. The University considers its relationship with its employees to be good.

ENROLLMENT – KENT CAMPUS

General

The University has implemented several key strategies to mitigate the declining number of high school graduates in the region. While declines have primarily affected the regional campuses, the recruitment and retention strategies will benefit the University more broadly. The University's strategic enrollment priorities include, (i) stabilizing overall enrollment through enhanced data analytics; (ii) focusing on access and completion; and (iii) implementing a financial aid optimization strategy. The University increased outreach to grow its pool of potential applicants, optimized its pricing and financial aid model, and invested in yield analytics. Improved retention and graduation rates are integral to the University's enrollment strategies.

These priorities were developed with clear goals of increasing access, completion, and graduation. Each priority has an action team being led by co-chairs who are members of the University community. The teams are prioritizing more than 200 initiatives and strategies. Themes from the plan include supporting underserved populations including high need, underrepresented students, and first-generation populations. Strategies are designed to consider undergraduate, graduate and international populations across the eight-campus system.

The University attracts students from a variety of backgrounds and geographical locations, with Fall Semester 2024 representation on the Kent Campus from 48 states and 103 foreign countries. Ohio residents represented 78% of all students enrolled that semester.

The University's Fall Semester headcount enrollment, including both full-time and part-time students, as well as FTE enrollment for recent academic years at the Kent Campus are as follows:

Academic Year**	Undergraduate	Graduate	Total	FTE
2020-21	20,553	5,395	25,948	22,147
2021-22	20,171	5,459	25,630	21,731
2022-23	19,644	5,433	25,077	21,199
2023-24	19,662	5,621	25,283	22,238
2024-25	20,016	5,514	25,530	22,527

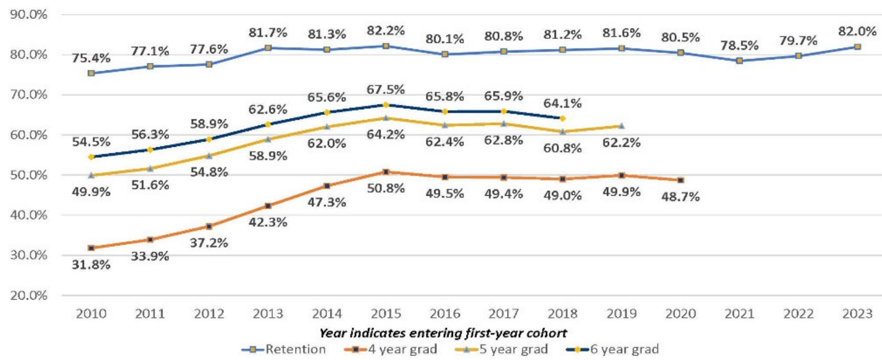
In the 2024-25 academic year, approximately 88.5% of the undergraduates enrolled were full-time and 11.5% were part-time, while approximately 57.5% of the graduate students were full-time and 42.5% were part-time.

First-year retention rates continue to be in excess of 80% while graduation rates continue to improve. The impact of the pandemic is still being felt on retention and graduation rates but as rates for 2022 and 2023 have improved, the graduation rates are expected to return to a normal

** Headcount enrollment is based on a "preponderance method" so that a student taking courses at more than one of the University's campuses is reported in the headcount enrollment at the Kent Campus only if the majority of the student's classes are taken at the Kent Campus. FTE enrollment is not affected.

level in the near term. Included below is a chart which shows the trend related to graduation and retention rates.

First-year Retention and Graduation Rates (Kent Campus)



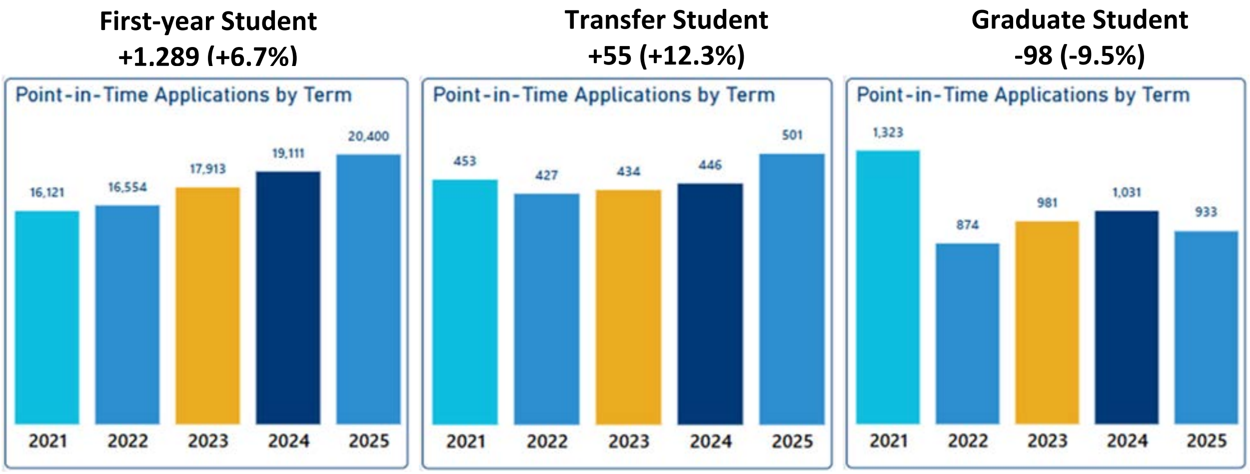
Student Admissions

The table below shows for the academic years indicated, the total number of freshman applications received, the number and percentage of those applicants accepted for admission, the number of freshmen enrolled, and the percentage of the accepted applicants that became enrollees at the Kent Campus.

Academic Year	Applications Received	Applicants Accepted	Percent Accepted	Applicants Enrolled	Percent Enrolled
2020-21	19,830	14,719	74%	3,817	26%
2021-22	22,277	16,899	76	3,997	24
2022-23	23,968	17,800	74	4,131	23
2023-24	25,554	19,201	75	4,152	22
2024-25	27,927	21,023	75	4,243	20

For the 2024-25 academic year, the average University freshman composite score on the American College Test ("ACT") was 21.70, compared to the national average of 19.20. The average University freshman combined score on the Scholastic Aptitude Test ("SAT") was 1119, compared to the national average of 1024. For the past five academic years, the average University freshman composite scores on the ACT and SAT tests were 22.02 and 1110, compared to the national averages of 19.83 and 1043 for those years.

Fall 2025 Admissions Progress Domestic Applications as of January 3, 2025



Student Fees and Charges

The University operates its programs based on a two-semester academic year and a summer session. Full payment of prior balances, and of instructional, special course, room and board, and other fees, or suitable arrangements for payment, must be made by the student with the Bursar's Office before the first day of classes or on a day designated for registration. If such payments or arrangements are not made, the student is not permitted to register for or attend classes. The per-full-time student instructional and general fees for recent regular (two semesters) academic years, based on full-time charges, not including the career services fee, are as follows:

	2020-21	2021-22	2022-23	2023-24	2024-25
Ohio Resident					
Undergraduate - Non-Guarantee	$10,212	$10,212	$10,416	$10,416	$10,416
Undergraduate-Guarantee 2020-21	11,432	11,432	11,432	11,432	11,432
Undergraduate-Guarantee 2021-22		11,763	11,763	11,763	11,763
Undergraduate-Guarantee 2022-23			12,304	12,304	12,304
Undergraduate-Guarantee 2023-24				12,673	12,673
Undergraduate-Guarantee 2024-25					13,054
Graduate	11,766	11,766	12,072	12,555	13,057
Nonresident					
Undergraduate - Non-Guarantee	19,088	19,088	19,523	19,887	20,266
Undergraduate-Guarantee 2020-21	20,308	20,308	20,539	20,903	21,282
Undergraduate-Guarantee 2021-22		20,639	20,870	21,234	21,613
Undergraduate-Guarantee 2022-23			21,411	21,775	22,154
Undergraduate-Guarantee 2023-24				22,144	22,523
Undergraduate-Guarantee 2024-25					22,903
Graduate	21,952	21,952	22,523	23,424	24,361

Past and current State of Ohio ("State") appropriation acts have prohibited or limited the amount of the increase in the instructional and general fees for in-state undergraduate students at the State's public institutions of higher education. The tuition guarantee model is encouraged to provide budget certainty and affordability to students.

In 2018-19, The Board of Trustees authorized a "Tuition Guarantee Plan" to increase tuition for new and transfer students only. The Tuition Guarantee Plan provides eligible, new, first-year and transfer undergraduate students and their families the certainty that their Ohio resident tuition rate (i.e., instructional and general fee), career services fee, room and board plan charges will not increase during their applicable cohort period. Participation in the program is required for all new, first-year undergraduate students and eligible transfer students enrolling in a degree-seeking program at the University for the first time on, or after, Fall Semester 2018. Also in 2018-19, the Board of Trustees approved a fee to expand Career Services to help undergraduates build skills needed in their job search. In addition to paying tuition and any applicable course fees on the Kent Campus, students enrolled in distance-learning courses pay $12 per credit hour. Courses offered at the Regional Campuses strictly for associate degrees are exempt from this fee. The University continues to follow the Tuition Guarantee Plan which allows for increases in the tuition rate for each incoming cohort.

The State appropriations act does not freeze, cap or limit increases in special fees, graduate instructional fees, nonresident tuition surcharges, or room and board charges.

The University has covenanted in the Amended and Restated Trust Agreement dated June 21, 2010 (Sixteenth Supplemental Trust Agreement) between the University and The Huntington National Bank (the "Trust Agreements") to fix, make, adjust and collect fees, rates, rentals, charges, and other items comprising General Receipts at least sufficient to pay Bond Service Charges on all Bonds when due, and to satisfy other requirements with respect to the Bonds and, together with other moneys available, to pay all other costs and expenses necessary for the proper maintenance and successful and continuous operation of the University. See **Security and Sources of Payment – Covenant as to Sufficiency of General Receipts**.

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Comparative information concerning the academic year 2023-24 (the most recent academic year for which this comparative information is available) instructional and general fees as well as all other mandatory fees uniformly assessed to all full-time students charged to Ohio residents by the University and the other State universities, and room and board charges under the continuing plan, if applicable, is set forth below.

Instructional and General Fees

Institution†	Undergraduate	Graduate*	Room and Board**
Miami University	$15,555	$16,264	$16,714
Bowling Green State University	11,591	13,405	11,784
Ohio University	11,220	9,510	13,594
University of Cincinnati	11,000	14,902	13,048
Cleveland State University	10,708	15,949	14,760
Kent State University	10,570	12,555	13,040
University of Toledo	10,432	17,229	14,652
University of Akron	10,270	9,761	11,070
Ohio State University	10,238	13,503	14,272
Wright State University	9,494	14,726	10,900
Youngstown State University	9,106	13,323	10,384
Shawnee State University	8,134	10,552	12,570
Central State University	6,600	12,100	11,390

† Listed in order of highest to lowest Undergraduate Instructional/General Fees.
* Graduate fees reflect tuition for general master's and doctoral-level programs; medical, law and specialty programs are not included.
** Rates are computed on average Fall 2023 double-occupancy room rates, the specified number of meals per week, and either two semesters or three quarters. Except for Central State University and Youngstown State University, all universities offer a variety of room and board plans.

Source: Ohio Department of Higher Education Fall Survey of Student Charges for Academic Year 2023-24 and Integrated Postsecondary Education Data System.

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The following student budget represents estimated average undergraduate student costs for a full-time, in-state undergraduate living in a dormitory for the regular 2024-25 academic year. This is based on estimates currently used by the Office of Student Financial Aid. Fees and charges that are the basis for these estimates are subject to change by action of the Board.

	Non Guarantee	**Guarantee 2020-21 Cohort**	**Guarantee 2021-22 Cohort**	**Guarantee 2022-23 Cohort**	**Guarantee 2023-24 Cohort**	**Guarantee 2024-25 Cohort**
Instructional and General Fee	$10,416	$11,432	$11,763	$12,304	$12,673	$13,054
Career Services Fee	154	155	160	167	172	178
Total Tuition and Fees	10,570	11,587	11,923	12,471	12,845	13,232
Room and Board	13,440	12,084	12,412	12,676	13,040	13,440
Books/Supplies	800	800	800	800	800	800
Personal Expenses	2,576	2,576	2,576	2,576	2,576	2,576
Transportation-Other	3,346	3,346	3,346	3,346	3,346	3,346
Loan Fees	68	68	68	68	68	68
Total	$30,800	$30,461	$31,125	$31,937	$32,675	$33,462

Out-of-state undergraduate residents are charged an additional $9,850 per academic year tuition surcharge.

The non-guarantee student room and board charge of $13,440 for the 2024-25 academic year (a 3.07% increase over the prior year) represents the average cost for a double occupancy room and the average board contract ($2,690 meal plan per semester). See **Physical Plant – Campus Housing and Dining Facilities** for additional information concerning the University's residence and dining halls.

Student Financial Aid

During the 2023-24 academic year, approximately 90% of students (based on full-time first-time freshmen) receive financial aid. The primary responsibility for this function is placed with the Office of Student Financial Aid. During Fiscal Year 2024, students were awarded total assistance amounting to $416,955,098. The primary sources included Guaranteed Student Loans, Pell Grants, Perkins Loans, College Work Study, Supplemental Educational Opportunity Grants, Ohio Instructional Grants and University scholarships, loans and student fee waivers.

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The following table summarizes the amounts of financial aid provided to University students for recent Fiscal Years. All programs assisted by the Federal and State governments are subject to appropriation and funding by those governments.

Fiscal Year		FY2020 2019-2020	FY2021 2020-2021	FY2022 2021-2022	FY2023 2022-2023	FY2024 2023-2024
Scholarships & Grants						
	University Sch & Grants[(a)]	$76,595,856	$74,727,723	$97,921,992	$97,969,487	$99,953,892
	University Fee Waivers	24,806,994	19,538,198	14,735,993	14,613,631	15,565,627
	External Sch & Grants	5,746,430	6,032,066	6,001,875	7,127,706	7,736,123
	State Funds	11,459,513	10,986,085	12,979,678	12,969,336	17,171,936
	Pell Grants	45,953,945	41,690,728	49,133,106	50,546,129	48,322,717
	CARES/HEERF Awards	5,518,600	4,833,022	31,411,600	1,197,126	0
	Other Federal Grants	2,534,124	2,896,433	2,494,308	2,291,653	2,477,829
	Total	**$172,615,462**	**$160,704,255**	**$214,678,552**	**$186,715,068**	**$191,228,124**
Loans						
	Federal	197,579,865	177,259,583	165,174,823	158,320,243	157,358,005
	State/Private	33,717,994	27,666,238	31,059,948	33,147,752	34,762,415
	Total	**$231,297,859**	**204,925,821**	**196,234,771**	**191,467,995**	**192,120,420**
Student Employment						
	Federal College Work Study	$1,414,778	$926,259	$1,192,288	$ 1,335,659	$1,445,758
	University Student Payroll	24,433,263	18,853,465	23,650,963	28,398,883	32,160,796
	Total	**$25,848,041**	**$19,779,724**	**24,843,251**	**$29,734,542**	**$33,606,554**
Total Financial Assistance		**$429,761,362**	**$385,409,800**	**435,756,574**	**$407,917,605**	**$416,955,098**

(a) University funded scholarships, grants and fee waivers result in Net Tuition per FTE – Freshman Class as follows: FY2020 $7,681; FY2021 $7,934; FY2022 $6,806; FY 2023 $7,481; and FY2024 $8,495. Net Tuition per FTE – Freshman class FY2025 is estimated at $9,055.

Federal reports show a Guaranteed Student Loan program default rate of University students (as of Fiscal Year 2021 of 5.8% compared to a national average of 7.3% and an equivalent University-administered Perkins loan default rate of 14.59% (as of June 30, 2021 and includes the College of Podiatric Medicine).

PHYSICAL PLANT – KENT CAMPUS

General

Physical property owned by or otherwise available to and utilized by the University on the Kent Campus consists of 129 buildings and approximately 786 acres of land. In addition, the University's 306-acre airport is nearby.

The University has approximately 6.5 million square feet in the buildings at the Kent Campus. The physical plant is estimated by the University to have a replacement value of approximately $2,838,735,127 with a current contents value of an additional $422,582,238.

The University's 13 libraries and academic learning commons (Kent main library plus four branch libraries, College of Podiatric Medicine library, and Regional Campus locations) hold nearly 1.5 million volumes including books, bound periodicals, scores, media, maps, and other types of materials. In addition, the libraries' collections include nearly 140,000 microforms. The Special Collections and Archives Division includes close to 111,000 cataloged volumes in addition to 12,000 linear feet of archives, manuscripts, and rare books. The libraries' own and license electronic resources including 458 research databases, over 76,000 electronic journals, roughly

76,800 streaming media titles, and approximately 1,400,000 electronic books. The Fiscal Year 2025 budget for library resources is $4.33 million. The University libraries collections are insured for $218.8 million.

Housing and Dining Facilities

The University provides traditional housing on its Kent Campus for approximately 23.5% of its students. Most of the remaining non-commuting students live in off-campus housing in the City of Kent. As of September 2, 2024, the 23 traditional residence halls on campus had an official Fall 15th-day occupancy of 5,874 students (6,012 with the inclusion of 138 Resident Assistants), representing a revenue generating occupancy rate of 99.64%. To meet housing demand in Fall 2024, the University added 99 beds by reimplementing triple rooms. The University also utilized temporary, transitional housing beds for a couple of weeks at the start of the fall semester. All non-commuting first- and second-year students under the age of 20 are required to live in a residence hall. All rooms are furnished including a refrigerator and microwave. All rooms also include wireless internet access.

These facilities, the number of students housed in each, and the date each was placed in service are as follows:

Residence Hall	Revenue Generating Capacity	Placed in Service
Centennial Court A - Building 149	217	2003
Centennial Court B - Building 150	211	2003
Centennial Court C - Building 151	202	2004
Centennial Court D - Building 152	208	2004
Centennial Court E - Building 153	265	2004
Centennial Court F - Building 154	237	2004
Johnson Hall (Honors College Dorm)	242	2006
Stopher Hall (Honors College Dorm)	203	2006
Wright Hall – Building 00130B	510	1968/renovated in 2013
Koonce Hall – Building 00130A	528	1968/renovated in 2014
Leebrick Hall – Building 00130C	331	1968/renovated in 2014
Korb Hall	216	1964/renovated 2016
Manchester Hall	247	1963/renovated 2014
Allyn Hall	245	1963/renovated 2012
Fletcher Hall	247	1963/renovated 2014
Clark Hall	247	1963/renovated 2013
Lake Hall	241	1961/renovated 2007
Olson Hall	241	1961/renovated 2007
Beall Hall	242	1966/renovated 2015
McDowell Hall	247	1966/renovated 2015
Dunbar Hall	246	1959/renovated 2016
Prentice Hall	240	1959/renovated 2015
Engleman Hall	82	1938/renovated in 1999

Eighteen dining facilities located throughout the campus provide student meals. All freshmen and sophomore students who live in University housing must participate in the University board program. The goal of the University-managed dining halls is to provide a high standard of dining service at a reasonable price.

Student Activity and Service Facilities

The Kent Student Center (the "Student Center") is the community center for the University and the hub of student activities. The Student Center covers 6.5 acres of floor space and provides extensive facilities and services, including the University Bookstore, an Admission's Visitor Center, banking services, post office, lockers, Student Multicultural Center and student organization offices. A ballroom, multipurpose theater, meeting rooms, lounges, several food service establishments, student organization offices, governance chambers and computer labs are available to students and the community in the Student Center.

The University has a 25,319 seat stadium for football, lacrosse, and soccer, an athletic and convocation center with 6,300 seats, a 120,000-square-foot field house, one practice football field, one practice soccer field, one artificial turf for field hockey, one all-weather track, one varsity baseball stadium, a softball diamond, a 10,589 square-foot Athletic Training Center, an indoor baseball/softball development center, and a golf training center.

Other athletic facilities and physical education facilities include an ice arena, Student Recreation and Wellness Center and additional outdoor facilities. The 71,356-square-foot ice arena and band education facility contains one ice rink, seating for 1,500 spectators and a lodge-style lobby area complete with a working fireplace, snack bar and sitting area. The 153,000-square-foot Student Recreation and Wellness Center offers cardio and free weight equipment, general fitness space that includes an indoor 1/6-mile running track, climbing wall, basketball and racquetball courts, and a natatorium featuring lap and leisure pools as well as a vortex and hot water spa. Additional outdoor facilities include the Allerton Sports Complex with four lighted softball fields; the Student Recreation Fields and Pavilion, which consists of two lighted, multipurpose, regulation size, soccer fields with an adjoining Pavilion that includes storage, restrooms and a covered spectator and group rental sitting area; and various tennis, basketball and sand volleyball courts located throughout the campus. The University also has an 18-hole disc golf course.

Other Facilities

Other University facilities include an airport, power plant, campus environment and operations buildings, greenhouse and an electrical substation.

The Kent State University College of Podiatric Medicine (the "College of Podiatric Medicine") is located in Independence, Ohio, on approximately 27 acres of land that is approximately 30 miles northwest of the Kent Campus. The College of Podiatric Medicine offers a podiatric medicine academic program and grants the degree of Doctor of Podiatric Medicine.

REGIONAL CAMPUSES

The University's seven Regional Campuses offer associate (two-year) degree and certificate programs. Certain upper division (junior/senior) level courses are available at the Regional Campuses, and certain Regional Campuses offer bachelor's and master's degrees, in addition to associate degrees. The seven Regional Campuses are Ashtabula, East Liverpool, Geauga (and Twinsburg), Salem, Stark, Trumbull, and Tuscarawas. Information shown below is based on the preponderance method. FTE enrollment is not affected.

As of November 1, 2024, the Regional Campuses had 944 (674 FTE) employees, of which faculty and instructional staff numbered 616 (374 FTE).

Regional Campus - Enrollment

Fall Semester headcount* enrollment (full-time and part-time students), as well as FTE enrollment for recent academic years at the Regional Campuses are shown below:

Year	Total	FTE
2020-21	10,316	7,352
2021-22	9,131	6,291
2022-23	8,132	5,516
2023-24	8,247	5,516
2024-25	8,482	5,637

Regional Campus - Student Admissions

The table below shows for the Fall Semester of the academic years indicated, the applicants admitted, the applicants enrolled and the percent enrolled. Admissions to the Regional Campuses are open to anyone with a high school diploma or equivalent.

Academic Year	Applicants Admitted	Applicants Enrolled	Percent Enrolled
2020-21	3,402	2,114	62.1%
2021-22	3,704	1,782	48.1
2022-23	3,918	1,697	43.3
2023-24	3,974	1,676	42.2
2024-25	4,435	1,843	41.6

* Headcount enrollment is based on the preponderance method so that a student taking classes at more than one of the University's campuses is reported in the headcount enrollment only at the campus where the majority of the student's classes are taken. FTE enrollment is not affected.

Regional Campus - Student Fees and Charges

The University operates Regional Campus programs based on a two-semester academic year and a summer session. Full payment of prior balances, and of instructional, special course, room and board, and other fees, or suitable arrangements for payment, must be made by the student before the first day of classes or on a day designated for registration. If such payments or arrangements are not made, the student is not permitted to register for or attend classes. The University has two-tier fee structure for lower and upper division undergraduate courses. Undergraduate students living in specific counties in western Pennsylvania and northern West Virginia and enrolled in courses only at the Regional Campus are granted an 80% reduction in the nonresident fee.

The per-full-time student instructional and general fees for recent regular (two semesters) academic years at the Regional Campuses Undergraduate-Lower Division and Graduate were as follows:

	2020-21	2021-22	2022-23	2023-24	2024-25
Undergraduate-Lower Division					
Resident-Non-Guarantee	$5,778	$5,778	$5,894	$5,894	$5,894
Resident-Guarantee (2020-21 Cohort)	6,468	6,468	6,468	6,468	6,468
Resident-Guarantee (2021-22 Cohort)		6,655	6,655	6,655	6,655
Resident-Guarantee (2022-23 Cohort)			6,961	6,961	6,961
Resident-Guarantee (2023-24 Cohort)				7,170	7,170
Resident-Guarantee (2024-25 Cohort)					7,385
Nonresident-Non-Guarantee	14,654	14,654	14,654	15,365	15,743
Nonresident-Guarantee (2020-21 Cohort)	15,344	15,344	15,575	15,939	16,318
Nonresident-Guarantee (2021-22 Cohort)		15,531	15,762	16,126	16,505
Nonresident-Guarantee (2022-23 Cohort)			16,068	16,432	16,811
Nonresident-Guarantee (2023-24 Cohort)				16,641	17,020
Nonresident-Guarantee (2024-25 Cohort)					17,235
Graduate					
Resident	11,766	11,766	12,072	12,555	13,057
Nonresident	21,956	21,954	22,523	23,424	24,361

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The per-full-time student instructional and general fees for the 2024-2025 (two semesters) academic year at the Regional Campuses Upper Division were as follows:

Undergraduate-Upper Division	**2024-25**
Resident-Non-Guarantee	$6,905
Resident-Guarantee (2020-21 Cohort)	7,580
Resident-Guarantee (2021-22 Cohort)	7,800
Resident-Guarantee (2022-23 Cohort)	8,158
Resident-Guarantee (2023-24 Cohort)	8,403
Resident-Guarantee (2024-25 Cohort)	8,655
Nonresident-Non-Guarantee	16,755
Nonresident-Guarantee (2020-21 Cohort)	17,430
Nonresident-Guarantee (2021-22 Cohort)	17,650
Nonresident-Guarantee (2022-23 Cohort)	18,008
Nonresident-Guarantee (2023-24 Cohort)	18,253
Nonresident-Guarantee (2024-25 Cohort)	18,505

The undergraduate students living in specific counties in western Pennsylvania and northern West Virginia and enrolled in courses only at the Regional Campuses were granted an 80% reduction in the nonresident fee. As a result, for 2024-25 academic year fees for those students enrolled full-time in lower division courses were as follows:

Western PA/Northern WV reduction	**2024-25**
Reduction %	80%
Lower Division-Non-Guarantee	$7,862
Lower Division Guarantee (2020-21 Cohort)	8,437
Lower Division Guarantee (2021-22 Cohort)	8,624
Lower Division Guarantee (2022-23 Cohort)	8,930
Lower Division Guarantee (2023-24 Cohort)	9,139
Lower Division Guarantee (2024-25 Cohort)	9,354
Upper Division-Non-Guarantee	8,874
Upper Division Guarantee (2020-21 Cohort)	9,549
Upper Division Guarantee (2021-22 Cohort)	9,769
Upper Division Guarantee (2022-23 Cohort)	10,127
Upper Division Guarantee (2023-24 Cohort)	10,372
Upper Division Guarantee (2024-25 Cohort)	10,624

For a discussion of the restrictions on the annual increase in instructional and general fees for in-state undergraduate students at state-assisted institutions of higher education imposed by the Ohio General Assembly and the implementation of the Tuition Guarantee Plan, see the information concerning Kent Campus fees and charges presented above under the caption **Enrollment – Kent Campus - Student Fees and Charges**.

Regional Campus-Physical Plant

The Regional Campuses' facilities include: Ashtabula - four buildings on an 83-acre site; East Liverpool - four buildings on a three-acre downtown site; Geauga - one building and a greenhouse on an 87-acre site; Salem - one building, a greenhouse and an additional building on sites aggregating 102 acres; Stark - eight buildings on a 200-acre site; Trumbull - four buildings on a 130-acre site; and Tuscarawas - four buildings on a 160-acre site. In addition, each Regional Campus, except Ashtabula and East Liverpool, has at least one maintenance building, and the Geauga Campus has an extension – Twinsburg Academic Center -located in Twinsburg, Ohio, which was completed in 2012 and is leased with an option to purchase. It consists of one main building and a garage on 12.302 acres of land.

OTHER INSTITUTIONS; UNIVERSITY SYSTEM OF OHIO

There are other institutions of higher education in the University's region. The University of Akron, Cleveland State University and Youngstown State University are state-supported urban universities that have primarily commuting student populations. Northeast Ohio Medical University in Rootstown is a state-supported medical school, which offers a combined program with the University that allows students to earn the combined degrees of Bachelor of Science in Integrated Life Sciences and Doctor of Medicine. In addition to the two-year degree programs offered by the University at its Regional Campuses, other two-year schools in the region include Cuyahoga Community College (with three campuses in the Cleveland area) and Lakeland Community College in Lake County. Nearby private institutions include Case Western Reserve University, John Carroll University, Baldwin Wallace University and Ursuline College in Greater Cleveland; Hiram College in Hiram; Malone University and Walsh University in Canton; and University of Mount Union in Alliance.

Public higher education institutions in Ohio now include 14 state universities (with a total of 24 branches), 23 community colleges and over 120 adult workforce education and training centers statewide. Those institutions all receive State assistance and conduct full-time educational programs in permanent facilities.

The Chancellor of the Ohio Department of Higher Education, a member of the Governor's cabinet, has statewide powers to coordinate, advise and direct State-supported and State-assisted institutions of higher education. The Ohio Department of Higher Education formerly exercised these powers. The General Assembly adopted legislation in 2007 providing for the appointment of a Chancellor by the Governor, with the advice and consent of the Senate, and the re-establishment of the Ohio Department of Higher Education to, among other duties, serve as an advisory board to the Chancellor. The Chancellor's powers and responsibilities include: formulation and revision of a State master plan for higher education; the proposal of recommendations to the Governor and General Assembly concerning the development of State-financed capital plans for higher education; preparation of a State plan for, and responsibility for participation in, federal programs relative to the construction of higher education academic facilities; approval or disapproval of the establishment of technical colleges, State institutions of higher education, community colleges and new branches or academic centers of State universities; approval or disapproval of all new degree programs at higher education institutions; and the review of appropriation requests of those institutions and proposal of recommendations to the General Assembly concerning the biennial higher education operating and capital appropriations.

The Ohio Board of Regents consists of nine members also appointed by the Governor with the advice and consent of the Senate. The Board of Regents is responsible for submitting to the General Assembly and the Governor an annual report on the condition of higher education of the State and the performance of the Chancellor. The Ohio Department of Higher Education may have such other duties as the Chancellor may prescribe.

FINANCIAL OPERATIONS AND RESULTS

General

The University maintains its financial records in accordance with the standards prescribed by the Governmental Accounting Standards Board, the American Institute of Certified Public Accountants and the National Association of College and University Business Officers.

The Ohio Auditor of State (the "State Auditor") is charged by law with the responsibility of inspecting and supervising the accounts and records of each taxing subdivision and most public agencies and institutions. Audits are performed by the office of the State Auditor, or by independent certified public accountants at the direction of that office, pursuant to Ohio law and under certain federal program requirements. No other independent examination or audit of the University's financial records is made.

The most recent audit of the University's accounts was completed through Fiscal Year 2024. The Basic Financial Statements of the University for Fiscal Years ended June 30, 2024 and 2023, set forth as **Appendix B**, have been audited by RSM US LLP, independent auditors, as stated in their report included therein.

Annual financial reports are prepared by the University and are filed as required by law with the State Auditor after the close of each Fiscal Year. The Audited financial statements through Fiscal Years 2024 can be found on the Ohio Auditor of State's website.

State laws impose additional financial reporting requirements on state supported and assisted institutions and provide for the Ohio Department of Higher Education to declare an institution to be in a state of "fiscal watch" if certain financial circumstances are determined to exist. Upon any such declaration, and until the Ohio Department of Higher Education determines that an institution is no longer in that state and terminates the fiscal watch, an institution must comply with special restrictions, prohibitions and additional reporting requirements. If appropriate, an institution under fiscal watch may be placed in "conservatorship." This legislation is a general law applicable to all such institutions, although developed because of particular fiscal problems at one of the smaller state universities. The Board and University staff is not aware of any facts that would warrant the University being considered for a declaration of fiscal watch under currently known facts and law.

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The following table summarizes the University's revenues and expenses as reported in its audited financial statements with respect to the last five Fiscal Years.

Summary of Revenues, Expenses and Changes in Net Assets
(Dollars in Thousands)

	2020	2021	2022	2023	2024
Operating Revenues					
Student tuition and fees	$406,071	$391,508	$393,655	$393,296	$414,318
Less scholarship allowances	(94,735)	(93,892)	(112,990)	(103,666)	(112,483)
Net student tuition and fees	311,336	297,616	280,665	289,630	301,835
Federal grants and contracts	24,022	22,827	26,293	25,602	30,865
State grants and contracts	9,801	10,425	11,810	11,883	18,147
Local grants and contracts	175	231	310	148	76
Nongovernmental grants and contracts	5,532	4,946	3,781	4,659	5,640
Sales and services of educ. departments	12,536	5,256	7,164	8,170	7,787
Net Auxiliary activities	54,567	23,267	89,961	97,744	98,948
Total operating revenues	417,969	364,568	419,984	437,836	463,298
Operating Expenses					
Instruction	249,856	225,543	236,465	252,957	256,495
Research	20,780	19,351	21,288	24,153	24,640
Public service	14,346	12,434	10,996	10,811	10,047
Academic support	64,195	54,450	57,769	62,995	64,984
Student services	39,971	35,162	39,086	44,923	48,702
Institutional support	81,232	89,408	72,294	62,272	62,276
Scholarships and fellowships	47,171	49,915	64,346	44,918	44,627
Operation and maintenance of plant	43,176	38,346	44,639	49,901	59,190
Auxiliary activities	63,585	57,137	82,890	94,719	92,355
Pension expense*	23,049	(10,424)	(62,624)	3,818	(7,116)
OPEB*	6,900	(85,384)	(29,475)	(17,295)	(2,184)
Depreciation	54,622	55,811	58,424	57,730	61,180
Total operating expenses	708,883	541,749	596,098	691,902	715,196
Operating loss	(290,914)	(177,181)	(176,114)	(254,066)	(251,898)
Nonoperating Revenues (Expenses)					
State appropriations	153,887	158,448	159,707	158,774	157,016
Federal Pell Grant revenue	45,961	41,644	39,153	38,882	44,225
Federal pandemic relief revenue	12,265	60,051	67,905	4,084	433
Gifts	2,145	5,540	8,056	17,483	18,377
Investment income	12,783	82,333	(15,351)	21,141	28,254
Interest on capital asset-related debt	(12,909)	(7,095)	(16,064)	(5,853)	(13,914)
Other nonoperating expenses	4,549	5,107	2,500	2,172	4,757
Net nonoperating revenues (expenses)	218,681	346,028	245,906	236,683	239,148
Income before other revenues, expenses, gains or losses	(72,233)	168,847	69,792	(17,383)	(12,750)
Capital appropriation	20,772	1,634	1,147	24,024	10,528
Increase/(Decrease) in net position	(51,461)	170,481	70,939	6,641	(2,222)
Net Position, Beginning of Year	373,166	321,705	492,186	563,125	569,766
Net Position, end of year	$321,705	$492,186	$563,125	$569,766	$567,544

The following table summarizes the University's year-end fund balances for the last five Fiscal Years.

Summary of Year-End Fund Balances
(Dollars in Thousands)

	2020	2021	2022	2023	2024
Net Investment in Capital Assets, Net of Related Debt	$468,747	$473,659	$464,886	$495,528	$555,719
Restricted, Nonexpendable[(a)]	5,883	5,883	5,883	5,884	5,884
Restricted, Expendable	11,372	11,858	10,299	9,245	8,908
Unrestricted[(b)]	(164,297)	816	82,057	59,109	(2,967)
Total net position	$321,705	$492,216	$563,125	$569,766	$567,544

(a) Includes the University's endowed funds which is distinct from the endowment held by the Kent State University Foundation, Inc. See **Foundation, Gifts and Endowment**.

(b) Amounts are stated post GASB 68 and 75. GASB 68 was implemented in Fiscal Year 2015 and GASB 75 was implemented in Fiscal Year 2018. Without the effects of GASB 68 and 75, the unrestricted fund balances would be: FY2020 $347,435; FY2021 $416,741, FY2022 $405,883; FY2023 $369,457; FY2024 $298,082.

Recent Cost Control and Expense Reduction Measures

The University has been proactive in aligning its operating expenses with projected operating revenue to ensure the long-term sustainability of the University. Between Fiscal Years 2018 and 2024 and factoring in the Fiscal Year 2025 budgeted reductions, the University reduced (or expects to reduce when including the budgeted Fiscal Year 2025 projected reductions) aggregate costs by more than $183 million through a combination of reductions in headcount and expense management for healthcare benefits, operations and maintenance. Cost savings help mitigate revenue challenges associated with enrollment declines. The University is also pursuing opportunities to grow revenue, such as increased State Share of Instruction (SSI), due to improved student outcomes, as well as lower tuition discount rates.

Audited financial statements for prior Fiscal Years may be found on the Ohio Auditor of State's website.

General Budgeting Procedures

The University adopts an operating budget for each Fiscal Year based on the prior years' budgets, budget requests submitted by each of the University's departments and colleges, and guidelines developed by the President and other administrative officers. These requests are reviewed by the appropriate executive officers and consolidated by the Senior Vice President for Finance and Administration and presented to a University-wide committee. The committee advises the President and other University officers as to overall University priorities and provides a link between the University's strategic plan and the University's operating budgets. The committee's recommendations are forwarded to the President. The President and other executive officers decide which priorities receive funding, and a budget is then submitted to the Board for approval.

The University's operating revenues are derived from two primary sources: State appropriations and student fees. In the Fiscal Year 2025 unrestricted operating budget, State appropriations comprise $158,211,615 or 22.5% of the total funds available including auxiliary operations. See **State Appropriations to the University**. The majority of these funds are obtained through a formula-driven model based on course completion and degree completion. The University also receives appropriations from the State that are to be used for specific purposes including research and academic programs. These amounts are recorded in the restricted fund. The University's Board considers the expected amount of State appropriations along with the University's budget requirements and other revenue sources in establishing student fees and other fees and charges for each academic year.

Operating Budgets

The University divides its operating budget into a general fund budget (Kent Campus and, separately, the Regional Campuses and the College of Podiatric Medicine), a designated fund, an auxiliary fund budget and a restricted fund. 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. The designated fund is essentially self-funding but is combined with other current unrestricted funds for reporting purposes. The auxiliary fund budget includes all expenditures supported mainly by student-generated revenues, including room and board, parking, intercollegiate athletics and related income. The restricted fund budget includes all expenditures supported by revenues from grants, contracts, gifts and donations.

The Board adopts annual operating budgets for the general fund and auxiliary fund. The President and other administrative officers review revenues and expenditures monthly and inform the Board periodically of the budget position. Appropriate action is taken by the President and other administrative officers to adjust expenditures should revenues fall short of projections and the Board is informed of these actions.

On May 22, 2024, the Board approved a general fund budget for Fiscal Year 2025. The budget anticipated total funds available of $703,590,880, which is an increase of 2.3% over the prior Fiscal Year budget and includes $158,211,615 in State appropriations, $406,405,335 in gross tuition and fees, and $28,883,350 in investment and other income. Also approved was an auxiliary fund budget of $110,090,580.

State Appropriations to the University

All state universities in Ohio receive State financial assistance for both operations and designated capital improvements through appropriations by the General Assembly. These appropriations contribute substantially to the successful maintenance and operation of the University. Amounts received in the form of State appropriations are not included in the General Receipts pledged to secure payment of the Bonds.

Operating Appropriations

The University receives its State operating appropriations on a biennial basis. Operating appropriations are made by legislation for a biennial period (i.e. from July 1 in an odd-numbered year to June 30 in the next odd-numbered year). The University receives State appropriations for most operating purposes based on a formula administered by the Ohio Department of Higher Education. The formula for the State Share of Instruction ("SSI") appropriations for the Kent Campus has two main components: course completion and degree completion. Course completion (i.e., a grade of "D" or better) is based on FTE students (excluding undergraduates who are not Ohio residents) multiplied by both a course completion factor and the legislated subsidy allowances that vary by program. The number of FTE students is calculated by dividing the completed credit hours for the summer, fall, and spring term by 30. Included in the formula are additional funds for successfully educating students who are considered "at risk."

The following table shows unrestricted State operating appropriations paid to the University for both the Kent Campus and Regional Campus for recent Fiscal Years (Dollars in Thousands).

Fiscal Year	**State Share of Instruction**
2020	$153,924
2021	158,306
2022	159,650
2023	158,966
2024	158,376

The University has been able to respond adequately to changes in appropriations over time. Through strategic planning, the University has reduced or reallocated operating funds while continuing to plan for targeted investments to maintain competitiveness in academic offerings to students.

Capital Appropriations

The University also receives State capital improvement appropriations on a biennial basis. Capital appropriations are made by legislation for a biennial period (i.e. from July 1 in an even-numbered year to June 30 in the next even-numbered year). Recent Fiscal Year State capital appropriations are shown below (Dollars in Thousands).

Fiscal Year	**State Capital Appropriations**
2021 and 2022	$23,250
2023 and 2024	26,888
2025 and 2026	29,150

The distribution of the capital appropriations varies depending on a variety of factors including the construction timelines and the timing of progress payments to contractors. The following table shows cash funds distributed from State capital appropriations to the University during recent Fiscal Years (Dollars in Thousands):

Fiscal Year	State Capital Appropriations Distributed to the University
2020	$20,772
2021	1,634
2022	1,147
2023	24,024
2024	10,528

There can be no assurance that State-appropriated funds for operating or capital improvement purposes will be made available in the amounts from time to time requested or required by the University. The General Assembly has the responsibility of determining such appropriations biennially. 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, subsidy appropriations (and other similar appropriations) are subject to subsequent limitation pursuant to a law, 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 State agencies as will prevent their expenditures and incurred obligations from exceeding those revenue receipts and balances.

Grants and Contracts

During Fiscal Year 2024, the University was awarded grants and contracts of $35,974,654 for research, instructional and other sponsored activity. Federal agencies accounted for $22,632,679 (63%) and State and local agencies, foundations and business and industry accounted for $13,341,975 (37%). Primary federal sponsors were: Department of Justice ($900,000); Department of Defense ($585,883); Department of Health and Human Services ($5,920,006); Department of Education ($4,202,316); National Science Foundation ($3,820,326); and Department of Energy ($778,837). The awarded amount of funds for externally funded research activity over the last five years has been as follows (Dollars in Thousands):

Fiscal Year	Amount
2020	$36,974
2021	31,390
2022	36,421
2023	38,725
2024	35,975

Foundation, Gifts and Endowment

The Kent State University Foundation, Inc. (a separate legal entity from the University) (the "Foundation") is the official, University-designated fund-raising and gift-receiving organization for the University. Through the Foundation, contributions can be made for current or endowment purposes. The Foundation accepts gifts and bequests of cash, securities, real estate, tangible and intangible property, life insurance, and life income programs such as charitable remainder annuity trusts or charitable remainder unitrusts.

Kent State University publicly launched a $350 million comprehensive fundraising campaign Saturday, October 2, 2021, and concluded June 30, 2024. Forever Brighter was the most ambitious fundraising campaign in the history of Kent State University with a goal of raising $350 million. There were three primary campaign priorities – Prioritizing Student Success, Expanding University Initiatives and Building the Future. The University concluded raising $383 million, exceeding the goal by $33 million.

The following table shows the amounts of gifts and bequests to the Foundation from individuals, business and other organizations for recent Fiscal Years (Dollars in Thousands).

Fiscal Year	Total Reported[(a)]	Total Received
2020	$15,619	$17,812
2021	16,881	18,932
2022	43,685	24,113
2023	18,881	16,970
2024	17,794	22,906

(a) Reflects the write-off of pledge receivables relating to prior years that were determined to be uncollectible.

The market values of the Foundation's endowment funds and Foundation's total assets, as of June 30 for recent Fiscal Years (Dollars in Thousands), were as follows:

Fiscal Year	Endowment Fund	Foundation Assets
2020	$138,113	$246,962
2021	187,792	301,482
2022	158,884	298,775
2023	174,400	315,802
2024	194,270	333,642

Investment Policy

As of June 30, 2024, the University's investment portfolio totaled $312,017,613 including the long-term investment pool of $309,328,514. The long-term investment pool was comprised of approximately 30.0% equity securities, 33.8% fixed income securities and 36.2% alternative investments. The intermediate term pool was comprised of approximately 20.3% equity securities, 79% fixed income securities and 0.7% in cash.

Investments of University funds are made in compliance with the written policies of the University which have been approved by the Board. The University's investments are broken into three pools – short-term, intermediate-term and long-term. The short-term pool is available to cover daily liquidity needs and expenditures within one year. The primary investment objective of the short-term pool is to provide preservation of capital for ongoing liquidity with the maximum income commensurate with the need for principal safety. The intermediate-term pool contains funds that may be authorized for University unrestricted priorities, as well as to support the short-term pool on a temporary or permanent basis pursuant to the University budget, the use of which could occur over a one to five-year time frame. The investment objective of the intermediate-term pool is to earn a higher return on funds that are not identified as day-to-day operating expenses with an emphasis on income and principal appreciation with an attempt to minimize volatility. The long-term pool represents funding not necessary for working capital in any single year. The primary objective of the long-term investment pool is to maximize capital appreciation over an extended time horizon, approximately five to ten years or greater. The Board receives quarterly reports which disclose the investment balances by investment type and by investment manager.

As of June 30, 2024, the Foundation's long-term investment portfolio of $260,547,466 was comprised of approximately 56% equity securities, 8% fixed income securities, 9.6% absolute return, 7.3% real assets, 18.1% alternative investments and 1% cash.

Investments of Foundation funds are made in compliance with the written policies of the Foundation's Board of Directors. Non-endowed gifts and contributions for specific designated activities, which are available on demand, are managed in a separate investment pool with short-term or intermediate-term investment goals. Because these funds must remain somewhat liquid and are short-term, the investment objectives emphasize the safety and preservation of capital. The long-term investment pool is invested to maximize long-term total returns. For purposes of safety, investments are to be broadly diversified and consist of high-grade, marketable securities.

The Foundation's Investment Committee receives monthly reports disclosing investment transactions and balances which have been reconciled to custodial statements as well as reports disclosing changes in the endowment funds arising from contributions, earnings, capital gains and distributions.

Insurance Coverage

The University purchases property and casualty insurance on a group basis through the Inter-University Council of Ohio.

The University is insured for damage to all real and personal property at replacement value. Coverage includes direct damage resulting from fire, flood, or earthquake. The maximum amount recoverable for property damage per occurrence under the pooled insurance program is estimated to be about 60 percent of the replacement value of all University buildings. Coverage is subject to a $100,000 deductible. The pool is responsible for claims between $100,000 and $1,000,000. Third party insurance coverage attaches for losses in excess of $1,000,000.

The University carries liability insurance for its trustees and officers, automobile fleet, and general liability. The University is responsible for the first $100,000 of any claim. The pool is responsible for claims between $100,000 and $2,500,000. The University maintains shared excess umbrella liability coverage of $35,000,000.

A separate liability and property program is maintained for the University's airport and aircraft ($10,000,000). Separate crime coverage is provided for money and securities ($5,000,000).

Ohio law provides with respect to the State and its agencies, such as the University, for a waiver of immunity from liability. The liability of the State and its agencies is determined in the Ohio Court of Claims. Judgments rendered by the Court of Claims are payable from (and in the following order) (i) unencumbered appropriated funds of the agency against which the determination of liability has been made, (ii) certain emergency purpose appropriations, or (iii) special additional appropriation that may be made by the General Assembly pursuant to a request by the agency. Ohio law also provides that no execution for the purpose of collecting a judgment shall issue against the State or its agencies upon any judgment for the payment of money.

For Ohio workers' compensation purposes, the University is covered by the State Insurance Fund.

In addition to the insurance described above, the University maintains insurance coverage for employee health and life insurance plans, intercollegiate sports and employee group travel.

Capital Programs

The University has an ongoing capital improvement program consisting of new construction and the renovation of existing facilities. Capital improvement projects are expected to be funded from a variety of sources, including gifts, State appropriations, and University funds, as shown below.

The University has authorization for projects in process with an estimated remaining cost of $51,040,012 and these projects will be funded by:

State appropriations	$32,174,074
University funds	16,988,188
Gifts and grants	1,877,749
Total	**$51,040,012**

In 2018, the University adopted a 10-year master plan, Gateway to a Distinctive Kent State, which included three distinct phases. During the creation and implementation of the plan, a guiding principle has been thoughtful, pragmatic and financially responsible delivery. The projects in the first phase of the master plan are substantially complete as of December 31, 2024. The University is currently developing a space consolidation study with recommendations due in May 2025, which will serve to update future phases of capital investment. No further issuances of General Receipts Bonds are planned at this time.

Outstanding Obligations

The outstanding General Receipts Bonds of the University, upon the issuance of the Series 2025 Bonds, consist of the following:

General Receipts Bonds, Series	Year Issued	Original Issuance	Principal Amount Outstanding as of June 30, 2024	Outstanding After Issuance of Series 2025 Bonds	Final Maturity
2016	2016	$103,590,000	$53,555,000	$53,555,000	2030
2019	2019	19,595,000	16,285,000	16,285,000	2031
2020A	2020	22,530,000	21,065,000	21,065,000	2050
2020B	2020	172,825,000	130,310,000*	83,730,000**	2042
2022	2022	44,565,000	44,565,000	44,565,000	2036
2023	2023	60,000,000	60,000,000*	-0-	-
2025	2025	93,900,000	--	93,900,000	2042

** Includes the Refunded Bonds.*
*** The remaining 2020B Bonds after tender acceptance and refunding.*

All principal and interest payments on the above General Receipts Bonds are current. The University has no other General Receipts bonds or notes outstanding. The University is refunding the Refunded Bonds as a part of its long-anticipated plan to strategically level out its aggregate annual debt service payments.

The University entered into an interest rate swap agreement in 2000 with regard to a series of variable rate General Receipts Bonds which were subsequently refunded, and in 2008 that swap agreement was replaced by a swap agreement with Loop Financial Products I LLC as the counterparty, with credit enhancement from Deutsche Bank AG, New York Branch. The initial Series 2008B Bonds were refunded by the Series 2013A Bonds which, in turn, were refunded by the Series 2023 Bonds, at which time Deutsche Bank took over as the counterparty. Under the swap agreement, the University is the fixed rate payer, paying a fixed rate of 3.340%, and the counterparty pays the University a floating rate intended to approximate the interest rate borne by the variable rate bonds hedged by the swap. However, the actual interest expense on the Series 2023 Bonds may exceed the payments the University receives from the counterparty. The University's obligation to make periodic payments under the interest rate swap is secured by a pledge of the General Receipts on parity with the pledge of General Receipts given to secure payment of its General Receipts Bonds. The interest rate swap agreement will be terminated in conjunction with the issuance of the Series 2025 Bonds at which time the variable rate Series 2023 Bonds and associated swap will be replaced with fixed rate bonds.

Over the ten Fiscal Years ended June 30, 2019, the University entered into multiple transactions with the Ohio Air Quality Development Authority ("OAQDA") to finance energy efficiency and conservation projects at its various campuses. The aggregate principal amount of the University's obligations with OAQDA as of June 30, 2024 was $8,969,000. The final maturity of those obligations occurs in 2027. Annual Fiscal Year debt service is approximately $3,859,000, $3,426,000 and $1,840,000 for Fiscal Years 2025, 2026, and 2027, respectively. In each transaction, bonds were issued by OAQDA, the proceeds of the bonds were made available to the University to fund the University projects, and the University entered into a loan agreement with OAQDA obligating the University to make payments to OAQDA sufficient to pay the debt service on the OAQDA bonds. The University's payment obligations to OAQDA are evidenced by a note payable from, but not secured by, the Available Receipts of the University, defined in Section 3345.12(A)(11) of the Revised Code as follows:

> all moneys received by the institution of higher education, including income, revenues, and receipts from the operation, ownership, or control of facilities or entrepreneurial projects, grants, gifts, donations, and pledges and receipts therefrom, receipts from fees and charges, and the proceeds of the sale of obligations or assurances, including proceeds of obligations or assurances issued to refund obligations or assurances previously issued, but excluding any special fee, and receipts therefrom, charged pursuant to division (D) of section 154.21 of the Revised Code.

In Fiscal Year 2011, the University entered into a lease-purchase agreement with Fairmount Properties, LLC to construct a building for its Twinsburg location, which the University is leasing for a period of 30 years. As of June 30, 2024, the total outstanding principal on the bonds for the Twinsburg location was $10,005,000. That lease-purchase agreement matures on September 15, 2042 and the lease payments in each remaining calendar year through maturity range from a high of approximately $1,174,000 to a low of approximately $561,000 assuming a 35% Build America Bond interest subsidy with 5.7% sequestration through September 30, 2031. The University pays the lease payments from its Available Receipts.

In Fiscal Year 2016, the University entered into a capital lease with Banc of America Public Capital Corp. to finance the projects associated with the University's continued energy and conservation initiatives on its Kent Campus. The proceeds from this lease totaled $19,800,000 and the outstanding principal as of June 30, 2024 was approximately $9,979,000. The capital lease matures on June 30, 2031 and the debt service in each remaining fiscal year through maturity is substantially level at $1,535,100. The University pays the lease payments from its Available Receipts.

The University does not plan to issue additional General Receipts Bonds nor incur other funded indebtedness during the next 12 months.

Retirement Plans

The University participates in State contributory retirement plans administered by the State Teachers Retirement System of Ohio ("STRS") and the Ohio Public Employees Retirement System ("OPERS"). STRS (faculty) and OPERS (classified and unclassified Ohio staff) are funded from both employer and employee contributions. In addition, several optional tax deferred annuity programs are available to employees for which the University provides administrative services only.

For the Fiscal Year ended June 30, 2024, OPERS provided coverage for 8,110 University employees, and STRS provided coverage for 2,604 University employees. Currently employees contribute at a statutory rate of 10.00% (OPERS) and 14.00% (STRS) of earnable salary or compensation. As the employer, the University contribution rate was 14.00% (OPERS) and 14.00% (STRS) of the same base. These employee and employer contribution rates are the maximums permitted under State law.

For further information on these pension plans, see the Notes to the Basic Financial Statements included in Exhibit B. Financial and other information for OPERS and STRS can also be found on the respective website for each retirement system including its Annual Comprehensive Financial Report. Any information on such websites or in such financial reports is not incorporated into this Official Statement.

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 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 employee members. On September 12, 2012, the General Assembly passed five separate pension reform bills intended to assist each of the five retirement systems in addressing its unfunded actuarial accrued liabilities.

The bill passed with respect to STRS provides for (i) no change in the University contribution rate with respect to its employees' earnable salaries, and (ii) an increase in the STRS employee contribution rate from 10% to 14% in annual increments of 1% beginning on July 1, 2013 (which has now been fully implemented). With certain transition provisions for current employees, that bill increases minimum age and service requirements for eligibility for retirement and disability benefits, revises the calculation of an employee's final average salary on which pension benefits are based to include the five highest years (rather than the three highest years), provides for STRS pension benefits to be calculated on a lower, fixed formula, changes provisions with respect to future annual cost-of-living adjustments to reduce those adjustments to two percent (from 3%), and makes other changes. That bill also provides the STRS board the authority to make future adjustments to the member contribution rate, retirement age and service requirements, and cost-of-living adjustments as the need or opportunity arises and depending on the funding progress.

The bill passed with respect to OPERS provides for (i) no change in the University contribution rates with respect to its employees' earnable salaries, and (ii) no change in OPERS employee contribution rate. With certain transition provisions applicable to certain current employees, the bill increases minimum age and service requirements for retirement and disability benefits, revises the calculation of an employee's final average salary on which pension benefits are based to include the five highest years (rather than the three highest years), provides for OPERS pension benefits to be calculated on a lower, fixed formula, changes provisions with respect to future cost-of-living adjustments to limit those adjustments to the lesser of any increase in the Consumer Price Index or three percent, and makes other changes.

Federal law requires University employees hired after March 31, 1986 to participate in the federal Medicare program, which requires matching employer and employee contributions, each being 1.45% of the wage base. Otherwise, University employees covered by a State retirement system are not currently covered under the federal Social Security Act. OPERS and STRS are not subject to the funding and vesting requirements of the federal Employee Retirement Income Security Act of 1974.

The University's current employer contributions to OPERS and STRS have been treated as current expenses and included in the University's operating expenditures.

Legislation enacted in 1997 required all Ohio public universities and colleges to offer at least three Alternative Retirement Plans ("ARP") to full-time faculty and unclassified administrative employees. In January 1999, the University offered a 401(a) defined contribution (ARP) through eight vendors approved by the Ohio Department of Insurance. All faculty and eligible staff not vested in an existing defined benefit plan were offered a one-time election to join the ARP. New employees from these groups also may make a one-time election to participate in the ARP or the respective state retirement system. Effective August 1, 2005, the ARP option was extended to full-time classified employees of the University as a result of a legislative change. As of June 30, 2024, the University had 375 OPERS-eligible employees participating in the ARP and 471 STRS-eligible faculty members participating in the ARP.

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APPENDIX B

Audited Financial Statements for Fiscal Years Ended June 30, 2024 and 2023

Kent State University

(A Component Unit of the State of Ohio)

Financial Report
June 30, 2024

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OHIO AUDITOR OF STATE
KEITH FABER

65 East State Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
800-282-0370

Board of Trustees
Kent State University
234 Michael Schwartz Center
Kent, Ohio 44242

We have reviewed the *Independent Auditor's Report* of Kent State University, Portage County, prepared by RSM US LLP, for the audit period July 1, 2023 through June 30, 2024. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Keith Faber
Auditor of State
Columbus, Ohio

January 09, 2025

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Contents

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RSM

RSM US LLP

Independent Auditor's Report

President and Board of Trustees of Kent State University

Report on the Audit of the Financial Statements

Opinions
We have audited the financial statements of the business-type activities and the discretely presented component unit of Kent State University (the University), a component unit of the State of Ohio, as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of Kent State University, as of June 30, 2024 and 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions
We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the University, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as well as required supplementary information for certain retirement plan data and other post-employment benefit plan (OPEB) data, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2024 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. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering University's internal control over financial reporting and compliance.

RSM US LLP

Cleveland, Ohio
November 25, 2024

This section of Kent State University's (the University) annual financial report presents management's discussion and analysis of the financial performance of the University during the fiscal years ended June 30, 2024 and 2023. This discussion should be read in conjunction with the accompanying financial statements and notes. The financial statements, notes and this discussion are the responsibility of University management.

Using the Annual Financial Report

This annual report consists of financial statements prepared in accordance with accounting standards as promulgated by the Governmental Accounting Standards Board (GASB), and are prepared under the accrual basis of accounting, whereby revenues and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged. Amounts required to be reported as deferred outflows of resources are reported separately after assets and amounts required to be reported as deferred inflows of resources are reported separately after liabilities. See Note 2 for further discussion of these financial statement categories.

The financial statements have also been prepared in accordance with GASB Codification Sections 2100, *Defining the Financial Reporting Entity* and 2600, *Reporting Entity and Component Unit Presentation and Disclosure*, which require examination of significant operational or financial relationships with the University and establish criteria for identifying and presenting component units of the organization. Based on this examination and application of the criteria in these standards, the University has identified three component units: The Kent State University Foundation, the KSU Foot and Ankle Clinic, and the KSU Research Corporation. The Kent State University Foundation is discretely presented in the University's financial statements; however, it is excluded from Management's Discussion and Analysis. The KSU Foot and Ankle Clinic and the KSU Research Corporation are blended component units and, therefore, are indirectly included in Management's Discussion and Analysis. See Note 14 for further discussion on component units.

Noteworthy Financial Activity

In fiscal year 2018, the University implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75). Similar to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* (GASB 68), the University is required to recognize on the face of the financial statements its proportionate share of the net other postemployment retirement benefits (OPEB) asset/liability related to its participation in both the Ohio Public Employees Retirement System (OPERS) and the State Teachers Retirement System (STRS). The statement also enhances accountability and transparency through revised note disclosures and required supplementary information (RSI).

In fiscal year 2015, the University implemented GASB Statement No. 68 and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68* (GASB 71). These Statements require governments providing defined benefit pensions to recognize their unfunded pension benefit obligation as a liability for the first time and to more comprehensively and comparably measure the annual costs of pension benefits. The statements also enhanced accountability and transparency through revised note disclosures and required supplementary information.

Noteworthy Financial Activity (Continued)

Pension and OPEB expense or (reduction) is presented as separate lines on the financial statements. Each year the impacts to the University's financial statements are based on the assumptions and decisions implemented by each plan. The deferred outflows/inflows and net pension and OPEB assets/liabilities for the University are equal to the University's proportionate share of each of these plan components, therefore, if there are significant fluctuations in these components for the plan, the University will recognize those fluctuations in its financial statements.

The impacts to the University's financial statements as a result of both GASB 68 and GASB 75 are further discussed in Note 11.

The overall financial position of the University remained stable in fiscal year 2024. The University's total assets and deferred outflows of resources decreased by $72.7 million, and total liabilities and deferred inflows of resources decreased by $70.5 million. Overall net position decreased by $2.2 million.

Excluding the impacts of GASB 68 and 75, total assets and deferred outflows of resources decreased $27.4 million, mostly due to the decrease in short-term and long-term investments of $99.9 million and an increase in cash and net capital assets of $13.1 million and $59.8 million, respectively. Excluding the impacts of GASB 68 and 75, total liabilities and deferred inflows of resources decreased by $15.8 million, primarily due to the decrease in unearned revenue of $10.2 million and debt of $19.5 million, offset by an increase in accounts payable and accrued liabilities of $14.4 million. Excluding the impacts of GASB 68 and 75, the overall net position decreased by $11.5 million.

Highlights of significant activities (excluding the impacts of GASB 68 and GASB 75) as compared to fiscal year 2023, are as follows:

- Operating revenues increased by $25.5 million, due primarily to increases in net tuition revenue and federal and state contract revenue. Overall gross tuition and fees increased by $21.0 million due to increases in three components of tuition (incoming freshman cohort, graduate tuition and the non-resident surcharge). However, due to an increase in overall scholarship expenses, the calculation in scholarship allowance resulted in a higher allowance in fiscal year 2024 when compared to fiscal year 2023. Federal and state contract revenue increased by a combined $11.5 million.

- Operating expenses increased $19.1 million. The primary increases were in salaries, utilities, and depreciation expense. The university provided wage increases of 3% for the majority of its employees and student labor increased due to additional hiring, especially in the auxiliary units. The university is still experiencing increased utility costs due to inflationary prices. Depreciation expense includes the amortization of expense associated with GASB 87 Leases and GASB 96 Subscription-Based Information Technology Arrangements (SBITAS). The majority of the increase in depreciation is due to an increase in amortization for SBITAS in FY24. In FY24, the university added $5.3 million in SBITA contracts. The useful lives of these contracts are short in duration (3-5 years).

- Federal Pell revenue increased $5.3 million due to an increase in Pell-eligible students in FY24. In addition, the federal government increased the maximum benefit $500.

- Investment income increased $7.1 million due to stable market conditions during fiscal year 2024.

- Capital appropriations decreased $13.5 million in fiscal year 2024. This revenue is drawn and recognized when spending occurs. Fluctuations are a result of active project spending each year.

Noteworthy Financial Activity (Continued)

- Interest expense on capital asset related debt increased $8.1 million. The increase in interest expense is primarily due to a reduction in interest expense in fiscal year 2023 as a result of the 2023 Series bond refunding, which resulted in an adjustment of the existing imputed borrowing and deferred cost of refunding balances as of June 30, 2023. These adjusted deferred balances will be amortized over the remaining life of the bond.

- Short-term and long-term investments decreased $99.9 million, primarily due to payments associated with capital project spending in fiscal year 2024. Cash increased 13.1 million due to holding more cash at the end of the fiscal year in 2024.

- Net capital assets increased $59.8 million in fiscal year 2024 due to the addition of $121 million of assets offset by $61.1 million in depreciation expense. The majority of this increase is attributable to the new Crawford Hall building for the Ambassador Crawford College of Business and Entrepreneurship. This building will be officially opened for the Fall 2024 semester.

Statement of Net Position

The statement of net position includes all assets and deferred outflows of resources and all liabilities and deferred inflows of resources. Over time, increases or decreases in net position (the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources) are one indicator of the improvement or erosion of the University's financial health when considered with nonfinancial facts such as enrollment levels and the condition of facilities.

The table below presents condensed balances for the statements of net position at June 30, 2024, 2023 and 2022:

	(Dollars in Thousands)		
	2024	2023	2022
Assets			
Current	$ 290,543	$ 348,116	$ 377,376
Capital assets	956,526	896,705	865,951
Net pension and OPEB asset	25,275	25,881	41,323
Other assets	139,370	167,514	202,756
Total assets	1,411,714	1,438,216	1,487,406
Deferred outflows of resources			
Deferred losses from refundings	12,505	13,678	14,660
Deferred cost of refunding derivative instrument	2,376	2,673	732
Pensions	93,764	132,136	75,376
OPEB	8,313	14,677	2,053
Total deferred outflows of resources	116,958	163,164	92,821
Total assets and deferred outflows of resources	$ 1,528,672	$ 1,601,380	$ 1,580,227
Liabilities			
Current liabilities	$ 128,681	$ 122,752	$ 124,068
Long-term debt	351,807	370,463	380,159
Net pension liability	376,908	415,098	183,111
Other	39,488	46,812	55,067
Total liabilities	896,884	955,125	742,405
Deferred inflows of resources			
Accumulated change in derivative instrument—swap asset	1,128	785	1,266
Leases	11,622	12,084	11,456
Pensions	33,609	40,591	213,067
OPEB	17,885	23,029	48,908
Total deferred inflows of resources	64,244	76,489	274,697
Net Position			
Net investment in capital assets	555,719	495,528	455,464
Restricted			
Nonexpendable—permanent endowments	5,884	5,884	5,883
Expendable—loans, gifts and grant programs	8,908	9,245	10,299
Unrestricted	(2,967)	59,109	91,479
Total net position	567,544	569,766	563,125
Total liabilities, deferred inflows and net position	$ 1,528,672	$ 1,601,380	$ 1,580,227

Statement of Net Position (Continued)

Comparison of Fiscal Year 2024 to Fiscal Year 2023

At June 30, 2024, the University's current assets of $290.5 million were sufficient to cover current liabilities of $128.7 million (current ratio of 2.2). At June 30, 2024, total University assets and deferred outflows of resources were $1,528.7 million, compared to $1,601.4 million at June 30, 2023. Without the effects of GASB 68 and 75, assets and deferred outflows at June 30, 2024 and 2023, would be $1,401.3 million and $1,428.7 million, respectively. The decrease of $27.4 million is mainly attributed to decreased investments of $99.9 million, and an increase in cash of $13.1 million and net capital assets of $59.8 million.

University liabilities and deferred inflows of resources total $961.1 million at June 30, 2024, compared to $1,031.6 million at June 30, 2023. Without the effects of GASB 68 and 75, liabilities and deferred inflows of resources at June 30, 2024 and 2023, would be $532.7 million and $548.6 million, respectively. The decrease of $15.9 million is primarily due to the paydown of debt and a decrease in unearned revenue, offset by an increase in accounts payable and accrued liabilities. The decrease in unearned revenue can be attributed to two factors: the FAFSA simplification project and the shift in the academic calendar for FY25. As background, the university defers all summer activity to the subsequent fiscal year in the general ledger and then recognizes the portion of that summer activity through June 30 on the financial statements. Due to the challenges experienced with the FAFSA simplification project, the student activity for disbursements shifted about 2-3 weeks causing a number of summer transactions to be recorded in July 2024 and therefore a deferral entry was not required. In addition, the shift in the academic year calendar resulted in an increase in the recognition of summer tuition activity, thus reducing the unearned revenue line in FY24. Accounts payable and accrued liabilities increased $14.4 million primarily due to an increase in the construction in progress accrual in fiscal year 2024 mostly attributable to the Crawford Hall building project.

Total net position decreased by $2.2 million to $567.5 million. Without the effects of GASB 68 and 75, net position would have decreased by $11.5 million to $868.6 million. The primary drivers are discussed in the statement of revenues, expenses and changes in net position section of this Management's Discussion and Analysis.

Comparison of Fiscal Year 2023 to Fiscal Year 2022

At June 30, 2023, the University's current assets of $348.1 million were sufficient to cover current liabilities of $122.8 million (current ratio of 2.8). At June 30, 2023, total University assets and deferred outflows of resources were $1,601.4 million, compared to $1,580.2 million at June 30, 2022. Without the effects of GASB 68 and 75, assets and deferred outflows at June 30, 2023 and 2022, would be $1,428.7 million and $1,459.0 million, respectively. The decrease of $30.3 million is mainly attributed to decreased cash and investments of $63.0 million, and an increase in net capital assets of $30.8 million.

University liabilities and deferred inflows of resources total $1,031.6 million at June 30, 2023, compared to $1,017.1 million at June 30, 2022. Without the effects of GASB 68 and 75, liabilities and deferred inflows of resources at June 30, 2023 and 2022, would be $548.6 million and $572.0 million, respectively. The decrease is primarily due to the paydown of debt and adjustment to the imputed borrowing related to the interest rate swap on the Series 2023 general receipts bonds.

Total net position increased by $6.6 million to $569.8 million. Without the effects of GASB 68 and 75, net position would have decreased by $6.8 million to $880.1 million. The primary drivers are discussed in the statement of revenues, expenses and changes in net position section of this Management's Discussion and Analysis.

Statement of Revenues, Expenses and Changes in Net Position

The statement of revenues, expenses and changes in net position presents the revenues earned and expenses incurred during the year. Activities are reported as either operating or nonoperating. A public University's dependency on state aid and gifts could result in operating deficits because the financial reporting model classifies state appropriations and gifts as nonoperating revenues. The utilization of capital assets is reflected in the financial statements as depreciation and amortization, which amortizes the cost of an asset over its expected useful life.

The table below presents condensed balances for the statement of revenues, expenses and changes in net position at June 30, 2024, 2023 and 2022:

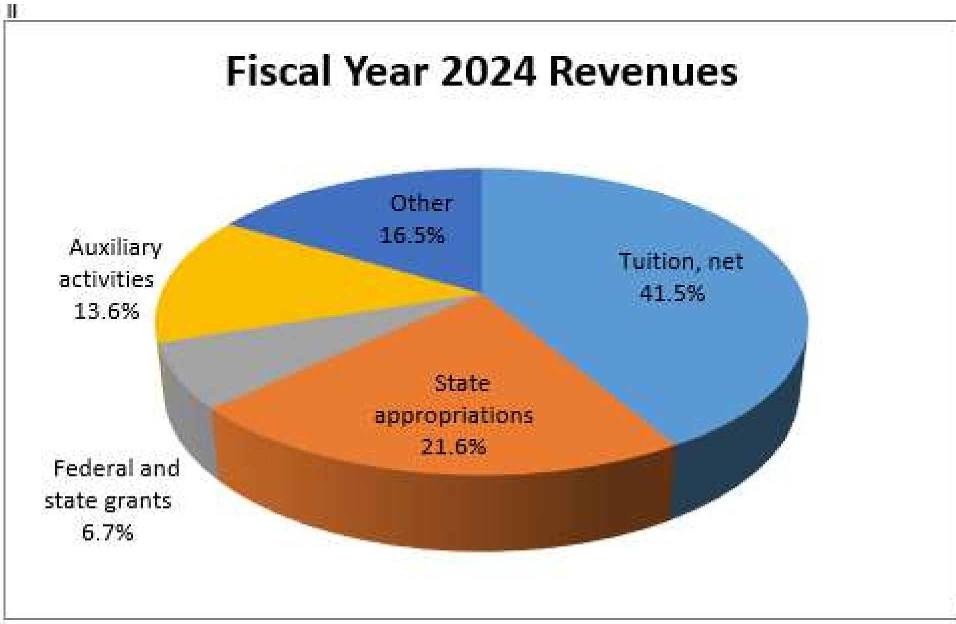
		(Dollars in Thousands)	
	2024	2023	2022
Operating revenues:			
Tuition, net	$ 301,835	$ 289,630	$ 280,665
Federal and state grants and contracts	49,012	37,485	38,103
Auxiliary activities	98,948	97,744	89,961
Other operating revenue	13,503	12,977	11,255
Total operating revenues	463,298	437,836	419,984
Non-operating revenues:			
State appropriations	157,016	158,774	159,707
Federal Pell grant revenue	44,225	38,882	39,153
Federal pandemic relief revenue	433	4,084	67,905
Other non-operating revenue	61,916	64,820	(3,648)
Total non-operating revenues	263,590	266,560	263,117
Total revenues	$ 726,888	$ 704,396	$ 683,101
Operating expenses:			
Instruction	$ 256,495	$ 252,957	$ 236,465
Institutional support	62,276	62,272	72,294
Scholarships and fellowships	44,627	44,918	64,346
Auxiliary activities	92,355	94,719	82,890
Pension	(7,116)	3,818	(62,624)
OPEB	(2,184)	(17,295)	(29,475)
Other operating expense	268,743	250,513	232,202
Total operating expense	715,196	691,902	596,098
Non-operating expense	13,914	5,853	16,064
Total expenses	$ 729,110	$ 697,755	$ 612,162

Included in the other operating revenue category on the above table is local and private grant revenue and sales and services of educational activities. Included in the other non-operating revenue category are gifts, investment gains (losses), capital appropriations and other non-operating revenue.

Statement of Revenues, Expenses and Changes in Net Position (Continued)

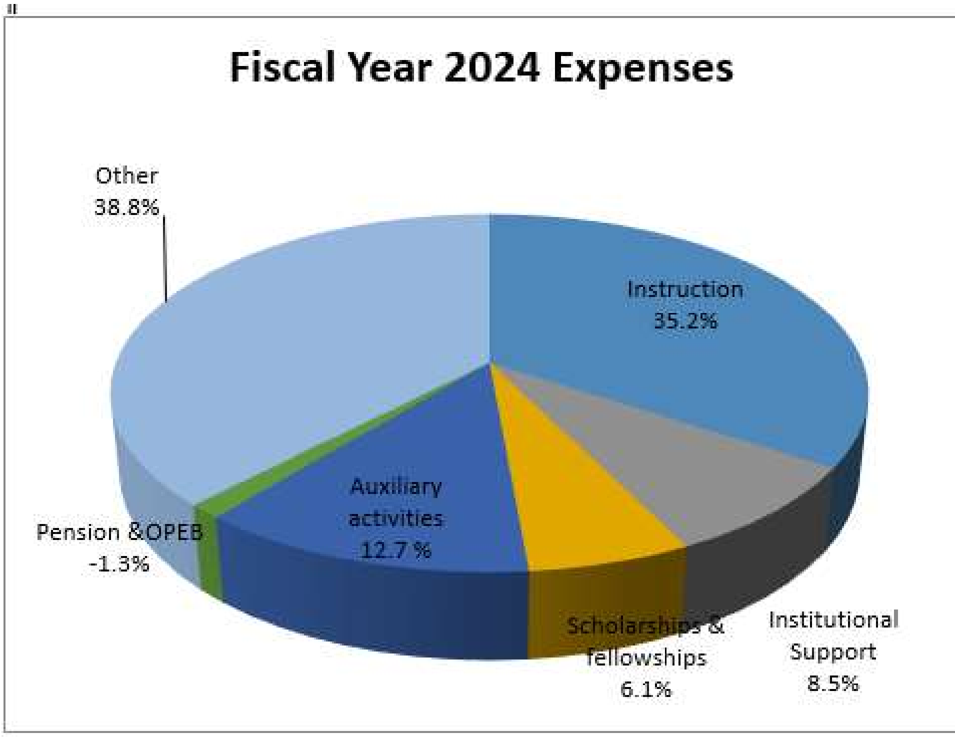
Included in the other operating expense category on the above table is research, public service, academic support, student services, operation and maintenance of plant and depreciation expense. Pension and OPEB expense/(benefit) are reported as separate line items. The non-operating expense is the interest on capital asset related debt.

The following chart shows the breakdown of total revenues. Tuition is the largest source of revenue at 41.5 percent followed by State appropriations at 21.6 percent.



Statement of Revenues, Expenses and Changes in Net Position (Continued)

The following chart shows the breakdown of total expenses. The two largest expense categories identified in the chart below are instruction at 35.2 percent and other at 38.8 percent. Instruction is the largest functional expense category. The other category includes both operating and non-operating expenses as indicated above.



During the year ended June 30, 2024
The most significant sources of revenues for the University are tuition and fees and state appropriations. Operating revenues, which include tuition and fees and auxiliary services, increased by $25.5 million, or 5.8 percent. Most of this increase is to an increase in gross tuition due to increases in the 2024 freshman cohort, graduate tuition and the non-resident surcharge. The scholarship allowance also increased in fiscal year 2024 due to an increase in overall scholarship expense due partially to higher Pell Grant and Ohio College Opportunity Grant (OCOG) awards. Federal and state contract revenue also increased in fiscal year 2024 by a combined total of $11.5 million. There was $4.7 million in spending on a construction project funded by the FAA in fiscal year 2024 and an overall increase of $5.0 million in the OCOG awarded to the university. The state of Ohio provided overall funding increases for this program in fiscal year 2024.

The most significant non-operating revenue is State appropriations. State appropriations totaled $157.0 million in fiscal year 2024. Capital appropriations totaled $10.5 million in fiscal year 2024, a decrease of $13.5 million. Revenue is drawn and recognized as spending occurs at the state for projects funded with state capital. Fluctuations are a result of active project spending on approved projects each year. Federal Pell grant revenue increased due to an increase in the number of Pell-eligible students in fiscal year 2024. In addition, the federal government increased the maximum benefit by $500. Finally, investment income increased $7.1 million, due to stable market conditions in fiscal year 2024.

Statement of Revenues, Expenses and Changes in Net Position (Continued)

Operating expenses, including depreciation of $61.1 million, totaled $715.2 million, an increase of $25.3 million over fiscal year 2023. Without the effects of GASB 68 and 75, operating expenses increased $19.1 million from $705.4 million in fiscal year 2023 to $724.5 million in fiscal year 2024. The primary increases were in salaries, utilities, and depreciation expense. The university provided wage increases of 3% for the majority of its employees and student labor increased due to additional hiring, especially in the auxiliary units. The university is still experiencing increased utility costs due to inflationary prices. Depreciation expense includes the amortization of expense associated with GASB 87 Leases and GASB 96 SBITAS. The majority of the increase in depreciation is due to an increase in amortization for SBITAS in FY24. In FY24, the university added $5.3 million in SBITA contracts. The useful lives of these contracts are short in duration (3-5 years).

Interest expense on capital related debt increased $8.1 million, primarily to adjusting the imputed borrowing and deferred cost of refunding associated with the interest rate swap on the 2023 Series general receipts bond. This debt was refunded in fiscal year 2023. See Note 7 for further information regarding the University's debt.

During the year ended June 30, 2023
The most significant sources of revenues for the University are tuition and fees and state appropriations. Operating revenues, which include tuition and fees and auxiliary services, increased by $17.9 million, or 4.25 percent. Most of this increase is due to the reduction of scholarship allowance and an increase in auxiliary revenue due to bringing operations back to prepandemic levels in fiscal year 2023.

The most significant non-operating revenue is State appropriations. State appropriations totaled $158.8 million in fiscal year 2023. Capital appropriations totaled $24.0 million in fiscal year 2023, a significant increase over fiscal year 2022 due to many state funded projects resumed and completed. The University recognized the final institutional and student pandemic relief funding totaling $4.1 million in fiscal year 2023, a decrease of $63.8 million. Finally, investment income increased $36.5 million, due to improved market conditions in fiscal year 2023. Fiscal year 2022 resulted in an investment loss.

Operating expenses, including depreciation of $57.7 million, totaled $691.9 million, an increase of $95.8 million over fiscal year 2022. Without the effects of GASB 68 and 75, operating expenses increased $17.2 million from $688.2 million in fiscal year 2022, to $705.4 million in fiscal year 2023. Institutional support and scholarships decreased primarily due to the end of expenses related to the pandemic relief funding. Instruction increased primarily due to the recognition of expense associated with a faculty separation plan offered in fiscal year 2023.

Interest expense on capital related debt decreased $10.2 million, primarily to adjusting the imputed borrowing and deferred cost of refunding associated with the interest rate swap on the 2023 Series general receipts bond. This debt was refunded in fiscal year 2023. See Note 7 for further information regarding the University's debt.

Capital Asset and Debt Administration

Capital Assets

At the end of fiscal year 2024, the University had invested $956.6 million in a broad range of capital assets, including land, equipment, buildings, building improvements, leased assets and software (SBITAs). More detailed information about the University's capital assets is presented in Note 6 to the financial statements.

Net of depreciation and amortization (Dollars in Millions)	2024	2023	2022
Land	$ 33.0	$ 33.0	$ 33.1
Equipment	30.5	27.9	26.2
Buildings and improvements	782.4	773.5	778.8
Construction in progress	99.2	51.7	19.2
Leased assets	3.9	4.1	4.7
Software (SBITAs)	7.6	6.5	4.0
Total	$ 956.6	$ 896.7	$ 866.0

Debt

At year-end, the University had $378.1 million in bonds, notes, financed purchased liabilities, leases and SBITAS outstanding, a decrease of $18.6 million over last year, primarily due to continued payment of principal. In addition, the University has $4.0 million in lease liabilities associated with GASB Statement No. 87 and $6.6 million in SBITA liabilities associated with GASB Statement No. 96. More detailed information about the University's debt is presented in Notes 7 to 9 to the financial statements.

(Dollars in Millions)	2024	2023	2022
General receipts bonds, backed by the University	$ 338.1	$ 351.8	$ 357.2
Tax revenue energy bonds	9.0	12.9	16.7
Financed purchased liabilities	20.4	22.3	34.7
Leases	4.0	4.2	4.7
SBITAS	6.6	5.5	4.0
	$ 378.1	$ 396.7	$ 417.3

Factors Affecting Future Periods

On July 5, 2023, Governor DeWine signed into law the state's biennium budget for Fiscal Years 2024-25 which included the following provisions for higher education: an imposed 3% tuition cap for the Tuition Guarantee Program for incoming freshman cohort for Fall 2023 and Fall 2024 (the prior tuition guarantee legislation would have allowed a 4.6% tuition increase); a 1% increase in the State Share of Instruction (SSI) in each of the two fiscal years; and a modest increase in funding for the Ohio College Opportunity Grant (OCOG). This represented minimal funding increases for higher education during a period of historic inflation and a strong economic year for the State of Ohio due to accelerated post pandemic economic recovery, plus realized tax revenues significantly ahead of conservative projections.
In May 2024, the Board of Trustees approved a balanced fiscal year 2025 budget of $703.6 million in revenues and $703.6 million in expenses, which is $16.1 million higher than the Fiscal Year 2024 approved budget.

Tuition and fee revenue is budgeted at $406.4 million, $16.9 million higher than last fiscal year, and is based on a conservatively projected 0.3% increase in enrollment at the Kent Campus (+80 FTE) and a 0% decrease across the Regional Campuses. This represents the first time in 10 years that the year-over-year system-wide enrollment has not been projected to decline from the prior year. Fall 2024 tuition and fee rate increases authorized by the Board at the at the May 2024 meeting, are as follows: 3.0% for new freshman Tuition Guarantee students (which is then frozen for four years) and 4.0% for graduate student tuition and the non-resident surcharge. These tuition increases, as well as the incremental revenue they provide, are modest in comparison to the ongoing high inflationary pressures impacting our operating expenses.

The focus on strategic enrollment management continues to mitigate the ongoing demographic and regional shifts that are negatively affecting enrollment trends. The retention rate (the percentage of freshmen who return for the sophomore year) declined noticeably during the pandemic, but has improved beginning Fall 2023, as work continues with students to provide them with the support services they need to persist and matriculate in this period of post-pandemic recovery. The retention rate improved at the Kent Campus from 79.7% in Fall 2023 to 82.0% in Fall 2024 and declined at the Regional Campuses from 56.6% to 53.3%. The University welcomed 4,252 new freshmen in Fall 2024, which represents the 8th largest incoming freshman class in the University's history (the largest was 4,363 in fall 2018). The fall 2024 entering class also boasts some additional distinction: 21% from traditionally under-represented groups, an average high school GPA of 3.57, and average ACT score of 22.

The funding received from the State of Ohio State Share of Instruction (SSI), is budgeted at $158.2 million, approximately the same amount received last year, even though the total SSI appropriation available to universities increased by 1% from the previous year. In June 2024 we learned that our SSI allocation for Fiscal Year 2025 declined for a third straight year, this time by $1.9 million due to the ongoing shift of funding.

Factors Affecting Future Periods (Continued)

For the fourth year in a row, auxiliary revenues continue to grow, budgeted at $2.0 million (1.9%) higher than last year's budget due to near-full occupancy expected in the residence halls, growing dining plan participation, and enhanced intercollegiate athletic revenues from multimedia rights revenues and sponsorships. For Fall 2024, 5,898 students were welcomed into our residence halls, nearly 256 more than last year, with dining plan sales increasing by 287 this year compared to last due to more sales to commuter students and faculty/staff. Although Intercollegiate Athletics revenue is expected to grow slightly from ticket sales, sponsorships, and football guarantee games. However, revenue from our athletics conference is expected to decline by $400,000 per year due to the expected settlement of the House vs. NCAA class action lawsuit.

Budgeting expenses to projected revenues has become increasingly difficult over the past several years given minimal incremental revenue projected for tuition increases, minor year-over-year increases in overall enrollment and declining SSI coupled with inflationary pressures that continue to impact operating expenses.

Even with the inflationary pressures, a 2% wage increase was prioritized for non-represented staff in recognition of their hard work and dedicated service. For those in bargaining units, wage increases were budgeted based on the amounts negotiated.

The budgeted expense for employee benefits (retirement, medical, leave time, workers compensation, and the like) is $124.4 million, $6.3 million, or 5.3%, higher than the fiscal year 2024 budget. Healthcare costs drive the university's expenses and although there are no expected medical plan design changes for benefits year 2025, our duty from a fiscal stewardship perspective will be to emphasize quality and affordable healthcare benefits while, at the same time, developing strategies for combatting inflationary factors that could render this vital benefit financially unsustainable.

Student aid, which is comprised of both merit-based scholarships and need-based aid, is budgeted at $93.2 million, an increase of $4.0 million to fund the discount associated with offering the College Credit Plus program to more than 3,100 high school students per semester. Access and affordability are in our DNA, evidenced by our fully funding the Flashes Go Further Scholarship Program at a base budget of $14.0 million, with 28% of our incoming freshmen benefit, meaning that these students will not have any student-debt from tuition and fees upon graduation. Additional external funding sources have helped the university manage funding and prioritize need-based aid: the increased award amount and eligibility requirements for the Ohio College Opportunity Grant and the ongoing increases in the Federal Pell Grant award.

The effects of inflation on non-personnel expenses continue to weigh heavily on the budget forecasts and are the primary driver requiring budgets cuts annually to meet revenue projections. In addition to the extraordinary increase in the cost of pharmacy and medical claims expense discussed previously, other expense categories continue to experience stubborn inflation. Electricity rates the university procures through a reverse auction bidding process, which guarantees we secure the best possible cost, increased 76% from 3.4 cents to 6.0 cents per kilowatt/hour. The continuing saga of extraordinary increases in insurance costs (property, casualty, liability, travel, cybersecurity) appears to have no end in sight – an additional $500,000 budgeted this year to pay for these critical coverages, a 16% increase. The cost of property and casualty insurance for the university has now grown 456% over the past seven years – from $900,000 per year in Fiscal Year 2018 to $4.1 million in Fiscal Year 2025. Understanding that these increases in insurance costs are not sustainable (as coverage levels decrease and deductibles increase), avenues for innovative strategies to contain and reduce non-personnel expenses moving forward are continuing to be explored.

Fiscal Year 2026: Looking Ahead

Uncertainty continues regarding possible reduced state funding (operating and capital), further tuition restrictions, enrollment demographic challenges, prolonged inflation, and volatile investment markets, all of which will have a bearing on the University's financial viability going forward.

The State of Ohio will commence its next operating budget development process in February 2025, for the Fiscal Years 2026-27. It is highly unlikely that there will be dramatic increases in SSI to support operations, and it is not expected that there will be increased flexibility on tuition and fees. In June 2024, the General Assembly approved a state capital appropriations bill with $29.1 million in funding for Kent State University dedicated to priority projects on the Kent Campus (White Hall HVAC and Classrooms, Library Elevators, Campus Elevators, Critical Deferred Maintenance and IT Network Access in Academic Buildings) as well as our Regional Campuses including Trumbull Library Roof, Stark Central Chiller, Geauga Main Classroom Egress, East Liverpool Purinton Hall Classrooms, Salem Main Classroom HVAC, Ashtabula Main Hall Entrance, and Tuscarawas Founders Hall HVAC and Emergency Generator.

Looking forward to the next several fiscal years, enrollment challenges will continue. Fall 2024 enrollment is the same as it was in Fall 2009. Over these same years, the university has reduced the number of faculty and staff by 6.6%, but instructional and administrative space has increased by nearly 25% (800,000 square feet). As a result, a space consolidation plan is underway with recommendation expected in Spring 2025 with a focus on reducing the campus physical footprint. The average cost to operate and maintain space is approximately $7 per square foot, so by taking space offline, the university reduces its budget. For example, by closing down the now vacant College of Business Administration Building (100,000 square feet in size), the university wills save $700,000 in annual operating costs.

Beyond space, there are several other opportunities to reduce and realign expenses.

- Benchmarking employee benefits (medical, pharmacy, leave time and tuition waiver) to university peers in the State of Ohio as well as comparably sized Northeast Ohio employers
- Implementing Transformation 2028 – This initiative will reduce the overall cost structure of the academic enterprise.
- Administrative efficiency, in the form of expanded shared services, centralizing or outsourcing of administrative business functions will be investigated.
- As the environment changes dynamically and constantly in the NCAA as a result of the House settlement, conference realignment, NIL (name, image and likeness) and the employment status of student athletes, there is an opportunity to rethink the intercollegiate athletics model.
- The regional campus system reorganization will continue to create efficiencies.

In summary, the University must continue to take stock in the current situation and what lies ahead, and emphasize scenario-planning and the five-year financial forecasting model which will allow the development of strategies for revenue growth, revamping the operating cost structure, and understanding the physical spaces and virtual environments that are maintained in order to meet the University mission. The University must be strategically focused, data-informed and results-oriented. In this manner, the University's commitment to teaching, learning and research will continue to be achieved in a fiscally responsible manner.

Kent State University
(A Component Unit of the State of Ohio)

Statements of Net Position
June 30, 2024 and 2023
(Dollars in Thousands)

	University		University Foundation	
	2024	2023	2024	2023
Assets				
Current assets:				
Cash and cash equivalents	$ 46,329	$ 33,243	$ 16,011	$ 12,924
Short-term investments	199,535	274,740	212,551	197,494
Accounts and pledges receivable, net	34,310	30,625	6,637	8,015
Leases receivable	757	565	-	-
Inventories	1,152	1,088	-	-
Deposits and prepaid expenses	7,873	7,146	319	164
Accrued interest receivable	587	709	-	-
Total current assets	290,543	348,116	235,518	218,597
Noncurrent assets:				
Restricted cash	5,014	4,486	-	-
Restricted investment	-	8,151	-	-
Student loans receivable, net	9,591	13,379	-	-
Leases receivable	11,155	11,699	-	-
Long-term investments	112,482	129,014	51,792	47,404
Long-term pledges receivable, net	-	-	24,745	28,425
Net pension asset	1,755	1,440	-	-
Net OPEB asset	23,520	24,441	-	-
Capital assets, net	956,526	896,705	16,378	16,569
Derivative instrument—swap asset	1,128	785	-	-
Other assets	-	-	5,209	4,807
Total noncurrent assets	1,121,171	1,090,100	98,124	97,205
Total assets	1,411,714	1,438,216	333,642	315,802
Deferred outflows of resources				
Deferred losses from refundings	12,505	13,678	-	-
Deferred cost of refunding derivative instrument	2,376	2,673	-	-
Pensions	93,764	132,136	-	-
OPEB	8,313	14,677	-	-
Total deferred outflows of resources	116,958	163,164	-	-
Total assets and deferred outflows of resources	$ 1,528,672	$ 1,601,380	$ 333,642	$ 315,802
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	$ 46,892	$ 32,517	$ 421	$ 348
Accrued payroll	13,948	13,238	-	-
Payroll taxes and accrued fringe benefits	24,513	23,681	-	-
Accrued compensated absences	2,025	2,078	-	-
Unearned revenue and deposits	21,009	31,163	-	-
Current portion of lease liability	1,230	1,058	375	375
Current portion of SBITA liability	3,421	2,565	-	-
Current portion of long-term debt	15,643	16,452	-	-
Total current liabilities	128,681	122,752	796	723
Noncurrent liabilities:				
Accrued compensated absences	23,566	22,879	-	-
Accrued liabilities	9,102	12,640	2,424	2,618
Net pension liability	376,908	415,098	-	-
Net OPEB liability	-	-	-	-
Net OPEB liability	-	4,324	-	-
Unearned revenue and deposits	875	857	13,854	12,881
Lease liability	2,773	3,145	7,477	7,652
SBITA liability	3,172	2,967	-	-
Debt, net	351,807	370,463	-	-
Total noncurrent liabilities	768,203	832,373	23,755	23,151
Total liabilities	896,884	955,125	24,551	23,874
Deferred inflows of resources				
Accumulated change in derivative instrument—swap asset	1,128	785	-	-
Leases	11,622	12,084	-	-
Pensions	33,609	40,591	-	-
OPEB	17,885	23,029	-	-
Total deferred inflows of resources	64,244	76,489	-	-
Net Position				
Net investment in capital assets	555,719	495,528	8,526	8,542
Restricted				
Nonexpendable—permanent endowments	5,884	5,884	123,112	121,223
Expendable—loans, gifts and grant programs	8,908	9,245	158,717	148,130
Unrestricted	(2,967)	59,109	18,736	14,033
Total net position	567,544	569,766	309,091	291,928
Total liabilities, deferred inflows and net position	$ 1,528,672	$ 1,601,380	$ 333,642	$ 315,802

See notes to financial statements.

Kent State University
(A Component Unit of the State of Ohio)

Statements of Revenues, Expenses and Changes in Net Position
Years Ended June 30, 2024 and 2023
(Dollars in Thousands)

	University		University Foundation	
	2024	2023	2024	2023
Operating revenues:				
Student tuition and fees	$ 414,318	$ 393,296	$ -	$ -
Less scholarship allowances	(112,483)	(103,666)	-	-
Net student tuition and fees	301,835	289,630	-	-
Federal grants and contracts	30,865	25,602	-	-
State grants and contracts	18,147	11,883	-	-
Local grants and contracts	76	148	-	-
Nongovernmental grants and contracts	5,640	4,659	-	-
Sales and services of educational activities	7,787	8,170	-	-
Auxiliary activities, net of allowances for student scholarships of $6,980 and $6,377 for the year ended June 30, 2024 and 2023, respectively	98,948	97,744	-	-
Total operating revenues	463,298	437,836	-	-
Operating expenses:				
Instruction	256,495	252,957	-	-
Research	24,640	24,153	-	-
Public service	10,047	10,811	-	-
Academic support	64,984	62,995	-	-
Student services	48,702	44,923	-	-
Institutional support	62,276	62,272	25,406	23,477
Scholarships and fellowships	44,627	44,918	6,712	5,571
Operation and maintenance of plant	59,190	49,901	-	-
Auxiliary activities	92,355	94,719	-	-
Pension	(7,116)	3,818	-	-
OPEB	(2,184)	(17,295)	-	-
Depreciation and amortization	61,180	57,730	397	451
Total operating expenses	715,196	691,902	32,515	29,499
Net operating loss	(251,898)	(254,066)	(32,515)	(29,499)
Nonoperating revenues (expenses):				
State appropriations	157,016	158,774	-	-
Federal Pell Grant revenue	44,225	38,882	-	-
Federal pandemic relief revenue	433	4,084	-	-
Gifts	18,377	17,483	17,794	18,881
Investment gains, net	28,254	21,141	26,505	22,633
Interest on debt	(13,914)	(5,853)	-	-
Other nonoperating revenues	4,757	2,172	5,379	4,456
Net nonoperating revenues	239,148	236,683	49,678	45,970
(Loss) income before other revenues, expenses, gains or losses	(12,750)	(17,383)	17,163	16,471
Other revenues, expenses, gains or losses				
Capital appropriations	10,528	24,024	-	-
Total other revenues, expenses, gains or losses	10,528	24,024	-	-
Change in net position	(2,222)	6,641	17,163	16,471
Total net position at beginning of year	569,766	563,125	291,928	275,457
Total net position at end of year	$ 567,544	$ 569,766	$ 309,091	$ 291,928

See notes to financial statements.

Kent State University
(A Component Unit of the State of Ohio)

Statements of Cash Flows
Years Ended June 30, 2024 and 2023
(Dollars in Thousands)

	2024	2023
Cash flows from operating activities:		
Student tuition and fees	$ 111,324	$ 116,715
Auxiliary activities	98,948	97,744
Other sources	6,144	6,502
Grants and contracts	53,169	42,950
Payments for employee compensation and benefits	(322,225)	(324,386)
Payments to vendors for services and materials	(145,612)	(147,580)
Net cash used in operating activities	(198,252)	(208,055)
Cash flows from noncapital financing activities:		
State appropriations for instruction funds	157,016	158,774
Gifts	18,377	17,526
Cash received from Federal Pell grants	44,225	38,882
Cash received from federal pandemic relief grants	433	4,084
Student loans granted, net of repayments	672	(476)
Net cash provided by noncapital financing activities	220,723	218,790
Cash flows from capital and related financing activities:		
Principal payments on outstanding debt	(21,759)	(21,674)
Interest paid	(16,069)	(16,000)
Payments to construct, renovate or purchase capital assets	(103,955)	(59,536)
Other capital and related receipts	6,577	4,672
Net cash used in capital and related financing activities	(135,206)	(92,538)
Cash flows from investing activities:		
Proceeds from sale and maturities of investments	126,386	73,226
Purchases of investments	(11,360)	(23,351)
Interest received	11,323	20,004
Net cash provided by investing activities	126,349	69,879
Net change in cash and cash equivalents	13,614	(11,924)
Cash and cash equivalents, including restricted cash:		
Beginning	37,729	49,653
Ending	$ 51,343	$ 37,729

(Continued)

Kent State University
(A Component Unit of the State of Ohio)

Statements of Cash Flows (Continued)
Years Ended June 30, 2024 and 2023
(Dollars in Thousands)

	2024	2023
Reconciliation of net operating loss to net cash flows used in operating activities:		
Net operating loss	$ (251,898)	$ (254,066)
Adjustments to reconcile net operating loss to net cash used in operating activities:		
Depreciation and amortization expense	61,180	57,730
Adjustments to reconcile change in net position to net cash used in operating activities:		
Accounts and pledges receivable, net	(3,685)	(3,089)
Inventories	(64)	(132)
Deposits and prepaid expenses	(727)	(1,036)
Net pension asset	(315)	1,069
Net OPEB asset	921	16,882
Deferred outflows of pension resources	38,372	(56,760)
Deferred outflows of OPEB resources	6,364	(12,624)
Accounts payable and accrued liabilities	14,200	5,502
Net pension liability	(38,190)	231,987
Net OPEB liability	(4,324)	4,324
Accrued payroll	710	(1,451)
Payroll taxes and accrued fringe benefits	832	2,195
Unearned revenue and deposits	(10,136)	(838)
Accrued compensated absences	634	607
Deferred inflows of pension resources	(6,982)	(172,476)
Deferred inflows of OPEB resources	(5,144)	(25,879)
Net cash used in operating activities	$ (198,252)	$ (208,055)

Noncash capital and financing activities:
During the years ended June 30, 2024 and 2023, the University received noncash capital appropriations from the State of Ohio in the amount of $10,528 and $24,024, respectively

During the years ended June 30, 2024 and 2023, the University obtained $960 and $567 of ROU assets in exchange for new lease obligations, respectively.

During the years ended June 30, 2024 and 2023, the University obtained $5,491 and $4,392 of SBITA assets in exchange for new SBITA obligations, respectively.

Noncash investing, capital and financing activities:
The University held investments at June 30, 2024 and 2023, with a fair value of $312,017 and $411,905 and during 2024 and 2023, respectively, the net change in the fair value of these investments was a gain of $15,397 and a loss of $897, respectively

See notes to financial statements.

Note 1. Reporting Entity and Basis of Presentation

Reporting entity: Kent State University (the University) is an institution of higher education and is considered to be a component unit of the State of Ohio (the State) because its Board of Trustees is appointed by the governor of the State. The University is classified as a state instrumentality under Internal Revenue Code Section 115 and is, therefore, exempt from federal income taxes. Certain activities of the University may be subject to taxation as unrelated business income under Internal Revenue Code Sections 511 to 514.

In accordance with Governmental Accounting Standards Board (GASB) Codification Section 2100: *Defining the Financial Reporting Entity,* the University's financial statements are included, as a discretely presented component unit, in the State's Annual Comprehensive Financial Report.

Furthermore, in accordance with GASB Codification Section 2600: *Reporting Entity and Component Unit Presentation and Disclosure,* the Kent State University Foundation (the Foundation) is included as a discretely presented component unit in a separate column in these financial statements to emphasize that it is legally separate from the University. The Foundation, which is a separate not-for-profit organization, meets the criteria set forth in the Codification Section 2600 due to its significant operational and financial relationship with the University. Note 14 provides additional information on the Foundation. Certain disclosures concerning the Foundation are not included because it has been audited separately and reports have been issued under separate cover. Financial statements for the Foundation may be obtained by writing to Kent State University Foundation, Kent, Ohio 44242.

Additionally, the financial statements of the University include the operations of its blended component units, KSU Foot and Ankle Clinic dba The Cleveland Foot and Ankle Clinic (the Clinic) and the KSU Research Corporation. The Clinic was included in the July 1, 2012 merger of the University with the Ohio College of Podiatric Medicine. The Clinic is a separate 501(c)(3) organization whose main purpose is to provide clinical experience for students of the KSU College of Podiatric Medicine. The Clinic almost exclusively benefits the University, even though services are provided to the public, and the University is the sole member of the Clinic. Therefore, according to the provisions of GASB Statement No. 61, the Clinic is considered a blended component unit of the University. The KSU Research Corporation is a separate not-for-profit entity that supports scholarly research activity for the benefit of the University. Under the provisions of GASB 61, the KSU Research Corporation has been determined to be a blended component unit of the University. See Note 14 for further discussion and presentation of condensed financial information for both blended component units.

Basis of presentation: The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, as prescribed by GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities.* GASB Statement No. 35 establishes standards for external financial reporting for public colleges and universities, and requires that resources be classified for accounting and reporting purposes into the following net position categories:

Net investment in capital assets: Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets. Capital related debt is offset by unspent bond proceeds, if any.

Restricted, nonexpendable: Net position subject to externally imposed stipulations that the University maintain such assets permanently.

Note 1. Reporting Entity and Basis of Presentation (Continued)

Restricted, expendable: Net position 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: Net position that is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by actions of the Board of Trustees. Substantially all unrestricted net position is designated for academic and research programs, capital projects and other initiatives. Generally, it is the University's policy to consider restricted resources to have been spent first when an expenditure is incurred for which both restricted and unrestricted resources are available.

The financial statements of the University have been prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recorded when the related liability has been incurred. For financial reporting purposes, the University is considered a special-purpose government engaged only in business-type activities as defined by GASB Statement Nos. 34 and 35.

Note 2. Summary of Significant Accounting Policies

Cash and cash equivalents: The University considers cash, time deposits and all other highly liquid investments with an original maturity of three months or less to be cash equivalents. Restricted cash is cash in loan fund bank accounts, unspent bond proceeds held in trust related to various campus enhancements and energy conservation projects, as well as minor petty cash funds for various research projects.

Investments: Investments that are market traded are recorded at fair market value. The value of holdings of non-publicly traded funds is based on the funds' net asset value, which is considered fair value, as supplied by the funds' investment manager. Investment income is recorded on the accrual basis and purchases and sales of investments are recorded on a trade-date basis.

Accounts receivable, net: Accounts receivable are for transactions relating to tuition and fees, auxiliary enterprise sales, grants and contracts, and miscellaneous sales and services. The allowance for doubtful accounts is determined based on management's judgment of potential uncollectible amounts, based on historical experience and type of receivable.

Inventories: Inventories are stated at the lower of first-in, first-out cost or market.

Capital assets: Capital assets are stated at cost at the time of purchase or acquisition value at date of gift. Depreciation of plant physical properties is provided on a straight-line basis over the estimated useful lives (three to 40 years) of the respective assets. Expenditures for maintenance and repairs are charged to expense as incurred, whereas expenditures for improvements and replacements in excess of $5 for equipment, library books and publications, and $100 for infrastructure and buildings are capitalized.

Leases: The University is a lessee for leases of infrastructure, buildings and equipment. The University recognizes a lease liability and an intangible right-to-use lease asset in the financial statements for leases. At the commencement of a lease, the University measures the lease liability at the interest rate charged on the lease, if available, or otherwise discounted using the University's incremental borrowing rate. The lease assets are amortized over the shorter of the lease term or the underlying asset useful life.

Note 2. Summary of Significant Accounting Policies (Continued)

The University is a lessor for noncancellable leases of equipment and office and housing space, and as a result, the University recognizes a lease receivable and deferred inflow of resources in the financial statements for these lease agreements. At the commencement of the lease, the University measures the lease receivable at the interest rate charged on the lease, if available, or otherwise discounted using the University's incremental borrowing rate.

Subscription-Based Information Technology Arrangements (SBITAs): The University recognizes an intangible subscription asset and corresponding subscription liability for its SBITAs. The subscription asset is measured as the subscription liability plus direct costs incurred in implementing the subscription asset. The subscription asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying subscription asset. At the subscription commencement, the subscription liability is measured at the present value of payments expected to be made during the subscription term and utilizes the interest rate charged in the SBITA, if available, or otherwise discounted using the University's incremental borrowing rate to calculate the present value of the payments.

Unearned revenue: Unearned revenue includes tuition and fees relating to summer sessions that are conducted in July and August. Unearned revenue also includes amounts received in advance from grant and contract sponsors that have not been earned under the terms of the agreements. The amounts, which are unearned, are recognized as revenue when earned or when eligibility requirements have been met.

Accrued compensated absences: Per University policy, faculty and staff earn vacation up to a maximum of 25 days per year, with a maximum accrual of 75 days. Upon termination, they are entitled to a payout of their accumulated balance. The maximum accrual is equal to the amount earned in three years, which is subject to payout upon termination. The liability for accrued vacation at June 30, 2024 and 2023, was $21,868 and $21,095, respectively.

All University employees are entitled to a sick leave credit equal to 15 days per year (earned on a pro-rata monthly basis for salaried employees and on a pro-rata hourly basis for classified hourly employees). Employees with 10 or more years of service are eligible to receive a payout upon retirement of up to 25% of unused days (maximum of 30 days). The liability for accrued sick leave at June 30, 2024 and 2023, was $3,723 and $3,862, respectively.

Pensions: For purposes of measuring the net pension asset/liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Ohio Public Employees Retirement System (OPERS) and State Teachers Retirement System of Ohio Pension Plan (STRS) and additions to/deductions from OPERS'/STRS' fiduciary net position have been determined on the same basis as they are reported by OPERS/STRS. OPERS/STRS uses the economic resources measurement focus and the full accrual basis of accounting. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments (including refunds of employee contributions) are recognized as expense when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 2. Summary of Significant Accounting Policies (Continued)

Other postemployment benefit costs (OPEB): For purposes of measuring the net OPEB asset/liability, deferred outflows of resources and deferred inflows of resources related to healthcare costs, and OPEB expense information about the fiduciary net position of the OPERS/STRS plans and additions to/deductions from OPERS'/STRS' fiduciary net position have been determined on the same basis as they are reported by OPERS/STRS. OPERS/STRS uses the economic resources measurement focus and the full accrual basis of accounting. For this purpose, OPERS/STRS recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Bond premiums, discounts and issuance costs: Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are recognized as an expense in the period incurred.

Deferred outflows of resources: In addition to assets, the statements of net position report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that is applied to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then. The University reports deferred outflow of resources for certain pension-related and OPEB-related amounts, such as change in expected and actual experience, changes in assumptions, differences between projected and actual earnings and certain contributions made to the plan subsequent to the measurement date. More detailed information can be found in Note 11. The University also reports deferred losses on bond refundings and the deferred costs of a refunding derivative instrument related to the interest rate swap as deferred outflows of resources.

Deferred inflows of resources: In addition to liabilities, the statements of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The University reports deferred inflows of resources for certain pension-related and OPEB-related amounts, such as the difference in projected and actual earnings of the plan's investments. More detailed information can be found in Note 11. The University also reports accumulated changes in hedging derivatives related to the interest rate swap and the value of the lease receivable plus any payments received at or before the commencement of the lease that relate to future periods as deferred inflows of resources.

Operating and nonoperating revenues and expenses: The University defines operating activities for purposes of reporting on the statements of revenues, expenses and changes in net position as those activities that generally result from exchange transactions such as payments received for providing goods or services and payments made for services or goods received. Substantially all of the University's expenses are from exchange transactions. Certain significant revenue streams relied upon for operations are recorded as nonoperating revenues as required by GASB pronouncements, including State appropriations, Federal Pell grant revenue, federal pandemic relief funding, investment income and State capital grants.

Revenue recognition: The University recognizes tuition, fees and other student charges as goods and services are provided to customers and constituencies of the institution. State appropriations are recognized when received or made available. Restricted funds are recognized as revenue when all eligibility requirements have been met for grants and contracts when earned. Unrestricted gifts are recognized when received.

Note 2. Summary of Significant Accounting Policies (Continued)

Allowance for student scholarships: Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the statements of revenues, expenses and changes in net position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the University, and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other Federal, state or nongovernmental programs are recorded as either operating or nonoperating revenues in the University's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the University has recorded a scholarship allowance.

Estimates: The preparation of the accompanying financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Subsequent events: The University has evaluated subsequent events occurring between the end of our most recent fiscal year and November 25, 2024, the date the financial statements were available to be issued. There were no noteworthy subsequent events.

Recent and pending accounting pronouncements: Effective July 1, 2022, the University adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for SBITAs for government end users (governments). This Statement: (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. As a result of the adoption of this statement on July 1, 2022, the University recognized SBITA assets and liabilities of approximately $4,000.

Effective July 1, 2023, the University adopted GASB issued Statement No. 100, *Accounting Changes and Error Corrections-An Amendment of GASB No. 62.* This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for: (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency and comparability. This Statement also addresses corrections of errors in previously issued financial statements. There was no significant impact on the University's financial statements as a result of the adoption of this standard.

In June 2022, GASB issued Statement No. 101, *Compensated Absences.* The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. The University does not anticipate the adoption of this standard will have a significant impact on the financial statements.

Note 2. Summary of Significant Accounting Policies (Continued)

In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures.* The objective of this Statement is to provide users of governmental financial statements with information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement defines a *concentration* as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A *constraint* is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024. The University does not anticipate the adoption of this standard will have a significant impact on the financial statements.

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. This Statement continues the requirement that the basic financial statements be preceded by management's discussion and analysis (MD&A), which is presented as required supplementary information (RSI). MD&A provides an objective and easily readable analysis of the government's financial activities based on currently known facts, decisions, or conditions and presents comparisons between the current year and the prior year. This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, this Statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed. This Statement describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence. Furthermore, governments are required to display the inflows and outflows related to each unusual or infrequent item separately as the last presented flow(s) of resources prior to the net change in resource flows in the government-wide, governmental fund, and proprietary fund statements of resource flows. Finally, This Statement requires governments to present budgetary comparison information using a single method of communication—RSI. Governments also are required to present (1) variances between original and final budget amounts and (2) variances between final budget and actual amounts. An explanation of significant variances is required to be presented in notes to RSI. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. The University has not yet determined the impact of this Statement on the financial statements.

In September 2024, GASB issued Statement No. 104, *Disclosures of Certain Capital Assets*. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital as-sets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. The University has not yet determined the impact of this Statement on the financial statements.

(Dollars in Thousands)

Note 3. Cash, Cash Equivalents and Investments

Cash and cash equivalents: Custodial credit risk on deposits with banks is the risk that, in the event of a bank failure, the University's deposits may not be available or returned. The University does not have a deposit policy for custodial credit risk. At June 30, 2024 and 2023, the bank amount of the University's deposits were $38,497 and $32,903, respectively. Of that amount, $37,967 and $32,470 was insured, respectively. The remaining $530 and $433, respectively, was uninsured and uncollateralized. The University does not require deposits to be insured or collateralized. The cash and cash equivalents reported in the statements of net position also includes cash and cash equivalents within certain investment accounts that will either be reinvested or utilized for spending.

Investments: The University investment policy sets forth the mission to provide sustainable investment returns to fund current and future financial objectives with commensurate risk and return objectives based on multiple investment timeframes.

The investment policy parallels state law, which requires an amount equal to at least 25 percent of the University's investment portfolio be invested in securities of the United States government or one of its agencies or instrumentalities, the treasurer of the State of Ohio's pooled investment program, obligations of the State of Ohio, or any political subdivision of the State of Ohio, certificates of deposit of any national bank located in the State of Ohio, written repurchase agreements with any eligible Ohio financial institution that is a member of the federal reserve system or federal home loan bank, money market funds or bankers' acceptances maturing in 270 days or less which are eligible for purchase by the federal reserve system.

The University has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio). STAR Ohio is an investment pool managed by the State Treasurer's Office that allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the U.S. Securities and Exchange Commission (SEC) as an investment company, but has adopted GASB Statement No. 79, *Accounting and Financial Reporting for Certain External Investment Pools and Pool Participants*, which establishes accounting and financial reporting standards for qualifying external investment pools that elect to measure for financial reporting purposes all of their investments at amortized cost. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price at which the investment could be sold on June 30, 2024. STAR Ohio has an AAAm rating from Standard & Poor's. There are no limitations or restrictions on any STAR Ohio participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given to STAR Ohio 24 hours in advance of all deposits and withdrawals exceeding $25,000. STAR Ohio reserves the right to limit the transaction to $50,000, requiring the excess amount to be transacted the following business day(s), but only to the $50,000 limit. All accounts of the STAR Ohio investors will be combined for these purposes.

The values of investments at June 30, 2024 and 2023, are as follows:

	2024		2023	
	Market	Cost	Market	Cost
Investments are measured at net asset value	$ 111,913	$ 72,649	$ 128,494	$ 85,626
Common stock	104	82	59	55
Exchange traded funds	451	443	460	461
Mutual funds:				
Fixed income	106,069	123,830	161,041	185,432
Equity	93,298	88,056	113,640	120,483
STAR Ohio	182	182	8,211	8,211
Total	$ 312,017	$ 285,242	$ 411,905	$ 400,268

(Dollars in Thousands)

Note 3. Cash, Cash Equivalents and Investments (Continued)

Net appreciation/depreciation in the fair value of investments includes both realized and unrealized gains and losses on investments. During the years ended June 30, 2024 and 2023, the University recognized a realized loss of $1,004 and a realized gain of $6,464, respectively. The calculation of realized gains and losses is independent of the net appreciation/depreciation in the fair value of investments held at year-end. The net appreciation in the fair value of investments during the years ended June 30, 2024 and 2023, was $14,393 and $5,567, respectively. This amount includes all changes in fair value, both realized and unrealized, that occurred during the year.

The unrealized appreciation on investments for the year ended June 20, 2024 was $15,397 and the unrealized depreciation on investments for the year ended June 30, 2023 was $897.

The components of the net investment gain at June 30, 2024 and 2023, are as follows:

	2024	2023
Interest and dividends, net	$ 13,861	$ 15,574
Net appreciation in market value of investments	14,393	5,567
Total net investment gain	$ 28,254	$ 21,141

GASB Statement 40, *Deposit and Investment Risk Disclosures—an Amendment to GASB Statement No. 3,* requires certain additional disclosures related to the interest rate and credit risks amongst other things associated with interest-bearing investments.

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 at June 30 are as follows:

	2024				
Investment Type	Fair Value	Less than 1 year	1 to 5 years	6 to 10 years	More than 10 years
Fixed income mutual funds	$ 106,069	$ 11,746	$ 33,847	$ 22,968	$ 37,508

	2023				
Investment Type	Fair Value	year	1 to 5 years	6 to 10 years	years
Fixed income mutual funds	$ 161,041	$ 15,832	$ 55,248	$ 32,101	$ 57,860

Credit risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. 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.

(Dollars in Thousands)

Note 3. Cash, Cash Equivalents and Investments (Continued)

The credit ratings of the University's interest-bearing fixed income mutual fund investments at June 30 are as follows:

	2024	2023
Credit Rating (S&P):		
AAA	$ 2,981	$ 7,054
AA+	42,369	57,285
AA	1,989	15,798
AA-	389	957
A+	1,541	2,650
A	2,744	4,451
Other (not rated)	54,056	72,846
Total	$ 106,069	$ 161,041

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. At June 30, 2024 and 2023, the University had no exposure to foreign currency risk.

Custodial credit risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the University will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The University's investments are held in trust by a custodian in the University's name or directly held in the University's name.

Concentration of credit risk: Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer. The University held the following investments that had fair values of 5 percent or more of total investments as of June 30:

	2024	2023
SEI Core Fixed Income Fund	$ 55,763	$ 79,806
SEI Hedge Fund SPC	34,070	43,699
SEI World Equity	41,504	44,773
SEI Core Property Fund, LP	24,931	32,799
SEI GPA IV Private Equity Fund	36,169	36,191
SEI High Yield Bond Fund	19,240	21,556

(Dollars in Thousands)

Note 4. Fair Value Measurements

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. Management utilizes valuation techniques that maximize the use of observable inputs (Levels 1 and 2) and minimize the use of unobservable inputs (Level 3) within the fair value hierarchy established by GASB. Assets and liabilities carried at fair value are required to be classified and disclosed in one of the following three categories: Level 1: Quoted prices in active markets for identical assets/liabilities as of the report date. The quoted market prices are from those securities traded on an active exchange such as the New York Stock Exchange, NASDAQ or an active over-the-counter market; Level 2: Significant other observable inputs including prices quoted in active markets for similar assets/liabilities; and Level 3: Inputs which are unobservable, including the University's own assumptions in determining the fair value of investments or liabilities.

If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

The University has the following recurring fair value measurements as of June 30, 2024 and 2023:

	2024			
	Level 1	Level 2	Level 3	Total
Investment assets:				
Common stock	$ 104	$ -	$ -	$ 104
Exchange traded funds	451	-	-	451
Mutual funds—fixed income	106,069	-	-	106,069
Mutual funds—equity securities	93,298	-	-	93,298
	$ 199,922	$ -	$ -	199,922
Investments measured at net asset value (NAV):				
Equity funds				52,912
Multi-strategy hedge funds				34,070
U.S. core real estate				24,931
Total investment assets				$ 311,835
Derivative instruments:				
Interest rate swap asset	$ -	$ 1,128	$ -	$ 1,128

(Dollars in Thousands)

Note 4. Fair Value Measurements (Continued)

	2023			
	Level 1	Level 2	Level 3	Total
Investment assets:				
Common stock	$ 59	$ -	$ -	$ 59
Exchange traded funds	460	-	-	460
Mutual funds—fixed income	161,041	-	-	161,041
Mutual funds—equity securities	113,640	-	-	113,640
	$ 275,200	$ -	$ -	275,200
Investments measured at net asset value (NAV):				
Equity funds				51,996
Multi-strategy hedge funds				43,699
U.S. core real estate				32,799
Total investment assets				$ 403,694
Derivative instruments:				
Interest rate swap asset	$ -	$ 785	$ -	$ 785

Short-term investments on the statements of net position at June 30, 2024 and 2023, includes investments of STAR Ohio of $182 and $8,211, respectively. The investments in STAR Ohio are measured at amortized cost; therefore, they are not included in the tables above.

Fixed income mutual funds and equity securities mutual funds classified in Level 1 are valued using prices quoted in active markets for those securities.

The interest rate swap asset, which is classified in Level 2 of the fair value hierarchy, is estimated using the regression analysis method for fair value. The regression analysis method evaluates the effectiveness of the swap by considering the statistical relationship between the cash flows or fair values of the potential hedging derivative instrument and the hedged item. The fair value of the swap is estimated using the zero-coupon method, and also reflects the effect of nonperformance risk. This method calculates the future net settlement payments required by the agreements, assuming the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discontinued using the spot rate implied by the current relevant yield curve that incorporates the risk of nonperformance of the University, as applicable, on the date of each future net settlement on the agreements.

The University holds shares or interests in investment companies whereby the fair value of the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

(Dollars in Thousands)

Note 4. Fair Value Measurements (Continued)

At year-end, the fair value, unfunded commitments and redemption frequency and notice of those investments are as follows:

	Fair Value 2024	Fair Value 2023	Unfunded Commitments	Redemption Frequency, if Eligible	Redemption Notice Period
Equity funds	$ 52,912	$ 51,996	$ 33,007	None	None
Multi-strategy hedge funds	34,070	43,699	-	Monthly	10 days
U.S. core real estate	24,931	32,799	-	Quarterly	95 days
Total	$ 111,913	$ 128,494	$ 33,007		

The equity funds class includes investments in hedge funds that invest both long and short primarily in U.S. common stocks. Management of the hedge funds has the ability to adjust investments from value to growth strategies, from small to large capitalization stocks, and from a net long position to a net short position.

The multi-strategy hedge funds class invests in hedge funds that pursue multiple strategies across a variety of specialties to diversify risks and reduce volatility. The hedge funds' composite portfolio for this class includes, but is not limited to, U.S. and non-U.S. common stocks, global real estate, various fixed-income and credit investments, arbitrage transactions and hedging instruments.

The U.S. core real estate class is a pooled investment hedge fund seeking both current income and long-term capital appreciation principally through investing in commercial real estate properties.

Note 5. Accounts and Student Loans Receivable, Net

Accounts and student loans receivable consist of the following at June 30:

	2024	2023
Accounts receivable:		
Sponsor accounts	$ 8,199	$ 8,031
Student accounts	19,033	17,409
Other	10,544	8,902
Total accounts receivable	37,776	34,342
Less allowances for doubtful accounts	(3,466)	(3,717)
Net accounts receivable	$ 34,310	$ 30,625
Student loans receivable	$ 10,491	$ 14,876
Less allowances for student loans receivable	(900)	(1,497)
Net student loans receivable	$ 9,591	$ 13,379

(Dollars in Thousands)

Note 6. Capital Assets, Net

Capital assets and accumulated depreciation/amortization as of June 30, 2024 are summarized as follows:

	2024				
	Beginning Balance	Additions	Transfers	Retirements	Ending Balance
Capital assets:					
Land	$ 32,980	$ -	$ -	$ (75)	$ 32,905
Construction in progress	51,705	105,005	(57,479)	-	99,231
Total nondepreciable capital assets	84,685	105,005	(57,479)	(75)	132,136
Infrastructure	183,473	-	21,568	-	205,041
Buildings	1,389,038	-	35,911	-	1,424,949
Equipment	152,595	9,059	-	(3,207)	158,447
Library books and publications	86,004	478	-	-	86,482
Leased infrastructure	242	245	-	-	487
Leased buildings	5,351	203	-	-	5,554
Leased equipment	639	512	-	-	1,151
Software (SBITAs)	8,399	5,491	-	-	13,890
Total depreciable/amortizable capital assets	1,825,741	15,988	57,479	(3,207)	1,896,001
Total capital assets	1,910,426	120,993	-	(3,282)	2,028,137
Less accumulated depreciation/amortization:					
Infrastructure	117,401	6,803	-	-	124,204
Buildings	681,557	41,770	-	-	723,327
Equipment	128,222	5,929	-	(3,159)	130,992
Library books and publications	82,494	932	-	-	83,426
Leased infrastructure	58	27	-	-	85
Leased buildings	1,876	963	-	-	2,839
Leased equipment	177	233	-	-	410
Software (SBITAs)	1,936	4,392	-	-	6,328
Total accumulated depreciation/amortization	1,013,721	61,049	-	(3,159)	1,071,611
Total capital assets, net	$ 896,705	$ 59,944	$ -	$ (123)	$ 956,526

For the year ended June 2024, depreciation expense on capital assets was $55,565, which includes a loss of $131 from the disposal of obsolete capital assets. Amortization expense on leases and SBITAs was $1,223 and $4,392, respectively.

(Dollars in Thousands)

Note 6. Capital Assets, Net (Continued)

Capital assets and accumulated depreciation/amortization as of June 30, 2023 are summarized as follows:

	2023				
	Beginning Balance	Additions	Transfers	Retirements	Ending Balance
Capital assets:					
Land	$ 33,065	$ -	$ -	$ (85)	$ 32,980
Construction in progress	19,197	75,168	(42,660)	-	51,705
Total nondepreciable capital assets	52,262	75,168	(42,660)	(85)	84,685
Infrastructure	173,073	-	10,400	-	183,473
Buildings	1,356,778	-	32,260	-	1,389,038
Equipment	149,451	7,830	-	(4,686)	152,595
Library books and publications	85,410	594	-	-	86,004
Leased infrastructure	242	-	-	-	242
Leased buildings	5,320	31	-	-	5,351
Leased equipment	103	536	-	-	639
Software (SBITAs)	4,007	4,392	-	-	8,399
Total depreciable/amortizable capital assets	1,774,384	13,383	42,660	(4,686)	1,825,741
Total capital assets	1,826,646	88,551	-	(4,771)	1,910,426
Less accumulated depreciation/amortization:					
Infrastructure	111,138	6,263	-	-	117,401
Buildings	639,888	41,693	-	(24)	681,557
Equipment	127,249	5,490	-	(4,517)	128,222
Library books and publications	81,434	1,060	-	-	82,494
Leased infrastructure	29	29	-	-	58
Leased buildings	936	944	-	(4)	1,876
Leased equipment	21	156	-	-	177
Software (SBITAs)	-	1,936	-	-	1,936
Total accumulated depreciation/amortization	960,695	57,571	-	(4,545)	1,013,721
Total capital assets, net	$ 865,951	$ 30,980	$ -	$ (226)	$ 896,705

For the year ended June 2023, depreciation expense on capital assets was $54,673, which includes a loss of $167 from the disposal of obsolete capital assets. Amortization expense on leases and SBITAs was $1,129 and $1,936, respectively.

Note 7. Debt, Net

General receipt bonds: In June 2023, the University issued $60,000 in Series 2023 General Receipts bonds. The proceeds from the bond sale were used for a refunding of the Series 2013A General Receipts bonds with an outstanding principal of $60,000. As of June 30, 2024 and 2023, the outstanding principal of the 2023 General Receipts bonds was $60,000.

In July 2022, the University issued Series 2022 General Receipts Bonds in the amount of $44,565. The proceeds from the Series 2022 issuance were used to refund a portion of the Series 2020B General Receipts Bonds as well as the termination of the finance lease with the Portage County Port Authority for the Center for Philanthropy and Engagement building and land. This refunding was a planned restructuring to level out debt service payments to preempt near-term budgetary pressures associated with inflation and enrollment demographics. For this partial refunding, the reacquisition price exceeded the net carrying amount of the Series 2020B bonds by $190. The unamortized difference of $163 and $176 at June 30, 2024 and 2023, respectively is reported in the statements of net position as a deferred outflow of resources and will be amortized over the remaining term of the debt. As of June 30, 2024 and 2023, the outstanding principal balance on the Series 2022 General Receipts bonds was $44,565. As a result of the refunding there was cash savings in the amount of ($39,896) and an economic loss of $4,016. In connection with the issuance of the Series 2022 General Receipts bonds, the University also recognized a net bond premium totaling $4,824, which will be amortized against interest expense over the life of the bond. As of June 30, 2024 and 2023, the unamortized net bond premium was $4,064 and $4,493, respectively.

In January 2020, the University issued Series 2020A General Receipts Bonds in the amount of $22,530 and Series 2020B General Receipts Bonds in the amount of $172,825. The proceeds from the Series 2020A issuance were used to fund various projects, including Crawford Hall, the addition to the College of Aeronautics and Engineering, and the renovation of the ice arena to house a band educational facility. The proceeds from the Series 2020B issuance were used to refund a portion of the 2012A and 2014A General receipts bonds. As a result, that portion of the bonds was considered defeased and the liability removed from the University’s long-term obligations. The partial refunding was undertaken to achieve debt service savings, which resulted in reduced debt service payments by approximately $26,600. For this partial refunding, the reacquisition price exceeded the net carrying amount of the Series 2012A and 2014A bonds by $9,053. The unamortized difference of $7,235 and $7,647 at June 30, 2024 and 2023, respectively, is reported in the statements of net position as a deferred outflow of resources and will be amortized over the remaining term of the debt. As of June 30, 2024 and 2023, the outstanding principal balance of the Series 2020A General Receipts bonds was $21,065 and $21,460, respectively and $130,310 for the Series 2020B General Receipts bonds.

In connection with the issuance of the Series 2020A General Receipts bonds, the University also recognized a net bond premium totaling $5,639, which is being amortized over the life of the bond. As of June 30, 2024 and 2023, the unamortized net bond premium was $3,244 and $3,802, respectively.

Note 7. Debt, Net (Continued)

In April 2019, the University issued $19,595 in Series 2019 General Receipts bonds. The proceeds from the bond sale were used to refund the remaining Series 2009B General Receipts bonds. The refunding was undertaken to achieve debt service savings, resulting in reduced debt service payments by approximately $4,200 at the time. As of June 30, 2024 and 2023, the outstanding principal balance of the Series 2019 General Receipts bonds was $16,285 and $16,905, respectively. In connection with the issuance of the Series 2019 General Receipts bonds, the University also recognized a net bond premium totaling $4,381, which will be amortized against interest expense over the life of the bond. As of June 30, 2024 and 2023, the unamortized net bond premium was $2,273 and $2,665, respectively.

In April 2016, the University issued $103,590 in Series 2016 General Receipts bonds. The proceeds from the bond sale were used for a partial advanced refunding of the Series 2009B General Receipts bonds. The partial advance refunding was undertaken to achieve debt service savings. This refunding transaction reduced debt service payments by approximately $12,600, and resulted in an economic gain of $11,300. For this partial advance refunding, the reacquisition price exceeded the net carrying amount of the old debt by $11,211. The unamortized difference of $5,107 and $5,855 at June 30, 2024 and 2023, respectively, is reported in the statements of net position as a deferred outflow of resources, and will be amortized over the remaining term of the debt. As of June 30, 2024 and 2023, the outstanding principal of the 2016 General Receipts bond was $53,555 and $63,100, respectively. In connection with the issuance of the Series 2016 General Receipts bonds, the University also recognized a net bond premium totaling $21,825, which is being amortized over the life of the bond. As of June 30, 2024 and 2023, the unamortized net bond premium was $2,740 and $4,423, respectively.

All the various General Receipts bonds, through their respective trust agreements, are subject to mandatory or optional redemption.

Events of default on the University’s general receipts bonds, subject to the agreements, may result from failure to pay principal and interest when due, or failure to perform under bond covenants and agreements as identified by the bond trustee. The bonds contain an acceleration clause in which, in the event of the occurrence of any default, the trustee may, and upon the request of the holders of at least 25 percent of the principal amount of the then outstanding bonds must, so long as properly indemnified, by appropriate notice to the University declare the principal of all bonds then outstanding (if not then due and payable) and the interest accrued on those bonds to be due and payable immediately.

The indebtedness created through the issuance of General Receipts bonds is collateralized by a pledge of all general receipts, excluding State appropriations and monies received for restricted purposes. The primary source of funds being deposited to service the principal and interest requirements is student fees.

Ohio Air Quality Development Authority Bonds: During fiscal year 2013, the University entered into a loan agreement with the Ohio Air Quality Development Authority for a total of $24,947, with $17,447 in Series A bonds and $7,500 in Series B bonds. The proceeds were used to fund the University’s energy efficiency and conservation projects at its Kent campus. As of June 30, 2024 and 2023, the Series A bond was paid in full, and the outstanding principal balance on the Series B bond was $5,452 and $7,500, respectively.

Note 7. Debt, Net (Continued)

During fiscal year 2011, the University entered into two separate loan agreements with the Ohio Air Quality Development Authority. The first loan agreement totaled $5,388, with $2,694 in Series A bonds and $2,694 in Series B bonds. The proceeds were used to fund the University's energy efficiency and conservation projects at its Ashtabula, East Liverpool, Geauga, Salem and Trumbull campuses. As of June 30, 2024 and 2023, the outstanding principal of the Series B bonds was $429 and $854, respectively. The Series A bonds were fully paid in fiscal year 2019. The second loan agreement totaled $20,000, with $13,000 in Series A bonds and $7,000 in Series B bonds. The proceeds were used to fund the University's energy efficiency and conservation projects for its Residence Hall and Dining Services auxiliary units. As of June 30, 2024 and 2023, the outstanding principal of the Series B bonds was $3,088 and $4,591, respectively. The series A bonds were paid in full in fiscal year 2022.

Finance purchased liabilities: During fiscal year 2016, the University entered into a financing agreement with Banc of America Public Capital Corporation to finance projects associated with the University's continued energy and conservation initiatives on its Kent campus. Payments will continue through fiscal year 2031 and carry an interest rate of 2.01%. The outstanding principal as of June 30, 2024 and 2023 was $9,979 and $11,294, respectively.

In fiscal year 2015, the University entered into a financing agreement with the Portage County Port Authority to finance the construction of the Center for Philanthropy and Alumni Engagement for $17,025. The University had a financing agreement with the Portage County Port Authority for 3.75 acres of property near the northwest edge of the Kent campus for $3,680 beginning in fiscal year 2013. The two agreements were combined, totaling $20,460, with principal payments beginning in fiscal year 2016. In fiscal year 2023, the financing agreement was terminated and the debt was refunded as part of the issuance of Series 2022 General Receipts bonds. The University and the Foundation entered into a sublease agreement in January 2016. The sublease meets the capitalization criteria and is recorded as an asset and liability on the Foundation's financial statements. See Note 13 for additional information regarding this related party transaction.

In fiscal year 2011, the University entered into a financing agreement with Fairmount Properties, LLC to construct a building for its Twinsburg location (programs are operated out of the University's Geauga campus), which the University will lease for a period of 30 years. Payments will continue through fiscal year 2043, and carry an interest rate of 6.35%. As of June 30, 2024 and 2023, the total outstanding principal on the financing liability was $9,963 and $10,334, respectively.

All of the Ohio Air Quality Development Authority loan agreements and financing agreements are considered direct placements. Events of default on the University's direct borrowings subject to the agreements, may result from failure to pay principal and interest due, or failure to perform under the agreements as identified by the borrower. The direct placement agreements contain an acceleration clause in which in the event of the occurrence of any default the borrower may, so long as properly indemnified, by appropriate notice to the University declare the principal of all loans or financing liabilities outstanding (if not then due and payable) and the interest accrued on those loans or financing liabilities to be due and payable immediately. Further, the agreements contain possession clauses that allow the borrower to take possession of the assets as a remedy.

For the Ohio Air Quality Development Authority loans, the loan payments are made from available receipts, but not secured by a pledge or lien on available receipts. For the loan agreement with Banc of America Public Capital Corporation, as security for payment and performance of the University's obligation, the University grants the borrower a first priority security interest constituting a first lien.

(Dollars in Thousands)

Note 7. Debt, Net (Continued)

Long-term debt consists of the following as of June 30, 2024:

	Interest Rates	Maturity	Beginning Balance	Additions	Retirements	Ending Balance
General Receipts Bonds of 2016	4.0 - 5.0	2023-2030	$ 63,100	$ -	$ (9,545)	$ 53,555
General Receipts Bonds of 2019	4.0 - 5.0	2023-2031	16,905	-	(620)	16,285
General Receipts Bonds of 2020A	5	2023-2050	21,460	-	(395)	21,065
General Receipts Bonds of 2020B	1.72 -3.38	2023-2042	130,310	-	-	130,310
General Receipts Bonds of 2022	5.0	2023-2036	44,565	-	-	44,565
General Receipts Bonds of 2023	4.9	2028-2032	60,000	-	-	60,000
Direct Placement:						
Ohio Air Quality Development Authority						
Series B – Regional Campuses	4.86	2023-2025	854	-	(425)	429
Ohio Air Quality Development Authority						
Series B – Residence Halls & Dining Svcs	5.32	2023-2026	4,591	-	(1,503)	3,088
Ohio Air Quality Development Authority						
Series B – Kent Campus	3.65	2024-2027	7,500	-	(2,048)	5,452
Finance purchased liabilities	various	various	22,247	59	(1,926)	20,380
			371,532	59	(16,462)	355,129
Plus unamortized premium			15,383		(3,062)	12,321
Total bonds and finance purchased liabilities			386,915	$ 59	$ (19,524)	367,450
Less current portion long-term debt			(16,452)			(15,643)
			$ 370,463			$ 351,807

(Dollars in Thousands)

Note 7. Debt, Net (Continued)

Long-term debt consists of the following as of June 30, 2023:

	Interest Rates	Maturity	Beginning Balance	Additions	Retirements	Ending Balance
General Receipts Bonds of 2013A	3.79	2028-2032	$ 60,000	$ -	$ (60,000)	$ -
General Receipts Bonds of 2016	4.0 - 5.0	2023-2030	73,565	-	(10,465)	63,100
General Receipts Bonds of 2019	4.0 - 5.0	2023-2031	17,605	-	(700)	16,905
General Receipts Bonds of 2020A	5	2023-2050	21,835	-	(375)	21,460
General Receipts Bonds of 2020B	1.72 -3.38	2023-2042	169,220	-	(38,910)	130,310
General Receipts Bonds of 2022	5.0	2023-2036	-	44,565	-	44,565
General Receipts Bonds of 2023	4.9	2028-2032	-	60,000	-	60,000
General Receipts Bonds of 2014A	2.0 - 5.0	2022	1,315	-	(1,315)	-
Direct Placement:						
Ohio Air Quality Development Authority						
Series B – Regional Campuses	4.86	2023-2025	1,273	-	(419)	854
Ohio Air Quality Development Authority						
Series A – Residence Halls & Dining Svcs	2.62	2022-2025	513	-	(513)	-
Ohio Air Quality Development Authority						
Series B – Residence Halls & Dining Svcs	5.32	2023-2026	6,067	-	(1,476)	4,591
Ohio Air Quality Development Authority						
Series A – Kent Campus	1.38	2023	1,769	-	(1,769)	-
Ohio Air Quality Development Authority						
Series B – Kent Campus	3.65	2024-2027	7,500	-	-	7,500
Finance purchased liabilities	various	various	34,743	32	(12,528)	22,247
			395,405	104,597	(128,470)	371,532
Plus unamortized premium			14,980	4,824	(4,421)	15,383
Total bonds and finance purchased liabilities			410,385	$ 109,421	$ (132,891)	386,915
Less current portion long-term debt			(28,398)			(16,452)
			$ 381,987			$ 370,463

Principal and interest on long-term debt are payable from operating revenues, allocated student fees and the excess of revenues over expenditures of specific auxiliary activities. The obligations are generally callable.

(Dollars in Thousands)

Note 7. Debt, Net (Continued)

The future amounts of principal and interest payments required by the debt agreements are as follows:

	Bonds			
Year	Principal	Interest	Hedging Derivatives, Net	Total
2025	$ 10,100	$ 13,800	$ (139)	$ 23,761
2026	10,410	13,295	(139)	23,566
2027	10,810	12,775	(139)	23,446
2028	31,375	11,840	(139)	43,076
2029	30,155	10,445	(92)	40,508
2030-2034	123,970	34,250	(110)	158,110
2035-2039	68,495	14,351	-	82,846
2040-2044	33,025	4,524	-	37,549
2045-2049	6,045	1,285	-	7,330
2050-2051	1,395	70	-	1,465
Subtotal	325,780	116,635	(758)	441,657

	Direct Placements			
Year	Principal	Interest	Hedging Derivatives, Net	Total
2025	$ 5,543	$ 1,005	$ -	$ 6,548
2026	5,182	791	-	5,973
2027	3,677	596	-	4,273
2028	2,234	471	-	2,705
2029	1,882	418		2,300
2030-2034	5,736	1,441	-	7,177
2035-2039	3,114	757	-	3,871
2040-2044	1,981	140	-	2,121
Subtotal	29,349	5,619	-	34,968
Total	$ 355,129	$ 122,254	$ (758)	$ 476,625

Hedging derivative instrument payments and hedged debt: As of June 30, 2024 and 2023, aggregate debt service requirements of the University's debt (fixed rate and variable rate) and net receipts/payments on associated hedging derivative instruments are shown in the previous tables. These amounts assume that current interest rates on variable-rate bonds and the current reference rates of hedging derivative instruments will remain the same for their term. As these rates vary, interest payments on variable-rate bonds and net receipts/payments on the hedging derivative instruments will vary. Refer below for information on derivative instruments (interest rate swap).

Note 7. Debt, Net (Continued)

Interest rate swap: The University entered into a 30-year interest rate swap agreement for $60,000 of the variable-rate 2002 Series General Receipts bonds. The University entered into this agreement at the same time and for the same amount of the variable rate debt, with the intent of creating a synthetic fixed-rate debt, at an interest rate that was lower than if fixed-rate debt would have been issued directly. During 2009, the interest rate swap agreement became associated with the new bonds in connection with refunding of the 2002 Series General Receipt bonds through the issuance of 2008B Series General Receipt bonds. During fiscal year 2010, the counterparty on the agreement was changed from Woodlands Commercial Bank (formerly known as Lehman Brothers Commercial Bank) to Loop Financial Products LLP. Based on the swap agreement, the University owed interest calculated at a fixed rate (3.34 percent) to the counterparty to the swap. In return, the counterparty owed the University interest based on a variable rate (67 percent of the London Inter-Bank Offered Rate (LIBOR)). In fiscal year 2023, the counterparty was changed to Deutsche Bank, and the rate was adjusted to the Secured Overnight Financing Rate (SOFR) after June 30, 2023, when LIBOR expired. The $60,000 in bond principal is not exchanged; it is only the basis on which the interest payments are calculated. The University continues to pay interest to the bondholders at the variable rate provided by the bonds. The debt service requirements to maturity for these bonds, as presented in this note, are based on that fixed rate. The notional amount on the swap is $60,000 as of June 30, 2024.

During 2023, the interest rate swap became associated with the new bonds in connection with the refunding of the 2013 Series General Receipts bonds through the issuance of the 2023 Series General Receipts bond. Due to the termination of hedge accounting from the refunding of the 2013 Series General Receipts bonds in fiscal year 2023, the University recognized $2,673 as a deferred cost of refunding (included in deferred outflows of resources) and an imputed borrowing of $3,806. The deferred cost of refunding will be amortized through 2032, which represents the maturity date of the original and refunded debt. The imputed borrowing will also be amortized through 2032. The remaining balance of the deferred cost of refunding and imputed borrowing as of June 20, 2024 is $2,376 and $3,383, respectively.

The interest rate swap has been determined to be an effective hedge using the regression analysis method. The regression analysis method evaluates effectiveness by considering the statistical relationship between the cash flows or fair values of the potential hedging derivative instrument and the hedgeable item.

As of June 30, 2024 and 2023, the University has recorded a deferred inflow of resources and a related swap asset in the amount of $1,128 and $785 for the at-the-market swap, respectively. The change in fair value totaled $343 and $785 in fiscal years 2024 and 2023, respectively.

The interest rate swap is subject to the following risks:

Interest rate risk: The University is exposed to interest rate risk. On the pay-fixed, receive-variable interest rate swap, as the interest rate decreases (LIBOR through June 30, 2023 and SOFR beginning July 1, 2023), the University's net payment on the swap increases.

Termination risk: The swap agreement may be terminated prior to its stated termination date under certain circumstances. Upon termination, a payment may be owed depending on the prevailing economic circumstances at the time of the termination.

Rollover risk: The University is exposed to rollover risk on its interest rate swap that matures or may be terminated prior to the maturity of the hedged debt. When the hedging interest rate swap terminates, or in the case of a termination option, if the counterparty exercises its option, the University will be re-exposed to the risks being hedged by the interest rate swap.

(Dollars in Thousands)

Note 7. Debt, Net (Continued)

Credit risk: The University is exposed to credit risk on derivative instruments that are in asset positions. To minimize its exposure to loss related to credit risk, it is the University's policy to require counterparty collateral posting provisions. The fair value of the derivative instrument was $1,128 and $785 at June 30, 2024 and 2023, respectively, and is recorded in the statements of net position.

Note 8. Leases

The University is a lessor for noncancellable leases of equipment and office and housing space. The University leases space on its remote transmitter and receiver (RTR) facilities and radio towers as well as space in its Tolloty Technology Incubator on its Tuscarawas campus. At June 30, 2024 and 2023, the University recognized lease receivables in the amount of $11,912 and $12,264, respectively. Revenue recognized under lease contracts during the years ended June 30, 2024 and 2023, was $630 and $644, respectively, which includes both revenue and interest.

The University also leases equipment and office and housing space from others. These lease terms are set to expire in various years through 2043. A summary of changes in the lease liabilities for the years ended June 30, 2024 and 2023, is as follows:

	July 1, 2023	Additions	Reductions	June 30, 2024	Current
Lease liabilities	$ 4,203	$ 899	$ (1,099)	$ 4,003	$ 1,230

	July 1, 2022	Additions	Reductions	June 30, 2023	Current
Lease liabilities	$ 4,696	$ -	$ (493)	$ 4,203	$ 1,058

The following is a schedule by year of payments under the leases as of June 30, 2024:

Year	Principal	Interest	Total
2025	$ 1,230	$ 146	$ 1,376
2026	826	102	928
2027	626	69	695
2028	227	51	278
2029	98	45	
2030-2034	560	161	721
2035-2039	374	40	414
2040-2044	62	4	66
Total	$ 4,003	$ 618	$ 4,478

(Dollars in Thousands)

Note 9. Subscription-Based Information Technology Arrangements

The University recognizes an intangible subscription asset and corresponding subscription liability for its subscription-based information technology agreements with others. These arrangements have terms between one and four years requiring monthly, quarterly or annual payments. The expected payments are discounted using the interest rate charged on the arrangement, if available, or are otherwise discounted using the University's incremental borrowing rate. A summary of changes in the subscription-based information technology agreement liabilities for the years ended June 30, 2024 and 2023, is as follows:

	July 1, 2023	Additions	Reductions	June 30, 2024	Current
Subscription-based information technology liabilities	$ 5,532	$ 5,217	$ (4,156)	$ 6,593	$ 3,421

	July 1, 2022	Additions	Reductions	June 30, 2023	Current
Subscription-based information technology liabilities	$ 4,007	$ 4,392	$ (2,867)	$ 5,532	$ 2,565

As of June 30, 2024, the principal and interest requirements for the subscriptions-based information technology agreement liabilities, net is as follows:

Year	Principal	Interest	Total
2025	$ 3,421	$ 209	$ 3,630
2026	2,518	68	2,586
2027	410	23	433
2028	244	7	251
Total	$ 6,593	$ 307	$ 6,900

Note 10. Accrued Compensated Absences

A summary of accrued compensated absences at June 30, 2024 and 2023, is as follows:

	2024	2023
Beginning balance	$ 24,957	$ 24,350
Additions	2,412	2,902
Reductions	(1,778)	(2,295)
Ending balance	25,591	24,957
Less current portion	(2,025)	(2,078)
	$ 23,566	$ 22,879

Reference Note 2 for the accounting policy for accrued compensated absences.

(Dollars in Thousands)

Note 11. Employee Benefit Plans

Plan description: The University participates in the State Teachers Retirement System (STRS) and the Ohio Public Employees Retirement System (OPERS), the statewide, cost-sharing, multiple-employer defined benefit public employee retirement systems governed by the Ohio Revised Code (ORC) that cover substantially all employees of the University. Each system has multiple retirement plan options available to its members. Each system provides retirement, survivor and disability benefits to plan members and their beneficiaries. The systems also each provide postemployment healthcare benefits (including Medicare B premiums) to retirees and beneficiaries who elect to receive those benefits.

Each retirement system issues a publicly available financial report that includes financial statements and required supplementary information for the pension and postemployment healthcare plans. The reports may be obtained by contacting:

State Teachers Retirement System of Ohio
275 E. Broad Street
Columbus, Ohio 43215
(888) 227-7877
www.strsoh.org

Ohio Public Employees Retirement System
277 East Town Street
Columbus, Ohio 43215
(800) 222-7377
www.opers.org

Contributions: State retirement law requires contributions by covered employees and their employers, and Chapter 3307 of the ORC, limits the maximum rate of contributions. The retirement boards of the systems individually set contributions rates within the allowable limits. The adequacy of employer contribution rates is determined annually by actuarial valuation using the entry age normal cost method. Under these provisions, the University is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance a portion of the unfunded accrued liabilities.

Member contributions are set at the maximums authorized by the ORC. The plans' 2024 and 2023 employer and member contribution rates on covered payroll to each system are:

	Employer Contribution Rate				Member Contribution Rate
	Pension	Post Retirement Healthcare	Death Benefits	Total	Total
STRS	14.00%	0.00%	0.00%	14.00%	14.00%
OPERS—State/Local	14.00%	0.00%	0.00%	14.00%	10.00%
OPERS—Law Enforcement	18.10%	0.00%	0.00%	18.10%	13.00%

(Dollars in Thousands)

Note 11. Employee Benefit Plans (Continued)

The University's required and actual contributions to the plans for the year ended June 30, are as follows:

	2024		2023	
	Pension	OPEB	Pension	OPEB
STRS	$ 17,210	$ -	$ 16,766	$ -
OPERS	18,630	-	17,097	-
	$ 35,840	$ -	$ 33,863	$ -

STRS benefits provided: Plan benefits are established under Chapter 3307 of the ORC, as amended in 2012 by Substitute Senate Bill 342, and gives the retirement board the authority to make future adjustments to the member contribution rate, retirement age and service requirements, and the COLA, as the need or opportunity arises, depending on the retirement system's funding progress.

Effective August 1, 2017-July 1, 2019, any member may retire who has: (1) five years of service credit and has attained age 60; (2) 27 years of service credit and has attained age 55; or (3) 30 years of service credit, regardless of age. Effective August 1, 2019-July 1, 2021, any member may retire with reduced benefits who has (1) five years of service credit and age 60; (2) 28 years of service credit and age 55; or (3) 30 years of service credit, regardless of age. Effective August 1, 2021-July 1, 2023, any member can retire with unreduced benefits with 34 years of service credit at any age or five years of service credit and age 65. Retirement eligibility for reduced benefits is 30 years of service credit at any age; or 29 years of service credit and age 55; or five years of service credit and age 60. Effective on or after August 1, 2023, any member can retire with unreduced benefits with 35 years of service credit at any age or five years of service credit and age 65. Retirement eligibility for reduced benefits is 30 years of service credit at any age or five years of service credit and age 60. The annual retirement allowance, payable for life, is based on the average of the member's five highest years of earnings multiplied by 2.2 percent for each year of credited service. Members retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit amounts.

A defined benefit plan or combined plan member with five or more years of credited service who is determined to be disabled (illness or injury preventing individual's ability to perform regular job duties for at least 12 months) may receive a disability benefit. Additionally, eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least 10 years of qualifying service credit to apply for disability benefits.

A death benefit of $1,000 is payable to the beneficiary of each deceased retired member who participated in the plan. Death benefit coverage up to $2,000 can be purchased by participants in all three of the plans. Various other benefits are available to members' beneficiaries.

STRS Ohio provides access to healthcare coverage to retirees who participated in the Defined Benefit or Combined Plans, and their dependents. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Pursuant to the ORC, the State Teachers Retirement Board (the Board) has discretionary authority over how much, if any, of the healthcare costs will be absorbed by STRS Ohio. All benefit recipients pay a portion of the healthcare in the form of a monthly premium.

(Dollars in Thousands)

Note 11. Employee Benefit Plans (Continued)

OPERS benefits provided: Plan benefits are established under Chapter 145 of the ORC, as amended by Substitute Senate Bill 343 in 2012. The requirements to retire depends on years of service (5 to 30 years) and from attaining the age of 48 to 62, depending on when the employee became a member. Members retiring before age 65 with less than 30 years' service credit receive a percentage reduction in benefit, except for public safety and law enforcement participants. Member retirement benefits are calculated on a formula that considers years of service (5-30 years), age (48-62 years) and final average salary, using a factor ranging from 1.0 percent to 2.5 percent.

A plan member who becomes disabled at any age, depending on when the member entered the plan, and has completed 60 contributing months, is eligible for a disability benefit.

A death benefit of $500 to $2,500 is determined by the number of years of service credit of the retiree. Benefits may transfer to a beneficiary upon death with 1.5 years of service credits with the plan obtained within the last 2.5 years, except for law enforcement and public safety personnel who are eligible immediately upon employment.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance subsequent to the employee's retirement date. The annual adjustment, if applicable, is 3 percent, or an amount based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Net pension (asset)/liability, deferrals and pension expense: At June 30, 2024 and 2023, the University reported an (asset)/liability for its proportionate share of the net pension (asset)/liability of STRS/OPERS. For June 30, 2024, the net pension (asset)/liability was measured as of June 30, 2023 for the STRS plan, and December 31, 2023 for the OPERS plan. For June 30, 2023, the net pension (asset)/liability was measured as of June 30, 2022 for the STRS plan, and December 31, 2022 for the OPERS plan. The total pension (asset)/liability used to calculate the net pension (asset)/liability was determined by an actuarial valuation as of those dates. The University's proportion of the net pension (asset)/liability was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating reporting units, actuarially determined.

	Measurement	Net Pension Liability		Proportionate	Proportionate	Percent Change	Percent Change
Plan	Date	2024	2023	Share (2024)	Share (2023)	2024-2023	2023-2022
STRS	June 30	$ 190,720	$ 209,831	0.89%	0.94%	-0.05%	-0.04%
OPERS—traditional	December 31	186,188	205,267	0.71%	0.69%	0.02%	0.02%
OPERS—combined	December 31	(1,755)	(1,440)	0.55%	0.59%	-0.04%	-0.02%
		$ 375,153	$ 413,658				

(Dollars in Thousands)

Note 11. Employee Benefit Plans (Continued)

For the years ended June 30, 2024 and 2023, the University recognized pension expense of $5,777 and $16,938 for STRS Ohio and $22,601 and $21,376 for OPERS, respectively. At June 30, 2024 and 2023, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2024			2023		
	STRS Ohio	OPERS	Total	STRS Ohio	OPERS	Total
Deferred outflows of resources:						
Differences between expected and actual experience	$ 6,953	$ 3,228	$ 10,181	$ 2,686	$ 7,026	$ 9,712
Changes in assumptions	15,707	65	15,772	25,110	2,264	27,374
Net difference between projected and actual earnings on pension plan investments	-	37,866	37,866	7,302	59,036	66,338
Changes in proportion and differences between University contributions and proportionate share of contributions	292	3,133	3,425	584	2,831	3,415
University contributions subsequent to the measurement date	17,210	9,310	26,520	16,766	8,531	25,297
Total	$ 40,162	$ 53,602	$ 93,764	$ 52,448	$ 79,688	$ 132,136
Deferred inflows of resources:						
Differences between expected and actual experience	$ 423	$ 168	$ 591	$ 803	$ 200	$ 1,003
Changes in assumptions	11,824	-	11,824	18,900	-	18,900
Net difference between projected and actual earnings on pension plan investments	572	-	572	-	-	-
Changes in proportion and differences between University contributions and proportionate share of contributions	20,568	54	20,622	19,060	1,628	20,688
Total	$ 33,387	$ 222	$ 33,609	$ 38,763	$ 1,828	$ 40,591

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (benefit) as follows:

	STRS Ohio	OPERS	Total
Years ending June 30,			
2025	$ (9,264)	$ 11,643	$ 2,379
2026	(14,289)	13,346	(943)
2027	16,543	24,233	40,776
2028	(3,425)	(5,323)	(8,748)
2029	-	76	76
Thereafter	-	95	95
Total	$ (10,435)	$ 44,070	$ 33,635

In addition, the contributions subsequent to the measurement date will be included as a reduction of net pension liability in the next year.

(Dollars in Thousands)

Note 11. Employee Benefit Plans (Continued)

Net OPEB (asset)/liability, deferred outflows of resources, deferred inflows or resources, and OPEB expense: At June 30, 2024, the University reported an asset for its proportionate share of the net OPEB asset of STRS and OPERS. At June 30, 2023, the University reported an asset for its pro rata share of the net OPEB asset of STRS and a liability for its pro rata share of the net OPEB liability for OPERS. For June 30, 2024, the net OPEB (asset)/liability was measured as of June 30, 2023 for STRS, and December 31, 2023, for the OPERS plan. For June 30, 2023, the net OPEB (asset)/liability was measured as of June 30, 2022 for STRS, and December 31, 2022, for the OPERS plan. The total OPEB (asset)/liability used to calculate the net OPEB (asset)/liability was determined by an actuarial valuation as of June 30, 2023 for STRS, while OPERS used an actuarial valuation dated December 31, 2022, rolled forward to the measurement date (December 31, 2023) by incorporating the expected value of health care cost accruals, the actual health care payments and interest accruals during the year for the defined benefit health care plans.

Typically, the University's proportion of the net OPEB (asset)/liability would be based on a projection of its long-term share of contributions to the OPEB plan relative to the projected contributions of all participating reporting units, actuarially determined, except as noted below.

For plan years ended June 30, 2023 and 2022, STRS did not allocate employer contributions to the OPEB plan. Therefore, STRS' calculation of the employers' proportionate share is based on the total contributions to the plan for both pension and OPEB.

For plan years ended December 31, 2023 and 2022, OPERS did not allocate employer contributions to the OPEB plan. Therefore, OPERS's calculation of the employers' proportionate share is based on the total contributions to the plan for both pension and OPEB.

	Measurement	Net OPEB (Asset) Liability		Proportionate Share		Percent Change	Percent Change
Plan	Date	2024	2023	2024	2023	2024-2023	2023-2022
STRS	June 30	$ (17,224)	$ (24,441)	0.89%	0.94%	-0.05%	-0.04%
OPERS	December 31	(6,296)	4,324	0.70%	0.69%	0.01%	0.03%
		$ (23,520)	$ (20,117)				

(Dollars in Thousands)

Note 11. Employee Benefit Plans (Continued)

For the years ended June 30, 2024 and 2023, the University recognized a decrease in OPEB expense of ($975) and ($4,541) for STRS Ohio and ($971) and ($12,553) for OPERS, respectively. At June 30, 2024 and 2023, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2024			2023		
	STRS Ohio	OPERS	Total	STRS Ohio	OPERS	Total
Deferred outflows of resources:						
Differences between expected and actual experience	$ 27		$ 27	$ 354	$ -	$ 354
Changes in assumptions	2,537	1,621	4,158	1,041	4,223	5,264
Net difference between projected and actual investment earnings	31	3,781	3,812	425	8,588	9,013
Changes in proportion and differences between University contributions and proportionate share of contributions	310	6	316	31	15	46
Total	$ 2,905	$ 5,408	$ 8,313	$ 1,851	$ 12,826	$ 14,677
Deferred inflows of resources:						
Differences between expected and actual experience	$ 2,627	$ 896	$ 3,523	$ 3,671	$ 1,078	$ 4,749
Changes in assumptions	11,364	2,707	14,071	17,331	348	17,679
Changes in proportion and differences between University contributions and proportionate share of contributions	217	74	291	345	256	601
Total	$ 14,208	$ 3,677	$ 17,885	$ 21,347	$ 1,682	$ 23,029

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (benefit) as follows:

	STRS Ohio	OPERS	Total
Year ending June 30,			
2025	$ (5,132)	$ (202)	$ (5,334)
2026	(2,348)	266	(2,082)
2027	(846)	2,943	2,097
2028	(1,164)	(1,276)	(2,440)
2029	(1,055)	-	(1,055)
Thereafter	(758)	-	(758)
Total	$ (11,303)	$ 1,731	$ (9,572)

(Dollars in Thousands)

Note 11. Employee Benefit Plans (Continued)

Actuarial assumptions: The net pension (asset)/liability and net OPEB asset is based on the results of an actuarial valuation and determined using the following actuarial assumptions for the year end June 30, 2024:

	STRS	OPERS
Valuation date—Pension	June 30, 2023	December 31, 2023
Valuation date—OPEB	June 30, 2023	December 31, 2022
Actuarial cost method	Entry age normal	Individual entry age
Cost of living	None	2.05 percent – 2.30 percent
Salary increases, including inflation	2.50 percent – 8.50 percent	2.75 percent – 10.75 percent
Inflation	2.50 percent	2.75 percent
Investment rate of return—Pension	7.00 percent, net of investment expense, including inflation	6.90 percent, net of investment expense, including inflation
Investment rate of return—OPEB	7.00 percent, net of investment expense, including inflation	6.00 percent, net of investment expense, including inflation
Health care cost trend rate	-10.94 percent to 1.33 percent initial, 4.14 percent ultimate	5.50 percent initial, 3.50 percent ultimate in 2038
Experience study date	Period of 5 years ended June 30, 2021	Period of 5 years ended December 31, 2020
Mortality basis	Post-Retirement: Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020 Pre-Retirement: Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020 Post-Retirement Disabled: Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020	Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

(Dollars in Thousands)

Note 11. Employee Benefit Plans (Continued)

Actuarial assumptions for the year end June 30, 2023 are as follows:

	STRS	OPERS
Valuation date—Pension	June 30, 2022	December 31, 2022
Valuation date—OPEB	June 30, 2022	December 31, 2021
Actuarial cost method	Entry age normal	Individual entry age
Cost of living	None	2.05 percent – 3.00 percent
Salary increases, including inflation	2.50 percent – 8.50 percent	2.75 percent – 10.75 percent
Inflation	2.50 percent	2.75 percent
Investment rate of return—Pension	7.00 percent, net of investment expense, including inflation	6.90 percent, net of investment expense, including inflation
Investment rate of return—OPEB	7.00 percent, net of investment expense, including inflation	6.00 percent, net of investment expense, including inflation
Health care cost trend rate	-68.78 percent to -5.47 percent initial, 3.94 percent ultimate	5.50 percent initial, 3.50 percent ultimate in 2036
Experience study date	Period of 5 years ended June 30, 2021	Period of 5 years ended December 31, 2020
Mortality basis	Post-Retirement mortality tablees are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020 Pre-Retirement mortality rates are based on the Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020 Post-Retirement Disabled are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020	Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

Pension discount rate: The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made at contractually required rates for all plans. Based on those assumptions, each pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current active and inactive employees. 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. The discount rate used to measure the net pension liability for STRS was 7.00 percent for the plan years ended June 30, 2023 and 2022. The discount rate used to measure the net pension asset/liability for OPERS was 6.90 percent for the plan years ended December 31, 2023 and 2022.

Note 11. Employee Benefit Plans (Continued)

OPEB discount rate: The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made at contractually required rates for all plans. Plans that project fiduciary net position to be insufficient to make all projected future benefit payments for current active and inactive employees used a blended discount rate between the long-term expected rate of return on plan investments and a 20-year municipal bond rate applied to all periods of projected benefit payments to determine the net OPEB asset/liability.

The discount rate used to measure the STRS OPEB asset was 7.0 percent for the plan years ended June 30, 2023 and 2022. At June 30, 2023 and 2022, the plan’s fiduciary net position was projected to be available to make all projected future benefit payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB asset/liability.

The discount rate used to measure the OPERS OPEB asset/liability was 5.70 percent and 5.22 percent for the plan years ended December 31, 2023 and 2022, respectively. At December 31, 2023 the plan’s fiduciary net position was projected to become insufficient to make all projected future benefit payments for current active and inactive employees. Therefore, a blended rate was used, which consisted of the long-term expected rate of return on OPEB plan investments (6.00 percent) for the funded benefit payments and Fidelity Index’s 20-Year Municipal GO AA Index of 3.77 percent as of December 31, 2023. At December 31, 2022 the plan’s fiduciary net position was projected to become insufficient to make all projected future benefit payments for current active and inactive employees. Therefore, a blended rate was used, which consisted of the long-term expected rate of return on OPEB plan investments (6.00 percent) for the funded benefit payments and Fidelity Index’s 20-Year Municipal GO AA Index of 4.05 percent as of December 31, 2022.

The long-term expected rate of return on pension plan and OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expense and inflation) 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 and by adding expected inflation. OPERS has two different portfolios of investment, a defined benefit portfolio for pension and health care portfolio for OPEB. As a result, there are different target allocations and long-term expected real rates of return disclosed for each portfolio. The target allocation and best estimates of arithmetic (geometric for STRS) real rates of return for each major asset class are summarized in the following table as of the dates listed below:

(Dollars in Thousands)

Note 11. Employee Benefit Plans (Continued)

	STRS - As of June 30, 2023			OPERS - As of December 31, 2023			
				Defined Benefit Portfolio		Health Care Portfolio	
Investment Category	Target Allocation	Long-Term Expected Real Rate of Return	Investment Category	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	26.00%	6.60%	Fixed income	24.00%	2.85%	37.00%	2.82%
International equity	22.00%	6.80%	Domestic equities	21.00%	4.27%	25.00%	4.27%
Alternatives/Private Equity	19.00%	7.38%	Real estate/REITs	13.00%	4.46%	5.00%	4.68%
Fixed income	22.00%	1.75%	Alternatives/Private Equity	15.00%	7.52%	0.00%	0.00%
Real estate	10.00%	5.75%	International equity	20.00%	5.16%	25.00%	5.16%
Other	1.00%	1.00%	Risk Parity	2.00%	4.38%	3.00%	4.38%
			Other investments	5.00%	3.46%	5.00%	2.43%
Total	100%		**Total**	100%		100%	

	STRS - As of June 30, 2022			OPERS - As of December 31, 2022			
				Defined Benefit Portfolio		Health Care Portfolio	
Investment Category	Target Allocation	Long-Term Expected Real Rate of Return	Investment Category	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	26.00%	6.60%	Fixed income	22.00%	2.62%	34.00%	2.56%
International equity	22.00%	6.80%	Domestic equities	22.00%	4.60%	26.00%	4.60%
Alternatives/Private Equity	19.00%	7.38%	Real estate/REITs	13.00%	3.27%	7.00%	4.70%
Fixed income	22.00%	1.75%	Alternatives/Private Equity	15.00%	7.53%	0.00%	0.00%
Real estate	10.00%	5.75%	International equity	21.00%	5.51%	25.00%	5.51%
Other	1.00%	1.00%	Risk Parity	2.00%	4.37%	2.00%	4.37%
			Other investments	5.00%	3.27%	6.00%	1.84%
Total	100%		**Total**	100%		100%	

Sensitivity of the net pension (asset)/liability to changes in the discount rate: The following presents the net pension (asset)/liability of the University, calculated using the discount rate listed below, as well as what the University's net pension (asset)/liability would be if it were calculated using a discount rate that is 1.00 percentage point lower or 1.00 percentage point higher than the current rate:

	2024					
Plan	1.00% Decrease		Current Discount Rate		1.00% Increase	
STRS	6.00%	$ 293,285	7.00%	$ 190,720	8.00%	$ 103,978
OPERS—traditional	5.90%	293,110	6.90%	186,188	7.90%	97,260
OPERS—combined	5.90%	(1,068)	6.90%	(1,755)	7.90%	(2,298)
		$ 585,327		$ 375,153		$ 198,940

(Dollars in Thousands)

Note 11. Employee Benefit Plans (Continued)

2023

Plan		1.00% Decrease		Current Discount Rate		1.00% Increase
STRS	6.00%	$ 316,979	7.00%	$ 209,831	8.00%	$ 119,218
OPERS—traditional	5.90%	307,482	6.90%	205,267	7.90%	120,241
OPERS—combined	5.90%	(756)	6.90%	(1,440)	7.90%	(1,981)
		$ 623,705		$ 413,658		$ 237,478

Sensitivity of the net OPEB (asset)/liability to changes in the discount rate: The following presents the net OPEB (asset)/liability of the University, calculated using the discount rate listed below, as well as what the University's net OPEB asset/liability would be if it were calculated using a discount rate that is 1.00 percentage point lower or 1.00 percentage point higher than the current rate:

2024

Plan		1.00% Decrease		Current Discount Rate		1.00% Increase
STRS	6.00%	$ (14,578)	7.00%	$ (17,224)	8.00%	$ (19,529)
OPERS	4.70%	3,460	5.70%	(6,296)	6.70%	(14,378)
		$ (11,118)		$ (23,520)		$ (33,907)

2023

Plan		1.00% Decrease		Current Discount Rate		1.00% Increase
STRS	6.00%	$ (22,595)	7.00%	$ (24,441)	8.00%	$ (26,022)
OPERS	4.22%	14,717	5.22%	4,324	6.22%	(4,252)
		$ (7,878)		$ (20,117)		$ (30,274)

Sensitivity of the net OPEB (asset)/liability to changes in the health care cost trend rate: The following presents the net OPEB (asset)/liability of the University, calculated using the healthcare cost trend rate listed below, as well as what the University's net OPEB (asset)/liability would be if it were calculated using a health care trend rate that is 1.00 percentage point lower or 1.00 percentage point higher than the current rate:

2024

Plan	1.00% Decrease	Current Trend Rate	1.00% Increase
STRS	$ (19,636)	$ (17,224)	$ (14,320)
OPERS	(6,558)	(6,296)	(6,000)
	$ (26,194)	$ (23,520)	$ (20,320)

(Dollars in Thousands)

Note 11. Employee Benefit Plans (Continued)

	2023		
Plan	1.00% Decrease	Current Discount Rate	1.00% Increase
STRS	$ (25,351)	$ (24,441)	$ (23,292)
OPERS	4,053	4,324	4,629
	$ (21,298)	$ (20,117)	$ (18,663)

Pension plan and OPEB plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued STRS/OPERS financial report.

Assumption changes: During the measurement periods ended June 30, 2023 and December 31, 2023, respectively, certain assumption changes were made by the plans. STRS healthcare trends were updated, which impacted the annual actuarial valuation for OPEB prepared as of June 30, 2023. The OPERS OPEB discount rate increased from 5.22 percent to 5.70 percent, which impacted the annual actuarial valuation for OPEB prepared as of December 31, 2023. The OPERS OPEB discount rate decreased from 6.00 percent to 5.22 percent, which impacted the annual actuarial valuation for OPEB prepared as of December 31, 2022.

Benefit changes: There were no significant benefit term changes for the pension or OPEB plans since the prior two measurement dates for OPERS. Effective for 2024, STRS implemented a one-time 1 percent cost of living adjustment effective on the anniversary of a benefits recipient's retirement date for those eligible during fiscal year 2024, and a plan change to provide unreduced benefits to those with 34 years of service, which extends through fiscal year 2028. Additionally, STRS OPEB changed the subsidy percentage and the base amount for all retiree non-medicare eligible (NME) participants from 2.2 percent per year in last year's valuation to 2.5 percent per year, capped at 75 percent, as well as the unfreezing of the NME subsidy, the removal of the 6 percent cap on the year over year subsidy increase for medicare eligible (ME) participants, the changes in deductible and office visits copays for Aetna's Medicare Advantage plan, and updates in the medical and PBM vendor contracts.

Changes since the measurement date: There were no significant changes since the measurement date.

Payable to the pension plan: At June 30, 2024 and 2023, the University reported a payable of $8,289 and $8,082, respectively, for the outstanding amount of contributions to the pension plans. There were no amounts due to the OPEB plans at June 30, 2024 or 2023.

Defined contribution pension plan: The Alternative Retirement Plan (ARP) is a defined contribution pension plan, under IRS Section 401(a), and established by Ohio Amended Substitute House Bill 586 (ORC 3305.02) on March 31, 1998, for public institutions of higher education, and adopted by the University's Board of Trustees. Full-time employees are eligible to choose a provider, in lieu of STRS or OPERS, from the list of seven providers currently approved by the Ohio Department of Insurance and who hold agreements with the University. Employee and employer contributions equal to those required by STRS and OPERS are required for the ARP, less any amounts required to be remitted to the state retirement system in which the employee would otherwise have been enrolled.

Note 11. Employee Benefit Plans (Continued)

Eligible employees have 120 days from their date of hire to make an irrevocable election to participate in the ARP. Under this plan, employees who would have otherwise been required to be in STRS or OPERS, and who elect to participate in the ARP, must contribute the employee's share of retirement contributions to one of seven private providers approved by the Ohio Department of Insurance. The legislation mandates that the employer must contribute an amount to the state retirement system to which the employee would have otherwise belonged, based on an independent actuarial study commissioned by the Ohio Retirement Study Council and submitted to the Ohio Department of Higher Education. That amount is 2.91 percent for STRS for the years ended June 30, 2024 and 2023, and 2.24 percent for OPERS for the years ended June 30, 2024 and 2023. The employer also contributes what would have been the employer's contribution under STRS or OPERS, less the aforementioned percentages, to the private provider selected by the employee. The University plan provides these employees with immediate plan vesting. The ARP does not provide disability benefits, survivor benefits, or postretirement healthcare. Benefits are entirely dependent on the sum of the contributions and investment returns earned by each participant's choice of investment options. STRS and OPERS also offer a defined contribution plan and a combined plan with features of both a defined contribution plan and a defined benefit plan. For the years ended June 30, 2024 and 2023, the pension expense for the ARP totaled $10,602 and $9,861, respectively.

Ohio Public Employees Deferred Compensation Program: The University's employees may elect to participate in the Ohio Public Employees Deferred Compensation Program (Program), created in accordance with Internal Revenue Code Section 457. The Program permits deferral of a portion of an employee's compensation, until termination, retirement, death, or unforeseeable emergency. The deferred compensation and any income earned thereon, are not subject to income taxes until actually received by the employee.

In 1998, the Ohio Public Employees Deferred Compensation Program Board implemented a trust to hold the assets of the Program in accordance with Internal Revenue Code Section 457. The program assets are the property of the trust, which holds the assets on behalf of the participants.

Therefore, in accordance with GASB Statement No. 97, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an Amendment of GASB Statements No. 14 and 84, and a Supersession of GASB Statement No. 32*, the assets of this program are not reported in the accompanying financial statements.

At June 30, 2024 and 2023, the amounts on deposit with the Ohio Public Employees Deferred Compensation Board were $34,947 and $30,644, respectively, which represents the fair market value as of that date.

Note 12. Contingencies and Commitments

In the normal course of its activities, the University is a party to various legal actions. The University intends to vigorously defend itself against any and all claims and is of the opinion that the outcome of current legal actions will not have a material effect on the University's financial position.

The University participates in a consortium with all other Ohio state-assisted universities (excluding The Ohio State University) for the acquisition of commercial property and liability insurance. The name of the consortium is the IUC-Risk Management & Insurance Consortium. The commercial property program's loss limit is $1,750,000, the general/auto liability loss limit is $10,000 and the educator's legal liability loss limit is $40,000.

(Dollars in Thousands)

Note 12. Contingencies and Commitments (Continued)

The University is deemed a state agency for purposes of workers' compensation and pays premiums to the Ohio Bureau of Worker's Compensation based on claims experience and related factors. Spooner, Inc. provides consulting to support claims administration, adjudication and managed care activities.

The University is also self-insured for unemployment compensation and substantially all employee health benefits. The University's risk exposure is limited to claims incurred. The estimate is based on an analysis of historical claims paid. The liability is recorded within the accrued liabilities caption in the statements of net position. A summary of self-insured activity for the years ended June 30, is as follows:

	2024	2023	2022
Liability at beginning of year	$ 14,503	$ 12,373	$ 12,927
Claims incurred	82,820	79,888	72,016
Claims paid	(82,227)	(77,758)	(72,570)
Liability at end of year	$ 15,096	$ 14,503	$ 12,373

As of June 30, 2024 and 2023, the University had commitments related to construction projects totaling $38,038 and $80,486, respectively. These projects will be funded from a variety of sources.

The Federal Perkins Loan Program expired on September 30, 2017. As of June 30, 2024, the University has made $4,400 in institutional capital contributions, which are reflected as part of the University's net position. Under guidance issued by the Department of Education, at the time the University liquidates the loan portfolio and assigns the student loans to the Department of Education, the University will be forgoing its institutional capital contributions not yet received back through loan collections.

Note 13. Related Party Transactions

In January 2016, the University and the Foundation entered into a sublease agreement for building space in the Center of Philanthropy and Alumni Engagement. The lease meets the capitalization criteria and is recorded as an asset and liability at fair value on the Foundation's financial statements. The net book value of the building and the balance of the liability as of June 30, 2024 and 2023 was $7,537 and $7,852 and $7,784 and $8,027, respectively. The University has recorded the expected payments within the lease receivable caption on the statements of net position.

The University, together with The University of Akron and Youngstown State University, created consortium to establish and govern The Northeastern Education Television of Ohio, Inc. (NETO), Channels 45 and 49, Kent, Ohio. This organization is legally separate from the University; accordingly, its financial activity is not included within the accompanying financial statements. The University has no contractual financial obligations to this consortium.

Note 14. Component Units

The Kent State University Foundation (the Foundation) is a legally separate not-for-profit entity organized for the purpose of promoting educational and research activities of the University. Since the resources held by the Foundation can be used only by and for the benefit of the University, the Foundation is considered a component unit of the University and is discretely presented in the University's financial statements. The Foundation reimburses the University for substantially all operating expenses paid by the University on behalf of the Foundation.

(Dollars in Thousands)

Note 14. Component Units (Continued)

Assets totaling $333,642 and $315,802 at June 30, 2024 and 2023, respectively, most of which have been restricted by donors for specific purposes, are presented separately. The University receives financial support from gifts to the Foundation specifically restricted by donors for University use, including scholarships and private grants.

The Foundation's investments are exposed to a variety of uncertainties, including interest rate, market and credit risks. The Foundation maintains a diverse investment portfolio, without any concentration of risk in any particular industry sector. Due to the level of risk associated with certain investments, it is possible that changes in the values of these investments could occur in the near term. Such changes could materially affect the amounts reported in the financial statements of the Foundation.

The Foundation uses fair value measurements to record the fair value of certain assets and liabilities and to determine fair value disclosures.

Level 1 – Quoted prices that are available in active markets as of the report date. The quoted market prices are from those securities traded on an active exchange such as the New York Stock Exchange, NASDAQ or an active over-the-counter markets.

Level 2 – Pricing inputs other than quoted prices in active markets, which are either directly or indirectly observable as of the report date.

Level 3 – Inputs that are unobservable including the Foundation's own assumptions in determining the fair value of investments or liabilities.

The following tables present information about the investments and liabilities measured at fair value on a recurring basis as of June 30, 2024 and 2023:

	2024			
	Level 1	Level 2	Level 3	Total
Investments by fair value level:				
Exchange traded funds	$ 2,846	$ -	$ -	$ 2,846
Mutual funds:				
Multi-asset funds	792	-	-	792
International equity funds	3,131	-	-	3,131
Total investments by fair value level	$ 6,769	$ -	$ -	6,769
Cash and cash equivalents				3,585
Investments measured at fair value based on net asset value (NAV): [(a)]				
Private equity				47,137
Commingled asset funds				187,785
Real assets				19,067
Total investments measured at NAV				253,989
Total investment assets				$ 264,343
Investment liabilities:				
Charitable remainder trusts	$ -	$ -	$ 1,179	$ 1,179
Charitable gift annuities	-	-	1,245	1,245
Total investment liabilities	$ -	$ -	$ 2,424	$ 2,424

(Dollars in Thousands)

Note 14. Component Units (Continued)

	2023			
	Level 1	Level 2	Level 3	Total
Investments by fair value level:				
Exchange traded funds	$ 2,633	$ -	$ -	$ 2,633
Mutual funds:				
Multi-asset funds	672	-	-	672
International equity funds	2,696	-	-	2,696
Total investments by fair value level	$ 6,001	$ -	$ -	6,001
Cash and cash equivalents				2,747
Investments measured at fair value based on net asset value (NAV): [a]				
Private equity				42,749
Commingled asset funds				176,123
Real assets				17,278
Total investments measured at NAV				236,150
Total investment assets				$ 244,898
Investment liabilities:				
Charitable remainder trusts	$ -	$ -	$ 1,166	$ 1,166
Charitable gift annuities	-	-	1,452	1,452
Total investment liabilities	$ -	$ -	$ 2,618	$ 2,618

[a] In accordance with ASC Subtopic 820-10, certain investments that are measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net position.

The following table sets forth the significant terms of the agreements with non-publicly traded funds reported at fair value based on net asset value at June 30:

	Fair Value		Unfunded	Redemption Frequency, if	Redemption Notice
	2024	2023	Commitments	Eligible	Period
Private equity	$ 47,137	$ 42,749	$ 34,360	5+ years	not applicable
Commingled asset funds	187,785	176,123	-	quarterly	90 days
Real assets	12,479	12,623	-	quarterly	90 days
Real assets (private)	6,588	4,655	8,487	5+ years	not applicable
Total	$ 253,989	$ 236,150	$ 42,847		

(Dollars in Thousands)

Note 14. Component Units (Continued)

The private equity class is made up of fund-of-funds managers who allocate to a specific sector or investment stage, including venture and growth capital, buyout, private credit/debt, real estate, and natural resources. An initial commitment is made by the investor, and capital is called over several years (three to five years). As underlying companies are sold, issue an initial public offering, or are otherwise recapitalized, managers distribute the realized proceeds to limited partner investors.

The commingled asset class consists of fund-of-fund managers and Outsourced Chief Investment Officer (OCIO) holdings who allocate funds to underlying commingled asset funds which invest in various asset classes globally. Investments may include public equities, fixed income, credit instruments, commodities, currencies, and other securities based on economic trends or index hedging. While underlying investments are generally very liquid, the manager offers only periodic redemptions and subscriptions in order to better align with a longer investment time horizon.

The real assets class is comprised of investments in equity securities and derivative instruments with primary exposure to tangible assets including commodities, energy, infrastructure, real estate securities, and inflation-protected treasuries. Investments are primarily liquid, though the managers may only allow periodic redemptions in order to better align with a longer investment time horizon.

The private real asset class is similar to the real asset class described above; however, it has a significantly longer lock-up period.

Restricted net positions of the Foundation are principally related to scholarships, specific schools within the University, department chairs and various other purposes. Net positions were as follows at June 30:

	2024		2023	
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions
Available for expenditure:				
Current operations	$ 24,051	$ 50,211	$ 19,516	$ 52,945
Term endowments	2,662	57,965	2,510	57,042
Accumulated earnings on endowments	-	48,654	-	36,256
Real estate	549	1,887	549	1,887
	27,262	158,717	22,575	148,130
Unavailable for expenditure:				
Endowments	-	84,989	-	78,590
Trusts	-	1,667	-	1,467
Beneficial interest in perpetual trusts	-	5,209	-	4,807
Uncollected pledges, net	-	31,247	-	36,359
	-	123,112	-	121,223
	$ 27,262	$ 281,829	$ 22,575	$ 269,353

(Dollars in Thousands)

Note 14. Component Units (Continued)

The KSU Foot and Ankle Clinic dba The Cleveland Foot and Ankle Clinic (Clinic) provides services to the public, but does so to provide clinical experience for students of the KSU College of Podiatric Medicine. The Clinic is a separate not-for-profit entity organized by the University for the benefit of the KSU College of Podiatric Medicine. The University is the sole member of the Clinic and appoints the directors. Under the provisions of GASB 61, the Clinic has been determined to be a blended component of the University. The University is obligated to deposit sufficient amounts to cover necessary expenses deemed to be core components to the continuous operation of the Clinic. The University also reviews and approves the annual budget. Condensed financial statement information for the Clinic is presented below:

	2024	2023
Statements of net position (condensed):		
Total assets	$ 64	$ 3
Total liabilities	64	3
Net position	$ -	$ -
Statements of revenues, expenses and changes in net position (condensed):		
Operating revenues	$ 704	$ 510
Operating expenses	645	367
Operating income	59	143
Transfers to the University	(59)	(143)
Change in net position	$ -	$ -

Assets primarily consist of patient receivables offset by an allowance for uncollectible patient receivables. Liabilities primarily consist of accounts payable and accrued vacation.

Patient revenues are the major source of operating revenues for the Clinic. Operating expenses consist primarily of salaries and benefits for Clinic personnel and expenses related to the Clinic building (i.e., rental expense and insurance).

(Dollars in Thousands)

Note 14. Component Units (Continued)

The KSU Research Corporation is a separate not-for-profit entity that supports scholarly research activity for the benefit of the University. Under the provisions of GASB 61, the KSU Research Corporation has been determined to be a blended component of the University. Condensed financial statement information for the KSU Research Corporation is presented below:

	2024	2023
Statements of net position (condensed):		
Total assets	$ 941	$ 821
Total liabilities	-	-
Net position	$ 941	$ 821
Statements of revenues, expenses and changes in net position (condensed):		
Operating revenues	$ 301	$ 350
Operating expenses	143	92
Operating income	158	258
Transfers to the University	(38)	(33)
Change in net position	$ 120	$ 225

Required Supplementary Information

Kent State University

Retirement Plan Data
Years Ended June 30, 2024, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016, 2015 and 2014
(Dollars in Thousands)

	2023		2022		2021		2020		2019		2018		2017		2016		2015		2014	
	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS
Plan year-end	December 31,	June 30	December 31,	June 30	December 31,	June 30	December 31,	June 30	December 31,	June 30	December 31,	June 30	December 31,	June 30	December 31,	June 30	December 31,	June 30	December 31,	June 30
University's proportion of the collective net pension liability:																				
As a percentage	0.711172%	0.885630%	0.694875%	0.943905%	0.671566%	0.975149%	0.715525%	1.065073%	0.855023%	1.057958%	0.757658%	1.126500%	0.847190%	1.135790%	0.866780%	1.151210%	0.879430%	1.165490%	0.853250%	1.570200%
Amount	$ 184,433	$ 190,720	$ 203,827	$ 209,831	$ 55,920	$ 124,682	$ 103,800	$ 257,710	$ 167,315	$ 233,961	$ 206,691	$ 247,693	$ 131,735	$ 269,810	$ 196,348	$ 385,343	$ 151,914	$ 322,106	$ 102,582	$ 281,426
University's covered payroll (based on the plan year-end)	$ 148,901	$ 157,602	$ 138,901	$ 152,813	$ 130,007	$ 150,091	$ 135,330	$ 158,816	$ 145,213	$ 149,310	$ 145,858	$ 155,814	$ 145,395	$ 151,084	$ 144,315	$ 145,789	$ 140,497	$ 142,396	$ 136,758	$ 140,596
University's proportional share of the collective pension liability (amount) as a percentage of the University's covered payroll	123.86%	121.01%	146.74%	137.31%	43.01%	83.07%	76.70%	162.27%	115.22%	156.69%	141.71%	158.97%	90.60%	178.58%	136.06%	264.32%	108.13%	226.20%	75.01%	200.17%
Fiduciary net position as a percentage of the total pension liability	79.01%	80.00%	76.07%	78.90%	93.01%	87.80%	87.21%	75.50%	82.44%	77.40%	74.91%	77.30%	84.85%	75.29%	77.39%	66.80%	81.17%	72.10%	86.53%	74.70%

Schedule of the University's Contributions

	2024		2023		2022		2021		2020		2019		2018		2017		2016		2015	
	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS
Statutorily required contribution	$ 18,630	$ 17,210	$ 17,097	$ 16,766	$ 15,686	$ 17,188	$ 14,798	$ 16,843	$ 17,099	$ 17,918	$ 17,322	$ 17,272	$ 16,604	$ 17,935	$ 15,262	$ 16,528	$ 16,680	$ 16,959	$ 16,360	$ 17,022
Contributions in relation to the actuarially determined contractually required contribution	$ 18,630	$ 17,210	$ 17,097	$ 16,766	$ 15,686	$ 17,188	$ 14,798	$ 16,843	$ 17,099	$ 17,918	$ 17,322	$ 17,272	$ 16,604	$ 17,935	$ 15,262	$ 16,528	$ 16,680	$ 16,959	$ 16,360	$ 17,022
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll (based on the University's fiscal year-end)	$ 155,139	$ 161,556	$ 142,963	$ 157,602	$ 132,859	$ 152,813	$ 127,745	$ 150,091	$ 146,329	$ 158,816	$ 146,462	$ 149,310	$ 144,780	$ 155,814	$ 146,087	$ 151,084	$ 142,041	$ 145,789	$ 139,224	$ 142,396
Contributions as a percentage of covered employee payroll	12.01%	10.65%	11.96%	10.64%	11.81%	11.25%	11.58%	11.22%	11.69%	11.28%	11.83%	11.57%	11.47%	11.51%	10.45%	10.94%	11.74%	11.63%	11.75%	11.95%

Notes to required supplementary information:

For the year ended June 30, 2024

Changes of benefit terms: Effective for 2024, STRS implemented a one-time 1 percent cost of living adjustment effective on the anniversary of a benefits recipient's retirement date for those eligible during fiscal year 2024 and a plan change to provide unreduced retirement benefits to those with 34 years of service, which extends through fiscal year 2028.

Effective for 2023, STRS implemented a one-time 3 percent cost of living adjustment effective on the anniversary of a benefits recipient's retirement date for those eligible during fiscal year 2023 and eliminated the age 60 requirement (effective August 1, 2026).

There were no changes in benefit terms affecting the OPERS plan.

Changes in assumptions: During the plan years ended June 30, 2022, there were changes to several assumptions for STRS based on an updated experience study for the five-year period ended June 30, 2021. The projected salary increase range changed from 2.5-12.5 percent to 2.5-8.5 percent. The mortality tables used changed from RP-2014 to PUB-2010.

During the plan year ended December 31, 2023 and 2022, there were no changes to key assumptions for the OPERS plan.

Kent State University

OPEB Plan Data
Years Ended June 30, 2024, 2023, 2022, 2021, 2020, 2019, 2018 and 2017
(Dollars in Thousands)

	2023		2022		2021		2020		2019		2018		2017	
	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS
Plan year-end	December 31	June 30	December 31	June 30	December 31	June 30	December 31	June 30	December 31	June 30	December 31	June 30	December 31	June 30
University's proportion of the collective net OPEB liability (asset):														
As a percentage	0.697644%	0.885630%	0.685786%	0.943907%	0.662919%	0.975149%	0.707112%	1.065073%	0.844741%	1.057958%	0.930010%	1.126500%	0.841280%	1.135790%
Amount	$ (6,296)	(17,224)	$ 4,324	(24,441)	$ (20,763)	(20,560)	$ (12,598)	(18,719)	$ 116,681	(17,522)	121,253	(18,089)	91,357	44,315
University's covered payroll (based on the plan year-end)	$ 148,901	157,602	$ 138,901	152,813	$ 130,007	150,091	$ 135,330	158,816	$ 145,213	149,310	145,858	155,814	145,395	151,084
University's proportional share of the collective OPEB liability/(asset) (amount), as a percentage of the University's covered-employee payroll	-4.23%	-10.93%	3.11%	-15.99%	-15.97%	-13.70%	-9.31%	-11.79%	80.35%	-11.74%	83.13%	-11.61%	62.83%	29.33%
Fiduciary net position as a percentage of the total OPEB liability/(asset)	107.76%	168.50%	94.79%	230.70%	128.23%	174.73%	115.57%	182.13%	47.80%	174.70%	46.33%	176.00%	54.14%	47.11%

Schedule of the University's Contributions

	2024		2023		2022		2021		2020		2019		2018	
	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS	OPERS	STRS
Statutorily required contribution	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 589	$ -
Contributions in relation to the actuarially determined contractually required contribution	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 589	$ -
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll (based on the University's fiscal year-end)	$ 155,139	$ 161,556	$ 142,963	$ 157,602	$ 132,859	$ 152,813	$ 127,745	$ 150,091	$ 146,329	$ 158,816	$ 146,462	$ 149,310	$ 144,780	$ 155,814
Contributions as a percentage of covered employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.41%	0.00%

Note: The University has presented as many years as information is available.

Notes to required supplementary information:

For the year ended June 30, 2024

Changes of benefit terms: During the plan year ended June 30, 2023, the subsidy percentage and the base amount for all retiree Non-Medicare Eligible (NME) participants, from 2.2% per year in last year's valuation to 2.5% per year, capped at 75%, as well as the unfreezing of the NME subsidy, the removal of the 6% cap on the year over year subsidy increase for Medicare Eligible (ME) participants, the changes in deductible and office visits copays for Aetna's Medicare Advantage plan, and updates in the medical and PBM vendor contracts.

There were no significant changes in benefit terms affecting the OPERS plan.

Changes in assumptions: During the plan year ended June 30, 2023, there were changes in the healthcare and trend assumptions based on emerging claims and recoveries experience as well as benefit changes effective January 1, 2024 for STRS.

During the plan year ended June 30, 2022, there were changes to several assumptions for STRS based on an updated experience study for the five-year period ended June 30, 2021. The projected salary increase range changed from 2.5-12.5 percent to 2.5-8.5 percent. The mortality tables used changed from RP-2014 to PUB-2010.

For OPERS, during the plan year ended December 31, 2023, the health care cost trend rate changed to 5.50% initial, 3.50% ultimate in 2038 from 5.50% initial, 3.50 ultimate in 2036 in 2022. In addition, the discount rate was increased from 5.22% to 5.70% and the municipal bond rate was decreased from 4.05% to 3.77%.

For OPERS, during the plan year ended December 31, 2022, the health care cost trend rate changed to 5.50% initial, 3.5% ultimate in 2036 from 5.50% initial, 3.5% ultimate in 2034 in 2021. In addition, the discount rate was reduced from 6.00 percent to 5.22 percent.

Supplementary Information

Kent State University

Uniform Guidance Requirements

Kent State University

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass Through Identifying Number	Provided to Subrecipients	Total Federal Expenditures
Student Financial Assistance Cluster				
U.S. Department of Education				
Federal Supplemental Educational Opportunity Grants	84.007	N/A	$ -	$ 1,167,401
Federal Work-Study Program	84.033	N/A	-	1,637,986
Federal Perkins Loan Program:				
Loans outstanding at the beginning of the year	84.038	N/A	-	8,934,747
Federal Pell Grant Program	84.063	N/A	-	44,224,677
Federal Direct Student Loans	84.268	N/A	-	156,920,226
Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	84.379	N/A	-	112,212
Postsecondary Education Scholarships for Veteran's Dependents	84.408	N/A	-	14,818
Total U.S. Department of Education			-	213,012,067
U.S Department of Health and Human Services				
Health Professions Student Loans, including Primary Care Loans and Loans for Disadvantaged Students	93.342	N/A	-	2,978,398
Health Professions Student Loans, including Primary Care Loans and Loans for Disadvantaged Students	93.342	N/A	-	281,835
			-	3,260,233
Nursing Student Loans	93.364	N/A	-	2,514,289
Total U.S. Department of Health and Human Services			-	5,774,522
Total Student Financial Assistance Cluster			-	218,786,589
Research and Development Cluster				
U.S. Department of Agriculture				
Pass-through Programs from:				
University of Connecticut - Agriculture and Food Research Initiative (AFRI)	10.310	CA-200165	-	647
The Ohio State University - Regional Conservation Partnership Program	10.932	KSU410910	-	54,265
Total U.S. Department of Agriculture			-	54,912
U.S. Department of Commerce				
Climate and Atmospheric Research	11.431	N/A	-	129,680
Pass-through Programs from:				
University of Maryland College Park - National Oceanic and Atmospheric Administration (NOAA) Cooperative Institute	11.432	131010-Z7554219	-	22,462
Total U.S. Department of Commerce			-	152,142
U.S. Department of Defense				
Military Medical Research and Development	12.420	N/A	-	203,205
Pass-through Programs from:				
Lee Moffitt Cancer Center - Military Medical Research and Development	12.420	12-18717-99-01-G3	-	11,835
			-	215,040
Pass-through Programs from:				
National Center for Defense Manufacturing - Basic and Applied Scientific Research	12.300	KSU418818	-	8,584
University of Massachusetts - Basic and Applied Scientific Research	12.300	18-010467 E 00	-	46,995
			-	55,579
North Carolina State University - Research and Technology Development	12.910	PAM-P23-000974-SA01	-	10,000
Defense Engineering Corp. - Department of Defense Contract	12.U01	PO 10286	-	9
Defense Engineering Corp. - Department of Defense Contract	12.U02	J049	-	78
Defense Engineering Corp. - Department of Defense Contract	12.U03	J066	-	3,879
Yanhai Power LLC - Department of Defense Contract	12.U04	YP001-20-STTR	-	4,200
AlphaMicron, Incorporated - Department of Defense Contract	12.U05	EDEPD STTR PII-01	-	10,202
Powdermet Inc - Department of Defense Contract	12.U06	POWDERMET-KSU-21	-	15,271
Immobileyes, Inc. - Department of Defense Contract	12.U07	FX23D-STTR-0353-KSU	-	21,329
Aerodynamic Technologies LLC - Department of Defense Contract	12.U08	KSU412742	-	64,236
			-	119,204
Total U.S. Department of Defense			-	399,823
U.S. Department of the Interior				
U.S. Geological Survey Research and Data Collection	15.808	N/A	-	59,411
National Cooperative Geologic Mapping	15.810	N/A	-	29,606
Pass-through Programs from:				
The Ohio State University - Assistance to State Water Resources Research Institutes	15.805	GR129183 | SPC1000007101	-	12,807
Conservancy for Cuyahoga Valley National Park - Cooperative Research and Training Programs – Resources of the N	15.945	P24AC00219	-	15,915
Total U.S. Department of the Interior			-	117,739

(Continued)

Kent State University

Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass Through Identifying Number	Provided to Subrecipients	Total Federal Expenditures
U.S. Department of Justice				
Pass-through Programs from:				
Ohio Office of Criminal Justice Services - Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-JG-E01-V6031	$ -	$ 3,012
Total U.S. Department of Justice			-	3,012
U.S. Department of State				
Pass-through Programs from:				
University of Fort Hare - Public Diplomacy Programs	19.040	Unknown	-	13,482
Total U.S. Department of State			-	13,482
National Aeronautics and Space Administration				
Science	43.001	N/A	-	94,530
Space Operations	43.007	N/A	-	140,459
Pass-through Programs from:				
Ohio Space Grant Consortium - NASA Contract	43.000	KSU418811	-	534
Ohio Space Grant Consortium - NASA Contract	43.000	KSU418813	-	1,271
Ohio Space Grant Consortium - NASA Contract	43.000	KSU418810	-	3,793
Ohio Space Grant Consortium - NASA Contract	43.000	KSU418814	-	5,630
			-	11,228
Ohio Space Grant Consortium - Office of Stem Engagement (OSTEM)	43.008	Unknown	-	18,500
University of the Virgin Island - Office of Stem Engagement (OSTEM)	43.008	219014-02	-	58,134
			-	76,634
Total National Aeronautics and Space Administration			-	322,851
Institute of Museum and Library Services				
National Leadership Grants	45.312	N/A	-	7,439
Laura Bush 21st Century Librarian Program	45.313	N/A	-	44,201
Total Institute of Museum and Library Services			-	51,640
National Science Foundation				
National Science Foundation Contract	47.U01	N/A	-	136,386
Mathematical and Physical Sciences	47.049	N/A	-	1,418,815
Social, Behavioral, and Economic Sciences	47.075	N/A	26,647	306,936
Education and Human Resources	47.076	N/A	257,189	928,294
Office of International Science and Engineering	47.079	N/A	-	73,121
National Science Foundation Contract	47.084	N/A	-	17,119
Engineering	47.041	N/A	-	442,045
Pass-through Programs from:				
The University of Akron - Engineering	47.041	U02	-	828
			-	442,873
Geosciences	47.050	N/A	12,270	177,493
Pass-through Programs from:				
Trustees of Columbia University in the City of New York - Geosciences	47.050	115D(GG009393-04)	-	4,745
Trustees of Columbia University in the City of New York - Geosciences	47.050	115F(GG009393-04)	-	2,025
Trustees of Columbia University in the City of New York - Geosciences	47.050	115E(GG009393-04)	-	2,619
Trustees of Columbia University in the City of New York - Geosciences	47.050	115C(GG009393-04)	-	5,262
Trustees of Columbia University in the City of New York - Geosciences	47.050	115B(GG09393-04)	-	16,274
			12,270	208,418
Computer and Information Science and Engineering	47.070	N/A	-	1,027,136
Pass-through Programs from:				
The Board of Trustees of the University of Illinois - Computer and Information Science and Engineering	47.070	106262-18718	-	158,156
			-	1,185,292
Biological Sciences	47.074	N/A	-	558,633
Pass-through Programs from:				
Northeast Ohio Medical University - Biological Sciences	47.074	163954052	-	4,240
			-	562,873
Polar Programs	47.078	N/A	-	17,267
Pass-through Programs from:				
The University of Tennessee, Knoxville - Polar Programs	47.078	A20-0621-S001	-	44,130
			-	61,397
Total National Science Foundation			296,106	5,341,524
U.S. Department of Veterans Affairs				
Pass-through Programs from:				
Louis Stokes Cleveland VA Medical Center - Depatment of Veterans Affairs Contract	64.U01	KSU415195	-	24,404
Total U.S. Department of Veterans Affairs			-	24,404

(Continued)

Kent State University

Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass Through Identifying Number	Provided to Subrecipients	Total Federal Expenditures
Environmental Protection Agency				
Pass-through Programs from:				
The Ohio State University - Geographic Programs - Great Lakes Restoration Initiative	66.469	SPC-1000007573 | GR130249	$ -	$ 279,769
Total Environemental Protection Agency			-	279,769
U.S. Department of Energy				
Intergovernmental Personnel - Department of Energy	81.U01	N/A	-	232,696
Office of Science Financial Assistance Program	81.049	N/A	52,693	741,497
Pass-through Program from:				
Texas A&M University - Office of Science Financial Assistance Program	81.049	M2303918	-	47,673
			52,693	789,170
Other U.S. Department of Energy Pass-through Programs from:				
UT-Battelle, LLC - Department of Energy	81.U02	4000211774	-	7,548
UT-Battelle, LLC - Department of Energy	81.U03	KSU410439	-	20,005
Brookhaven National Laboratory - Department of Energy	81.U04	378546	-	48,702
Precision Combustion, Inc. - Advanced Research Projects Agency - Energy	81.135	371	-	17,372
Total U.S. Department of Energy			52,693	1,115,493
U.S. Department of Education				
Education Research, Development and Dissemination	84.305	N/A	-	4,148
Pass-through Programs from:				
University of Florida - Research in Special Education	84.324	UFDSP00012193	-	175,121
University of Massachusetts Boston - Special Education - Personnel Development to Improve Services and Results fc	84.325	B001494798	-	8,647
The University of Akron - English Language Acquisition State Grants	84.365	542324	-	6,151
Luminary Labs, LLC - Department of Education Contract	84.000	KSU413393	-	17,780
Total U.S. Department of Education			-	211,847
U.S. Department of Health and Human Serivces				
Research on Healthcare Costs, Quality and Outcomes	93.226	N/A	191,669	416,508
Minority Health and Health Disparities Research	93.307	N/A	-	15,537
Nursing Research	93.361	N/A	-	73,942
Cancer Detection and Diagnosis Research	93.394	N/A	-	144,903
Cancer Treatment Research	93.395	N/A	-	100,348
Cancer Biology Research	93.396	N/A	124,249	502,546
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	N/A	-	125,981
Allergy and Infectious Diseases Research	93.855	N/A	44,778	104,776
Child Health and Human Development Extramural Research	93.865	N/A	-	751,481
Pass-through Programs from:				
Mental Health (MH) and Recovery Services Board of Stark County - Comprehensive Community MH Services for Chil	93.104	KSU416450	-	(658)
Mental Health and Recovery Services Board of Stark County - Comprehensive Community Mental Health Services foı	93.104	Unknown	-	1,363
Mental Health (MH) and Recovery Services Board of Stark County - Comprehensive Community MH Services for Chil	93.104	KSU416462	-	5,456
			-	6,161
Research Related to Deafness and Communication Disorders	93.173	N/A	-	99,400
Pass-through Programs from:				
Gateway Technology - Research Related to Deafness and Communication Disorders	93.173	015554-00002	-	100,543
			-	199,943
Mental Health Research Grants	93.242	N/A	19,489	390,866
Pass-through Programs from:				
HabitAware, Inc. - Mental Health Research Grants	93.242	KSU-SUB0001	-	67,231
			19,489	458,097
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	N/A	-	390,216
Pass-through Programs from:				
Stark Mental Health Services and Recovery Board - Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Unknown	-	5,246
Stark Mental Health Services and Recovery Board - Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Unknown	-	7,100
Mental Health & Recovery Board of Portage County - Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	KSU416451	-	102,946
Health Recovery Services, Inc. - Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	PS-1028	-	181,274
			-	686,782
Northeas Ohio Medical Univesity - Alcohol Research Programs	93.273	G0476-A	-	4,787
University of Connecticut - Drug Abuse and Addiction Research Programs	93.279	175653108	-	4,003
The Ohio State University - Drug Abuse and Addiction Research Programs	93.279	SPC-1000012810/GR134385	-	16,322
University of Connecticut - Drug Abuse and Addiction Research Programs	93.279	165109478	-	42,790
			-	63,115

(Continued)

Kent State University

Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass Through Identifying Number	Provided to Subrecipients	Total Federal Expenditures
Ohio Department of Health - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	51365	$ -	$ 17,156
Ohio Department of Health - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	PO00115245	-	282,755
			-	299,911
ACL National Institute on Disability, Independent Living, and Rehabilitation Research	93.433	N/A	32,393	465,678
Pass-through Programs from:				
Virginia Commonwealth University - ACL National Institute on Disability, Independent Living, and Rehabilitation Research	93.433	FP00010656_SA001	-	81,663
Virginia Commonwealth University - ACL National Institute on Disability, Independent Living, and Rehabilitation Research	93.433	FP00010584_SA002	-	66,054
			32,393	613,395
Northeast Ohio Medical University - Mental and Behavioral Health Education and Training Grants	93.732	G0443-NNN	-	4,444
Northeast Ohio Medical University - Mental and Behavioral Health Education and Training Grants	93.732	G0443-B	-	(673)
Northeast Ohio Medical University - Mental and Behavioral Health Education and Training Grants	93.732	G0443-MM	-	5,022
			-	8,793
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	N/A	-	175,597
Pass-through Programs from:				
Northwestern University - Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	60054977 KSU	-	600
Northwestern University - Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	60054977 KSU	-	70,304
			-	246,501
Biomedical Research and Research Training	93.859	N/A	-	826,327
Pass-through Programs from:				
Cleveland State University - Biomedical Research and Research Training	93.859	KSU467988	-	3,577
			-	829,904
Aging Research	93.866	N/A	425,706	1,404,270
Pass-through Programs from:				
Gateway Technology - Aging Research	93.866	KSU418807	-	45,101
MD Anderson Cancer Center - Aging Research	93.866	3001715043	-	195,961
			425,706	1,645,332
State of Maine - Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.946	CD0-23-1256B	-	15,000
Maryland Department of Health - Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.946	OPASS-21-19153G	-	59,754
			-	74,754
Indiana State Department of Health - Maternal and Child Health Services Block Grant to the States	93.994	55462	-	1,477
Total U.S. Department of Health and Human Serivces			838,284	7,374,974
Department of Homeland Security				
Pass-through Program from:				
California State University, Northridge - Scientific Leadership Awards	97.062	A24-0009-S001	-	2,033
Total U.S. Department of Homeland Security			-	2,033
Total Research and Development Cluster			1,187,083	15,465,645
U.S. Department of Housing and Urban Development				
CDBG - Entitlement Grants Cluster				
Pass-through Program from:				
Stark County Regional Planning - Community Development Block Grants/Entitlement Grants - Cluster	14.218	KSU487976	-	32,000
U.S. Department of Education				
Special Education Cluster (IDEA)				
Pass-through Program from:				
Ohio Department Of Education - Special Education Grants to States	84.027	CSP909314	-	17,127
Ohio Department Of Education - Special Education Grants to States	84.027	CSP007848	-	27,781
Total IDEA Cluster			-	44,908
U.S. Department of Education				
TRIO Cluster				
TRIO Student Support Services	84.042	N/A	-	590,184
TRIO Upward Bound	84.047	N/A	-	1,247,061
TRIO Educational Opportunity Centers	84.066	N/A	-	234,499
TRIO McNair Post-Baccalaureate Achievement	84.217	N/A	-	283,465
Total TRIO Cluster			-	2,355,209
U.S. Department of Health and Human Services				
Head Start Cluster				
Pass-through Program from:				
The University of North Carolina at Chapel Hill - Head Start	93.600	5130259	-	6,908
Other Programs				
U.S. Department of Agriculture				
Distance Learning and Telemedicine Loans and Grants	10.855	N/A	-	46,825
Total U.S. Department of Agriculture			-	46,825

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Kent State University

Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass Through Identifying Number	Provided to Subrecipients	Total Federal Expenditures
U.S. Department of the Interior				
Pass-through Programs from:				
National Writing Project - National Park Service Conservation, Protection, Outreach, and Education	15.954	97-OH03-NPA2023	$ -	$ 3,252
U.S. Department of Justice				
Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus	16.525	N/A	-	35,079
Second Chance Act Reentry Initiative	16.812	N/A	-	123,429
Total U.S. Department of Justice			-	158,508
U.S. Department of Labor				
Community Project Funding/Congressionally Directed Spending	17.289	N/A	-	250,000
Occupational Safety and Health Susan Harwood Training Grants	17.502	N/A	-	66,162
Total U.S. Department of Labor			-	316,162
U.S. Department of State				
Public Diplomacy Programs	19.040	N/A	-	(6,079)
Pass-through Programs from:				
International Research & Exchange Board, Incorporated - Academic Exchange Programs - Undergraduate Programs	19.009	KSU418602	-	12,248
International Research & Exchange Board, Incorporated - Academic Exchange Programs - Undergraduate Programs	19.009	Unknown	-	27,223
World Learning - Academic Exchange Programs - Undergraduate Programs	19.009	Unknown	-	65,775
			-	105,246
Institute of International Education - Academic Exchange Programs - Graduate Students	19.400	3000327513	-	6,172
Institute of International Education - Academic Exchange Programs - Graduate Students	19.400	3000287544	-	209,563
			-	215,735
International Research & Exchange Board, Incorporated - Academic Exchange Programs - Teachers	19.408	FY23-FTEA-KSU-02	-	15,713
International Research & Exchange Board, Incorporated - Academic Exchange Programs - Teachers	19.408	FY23-FTEA-KSU-01	-	200,277
			-	215,990
Total U.S. Department of State			-	530,892
U.S. Department of Transportation				
Airport Improvement Program	20.106	N/A	-	4,258,593
Aircraft Pilots Workforce Development Grant Program	20.111	N/A	-	109,102
Total U.S. Department of the Transportation			-	4,367,695
U.S. Department of the Treasury				
Pass-through Programs from:				
COVID-19 - PreventionFIRST!	21.019	KSU457925	-	24,940
COVID-19 - City of Akron - Coronavirus State and Local Fiscal Recovery Funds	21.027	SC2023-000188	-	46,611
COVID-19 - Ohio Office of Criminal Justice Services - Coronavirus State and Local Fiscal Recovery Funds	21.027	2022-AR-LEP-999	-	40,370
COVID-19 - Ohio Department of Development - Coronavirus State and Local Fiscal Recovery Funds	21.027	KSU487977	-	63,719
Total U.S. Department of the Treasury			-	150,700
National Aeronautics and Space Administration				
Pass-through Programs from:				
Ohio Space Grant Consortium - Office of Stem Engagement (OSTEM)	43.008	KSU411819	-	1,937
Ohio Space Grant Consortium - Office of Stem Engagement (OSTEM)	43.008	KSU411814	-	21,500
Total National Aeronautics and Space Administration			-	23,437
National Endowment for the Arts				
Promotion of the Arts Grants to Organizations and Individuals	45.024	N/A	-	31,413
Pass-through Programs from:				
Arts Midwest - Promotion of the Arts Grants to Organizations and Individuals	45.024	2022-1230	-	14,100
Total National Endowment for the Arts			-	45,513
National Endowment for the Humanities				
Pass-through Program from:				
Promotion of the Humanities Division of Preservation and Access	45.129	PW-290532-23	-	137,949
Total National Endowment for the Humanities			-	137,949

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Kent State University

Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass Through Identifying Number	Provided to Subrecipients	Total Federal Expenditures
Institute of Museum and Library Services				
Laura Bush 21st Century Librarian Program	45.313	N/A	$ -	$ 932
Total Institute of Museum and Library Services			-	932
National Science Foundation				
Pass-through Programs from:				
Cosmic Picture Distribution - Mathematical and Physical Sciences	47.049	KSU414944	-	3,661
Missouri State University - STEM Education (formerly Education and Human Resources)	47.076	21105-001	-	42,250
Total National Science Foundation			-	45,911
U.S. Small Business Administration				
Pass-through Programs from:				
Ohio Development Services Agency - Small Business Development Centers	59.037	OSBG-20-334	-	(142,323)
Ohio Development Services Agency - Small Business Development Centers	59.037	KSU418795	-	(126,255)
Ohio Development Services Agency - Small Business Development Centers	59.037	KSU487908	-	29,272
Ohio Development Services Agency - Small Business Development Centers	59.037	KSU487978	-	59,638
Ohio Development Services Agency - Small Business Development Centers	59.037	KSU487970	-	134,619
Total U.S. Small Business Administration			-	(45,049)
U.S. Department of Education				
Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	84.325	N/A	15,530	396,880
Pass-through Programs from:				
Ohio Department of Higher Education - Education Stabilization Fund	84.425	KSU415707	-	81,174
Ohio Department Of Education - Education Stabilization Fund	84.425	KSU415711	-	278,075
			-	359,249
Ohio Department of Higher Education - Adult Education - Basic Grants to States	84.002	Unknown	24,495	59,161
Ohio Department of Higher Education - Adult Education - Basic Grants to States	84.002	KSU413926	308,145	1,223,557
			332,640	1,282,718
Ohio Department Of Education - Career and Technical Education -- Basic Grants to States	84.048	KSU415719	-	98,373
Ohio Department of Higher Education - Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	KSU417202		104,531
Total U.S. Department of Education			348,170	2,241,751
U.S. Department of Health and Human Serivces				
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	N/A	405,157	595,350
Advanced Nursing Education Workforce Grant Program	93.247	N/A	521,309	618,224
Nurse Education, Practice Quality and Retention Grants	93.359	N/A	152,889	715,115
Mental and Behavioral Health Education and Training Grants	93.732	N/A	-	272,673
Pass-through Programs from:				
National Association of Cuonty & City Health Officials - Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93.421	2022-031125	-	(9,241)
The MetroHealth System - Public Health Training Centers Program	93.516	9971011102	-	212,255
Total U.S. Department of Health and Human Serivces			1,079,355	2,404,376
U.S. Department of Homeland Security				
Pass-through Programs from:				
Ohio Department of Natural Resources - Boating Safety Financial Assistance	97.012	2024-0486	-	6,920
Total U.S. Department of Homeland Security				6,920
Total Other Programs			1,427,525	10,460,714
Total Expenditures of Federal Awards			$ 2,614,608	$ 247,151,973

See notes to the schedule of expenditures of federal awards

~~Subtotal by Federal Assistance Listing Number~~

U.S. Department of State - Research and Development Cluster	19.040	Unknown	$ -	$ 13,482
U.S. Department of State - Other Programs	19.040	N/A	-	(6,079)
			-	7,403
National Aeronautics and Space Administration - Research and Development Cluster	43.008	Unknown	-	18,500
National Aeronautics and Space Administration - Research and Development Cluster	43.008	219014-02	-	58,134
National Aeronautics and Space Administration - Other Programs	43.008	KSU411819	-	1,937
National Aeronautics and Space Administration - Other Programs	43.008	KSU411814	-	21,500
			-	100,071
Institute of Museum and Library Services - Research and Development Cluster	45.313	N/A	-	44,201
Institute of Museum and Library Services - Other Programs	45.313	N/A	-	932
			-	45,133
National Science Foundation - Research and Development Cluster	47.049	N/A	-	1,418,815
National Science Foundation - Other Programs	47.049	KSU414944	-	3,661
			-	1,422,476
National Science Foundation - Research and Development Cluster	47.076	N/A	257,189	928,294
National Science Foundation - Other Programs	47.076	21105-001	-	42,250
			257,189	970,544
U.S. Department of Education - Research and Development Cluster	84.325	B001494798	-	8,647
U.S. Department of Education - Other Programs	84.325	N/A	15,530	396,880
			15,530	405,527
U.S. Department of Health and Human Serivces - Research and Development Cluster	93.243	N/A	-	390,216
U.S. Department of Health and Human Serivces - Research and Development Cluster	93.243	Unknown	-	5,246
U.S. Department of Health and Human Serivces - Research and Development Cluster	93.243	Unknown	-	7,100
U.S. Department of Health and Human Serivces - Research and Development Cluster	93.243	KSU416451	-	102,946
U.S. Department of Health and Human Serivces - Research and Development Cluster	93.243	PS-1028	-	181,274
U.S. Department of Health and Human Serivces - Other Programs	93.243	N/A	405,157	595,350
			405,157	1,282,132
U.S. Department of Health and Human Serivces - Research and Development Cluster	93.732	G0443-NNN	-	4,444
U.S. Department of Health and Human Serivces - Research and Development Cluster	93.732	G0443-B	-	(673)
U.S. Department of Health and Human Serivces - Research and Development Cluster	93.732	G0443-MM	-	5,022
U.S. Department of Health and Human Serivces - Other Programs	93.732	N/A	-	272,673
			-	281,466

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Kent State University (the University) under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the University, it is not intended to and does not present the financial position, changes in net position, or cash flows of the University.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3. Indirect Cost Rate

The University has elected not to exercise its option to use the 10 percent de minimis indirect cost rate due to the fact that the University has an existing approved indirect cost rate.

Note 4. Federal Perkins Loan Program

The Federal Perkins Loan Program is administered directly by the University and balances and transactions relating to this program are included in the University’s financial statements. There were no loans made during the current year. The balances of loans outstanding at June 30, 2024, consist of:

Program Name/Assistance Listing Number	Outstanding Balance at July 1, 2023	New Loans Issued	Repayments of Student Loans	Outstanding Balance at June 30, 2024
Federal Perkins Loan Program (84.038)	$ 8,934,747	$ -	$ (3,543,723)	$ 5,391,024

Note 5. Nursing Student Loan Program

The Nursing Student Loan Program is administered directly by the University and balances and transactions relating to this program are included in the University’s financial statements. The balances of loans outstanding at June 30, 2024, consist of:

Program Name/Assistance Listing Number	Outstanding Balance at July 1, 2023	New Loans Issued	Repayments of Student Loans	Outstanding Balance at June 30, 2024
Nursing Student Loan Program (93.364)	$ 2,235,396	$ 278,893	$ (567,905)	$ 1,946,384

Note 6. Federal Direct Student Loans

The University also participates in the Federal Direct Student Loan Program, which includes subsidized and unsubsidized Federal Stafford Loans “Stafford” and Federal PLUS Loans “PLUS.” New loans processed for students during the year ended June 30, 2024, were as follows:

Federal Direct Student Loan Program	
Stafford:	
Subsidized	$ 38,743,446
Unsubsidized	83,149,310
GLPS	9,450,194
PLUS	25,577,276

The value of the loans issued for the Federal Direct Student Loan Program is based on disbursed amounts. The University is responsible only for the performance of certain administrative duties with respect to the Federally Guaranteed Student Loan Programs and, accordingly, balances and transactions relating to the loan programs are not included in the University’s basic financial statements. Therefore, it is not practical to determine the balance of loans outstanding to students and former students of Kent State University at June 30, 2024.

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditor's Report

President and Board of Trustees of Kent State University

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States (*Government Auditing Standards)*, the financial statements of the business-type activities and the discretely presented component unit of Kent State University (the University), a component unit of the State of Ohio, as of and for the years ended June 30, 2024 and 2023, 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 25, 2024.

This report does not extend to the Kent State University Foundation (Foundation) due to the Foundation issuing a separate report on Internal Control over Financial Reporting and on Compliance and Others Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated November 25, 2024.

Report on Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered University's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of University's internal control. Accordingly, we do not express an opinion on the effectiveness of 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 or significant deficiencies may exist that were not identified.

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

RSM US LLP

Cleveland, Ohio
November 25, 2024

**Report On Compliance For Each Major Federal Program;
Report On Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

Independent Auditor's Report

President and Board of Trustees of Kent State University

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Kent State University's (the University) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the University's major federal programs for the year ended June 30, 2024. The University's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Kent State University complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of University and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the University's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the University's federal programs.

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the University's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the University's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over compliance. Accordingly, no such opinion is expressed.

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

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

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

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

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

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

We have audited the financial statements of the business-type activities and the discretely presented component unit of the University as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the University’s basic financial statements. We issued our report thereon dated November 25, 2024, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

RSM US LLP

Cleveland, Ohio
November 25, 2024

Kent State University

Schedule of Findings and Questioned Costs
Year Ended June 30, 2024

Section I – Summary of Auditor's Results

Financial Statements

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

Federal Awards

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

Identification of major programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
84.007, 84.033, 84.038, 84.063, 84.268, 84.379, 93.342, 93.364	Student Financial Assistance Cluster
84.042, 84.047, 84.066, 84.217	TRIO Cluster
93.359	Nurse Education, Practice Quality and Retention Grants

Dollar threshold used to distinguish between Type A and Type B programs:	$ 850,962			
Auditee qualified as a low risk auditee?	X	Yes		No

Section II – Financial Statement Findings

No findings were noted.

Section III – Findings and Questioned Costs for Federal Awards

No findings reported.

KENT STATE
UNIVERSITY

Summary Schedule of Prior Year Findings and Questioned Costs
Year Ended June 30, 2024

Section II – Financial Statement Findings

No findings were noted

Section III – Findings and Questioned Costs for Federal Awards

Identifying Number: 2023-001

Criteria or specific requirement (including statutory, regulatory, or other citation)
During the fiscal years June 30, 2018 to June 30, 2023, the University incurred unallowed expenditures for a federal grant that were not identified by the internal controls in place over the grant program. According to 2 CFR § 200.413, *Direct Costs*, direct costs are those costs that can be directly assigned to a direct cost activity with a high degree of accuracy. In addition, according to 2 CFR § 200.516, *Audit Findings*, the auditor must report known fraud affecting a federal award as well as known questioned costs that are greater than $25,000 for a federal program which is not audited as a major program, as an audit finding.

Condition
From fiscal year 2018 through 2024, the University was not able to support that expenses paid from a federal grant for salary, benefits, and travel and other expense reimbursements for an adjunct faculty member were related to allowable activities to eligible clients under the terms of the grant agreement due to false reporting by the adjunct faculty member. More specifically, the adjunct faculty member misrepresented that services were or would be provided per the terms of the grant to eligible clients. In addition, the adjunct faculty member provided false reporting of the impact of services provided to the clients and utilized fraudulent documentation as evidence for their work performed. As a result, the University was reimbursed for expenses by the grant related to services that were not provided or were unallowable.

Cause
Lack of oversight and insufficient review of work performed of adjunct faculty member.

Effect
The University was reimbursed federal grant monies for work that was not performed under the terms and conditions of the grant award.

Questioned costs
For fiscal years 2018 to 2024, questioned costs totaled $209,101.

Corrective Action Taken: The $209,101 in questioned costs was returned to the Ohio Department of Development on October 11, 2023 and the program was terminated. The university continues to pursue financial restitution from the former faculty member. Internal Audit conducted a review of the University's other SBDC program, along with a full review of the department which managed the now terminated SBDC program. On-going training is conducted throughout the fiscal year and an initiative to improve the university's training resources and delivery methods is underway.

Dr. Mark M. Polatajko, Ph.D., CPA
Senior Vice President for Finance and Administration

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OHIO AUDITOR OF STATE
KEITH FABER

KENT STATE UNIVERSITY

PORTAGE COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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

Certified for Release 1/21/2025

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

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APPENDIX C

Definitions of Certain Terms of the Agreement

The following terms are used in the documents and have the meanings given below unless the context clearly requires otherwise.

"Accreted Amount" means, as of any date, the amount or portion of the amount payable on Bonds at maturity that is accrued to or payable on the particular date in accordance with the applicable Bond Proceedings and that is in excess of the Aggregate Outstanding Principal Amount described in clauses (i), (ii) and (iii) of the definition of that term. Accreted Amount does not include interest payable on the Outstanding principal amount of a Bond, except for interest on a Bond that is payable only at that Bond's principal maturity.

"Act" means Sections 3345.11 and 3345.12 of the Revised Code, and Sections 9.98 through 9.983 of the Revised Code made applicable by Section 3345.12(B) of the Revised Code, as the same may be amended, modified, revised, supplemented, or superseded from time to time, provided that no further action by the General Assembly shall alter the obligation of the University to pay the Bond Service Charges in the amount and manner, at the times, and from the sources provided in the Trust Agreement and the applicable Supplemental Trust Agreement, except as otherwise permitted therein.

"Additional Bonds" means additional Bonds issued pursuant to the Trust Agreement.

"Aggregate Outstanding Principal Amount" means, with respect to Bonds outstanding as of any date:

(i) With respect to any Outstanding Bonds on which no interest is payable, the aggregate discounted offering price at which the Bonds are initially sold to the public, disregarding any purchase price discount to the Original Purchaser;

(ii) With respect to any Outstanding Bonds on which no interest is payable prior to principal maturity, their aggregate face amount;

(iii) With respect to any Outstanding Bonds involving other compound Accreted Amounts or accreted values, the Aggregate Outstanding Principal Amount of those Bonds as defined in and calculated in accordance with the Bond Proceedings authorizing them or, if no such definition or provision for that calculation is so provided, then in accordance with generally accepted accounting principles; and

(iv) With respect to any other Outstanding Bonds, their aggregate face amount.

For purposes of any consent or other action to be taken by the holders of a specified percentage of the Aggregate Outstanding Principal Amount of all Bonds or Bonds of any series, Bonds held by or for the account of the University are excluded.

"Assumed Amortization Period" means the period of time specified in paragraph (a) or paragraph (b) below, as selected by the Fiscal Officer:

(a) Five (5) years; or

(b) The period of time exceeding five (5) years, set forth in a written opinion delivered to the University of a nationally recognized firm of investment bankers or financial advisors, selected by the University and experienced in the underwriting of indebtedness of the character of the Bonds, as being not longer than the maximum period of time over which indebtedness having comparable terms and security issued or incurred by similar issuers of comparable credit standing would, if then being offered, be marketable on reasonable and customary terms.

"Assumed Interest Rate" means the rate per annum specified in paragraph (a) or paragraph (b) below, as selected by the Fiscal Officer:

(a) the rate shown in the 30-year Revenue Bond Index as published in The Bond Buyer as of a recent date not later than seven days preceding the date the determination of the Assumed Interest Rate is being made (or, if the Revenue Bond Index is no longer published, then the rate shown in another nationally recognized index of long-term fixed rate bonds of state and local governments selected by the University); or

(b) the rate per annum (determined as of a recent date not later than seven days prior to the date on which the determination of Assumed Interest Rate is being made) set forth in a written opinion delivered to the University of a nationally recognized firm of investment bankers or financial advisors, selected by the University and experienced in the underwriting of indebtedness of the character of the Bonds, as being not lower than the lowest rate of interest at which indebtedness having comparable terms, security and federal income tax status amortized on a level debt service basis over a period of time equal to the Assumed Amortization Period, and issued or incurred by similar issuers of comparable credit standing would, if then being offered, be marketable on reasonable and customary terms.

"Authenticating Agent" means the Trustee and any other bank, trust company or other person designated as an Authenticating Agent for a series of Bonds by or in accordance with the Bond Proceedings, each of which must be a transfer agent registered in accordance with Section 17A(c) of the Securities Exchange Act of 1934 as amended.

"Authorized Officer" means any officer or employee of the University authorized by or pursuant to the Act or the Bond Proceedings to perform the particular act or sign the particular document, and if there is no specific authorization means the President or the Fiscal Officer.

"Board of Trustees" means the Board of Trustees of the University.

"Bondholder" or "holder" or "holder of Bonds," or "registered owner," or any similar term means the person in whose name a Bond is registered, or the holder or owner of Bonds as may otherwise be prescribed by applicable Bond Legislation.

"Bond Legislation" means, when used with reference to a series of Bonds, the resolution adopted by the Board of Trustees relating to that series and any certificate of award delivered pursuant to that resolution.

"Bond Proceedings" means the Trust Agreement, the applicable Bond Legislation, Supplemental Trust Agreement, and any Credit Support Instruments for the series of Bonds, and any amendments of and supplements to or any combination of them, authorizing or providing for the terms and conditions and agreements applicable to, or providing for the security for, liquidity or sale of, or the terms contained in, the applicable Bonds.

"Bond Redemption and Purchase Account" means the account, so designated, in the Bond Service Fund further described in the Trust Agreement.

"Bond Reserve Requirement" or "Required Reserve" means as to any series of Bonds (as of the date of any calculation), an amount that is at least equal to the amount of Bond Service Charges as required by the Bond Proceedings applicable to that series. The Bond Reserve Requirement for any series of Bonds may be provided for by deposit of moneys or Eligible Investments or by Credit Support Instrument or by any combination of the foregoing.

"Bond Service Account" means the account so designated in the Bond Service Fund further described in the Trust Agreement.

"Bond Service Charges" means the principal (as payable at stated maturity, or by acceleration or otherwise), Accreted Amount, interest and any redemption premium required to be paid by the University on the Bonds, and includes any Mandatory Sinking Fund Requirements. In determining Bond Service Charges for a Fiscal Year or any other period, Mandatory Sinking Fund Requirements for that Fiscal Year or period must be taken into account, and principal maturities or interest or Accreted Amount payments for which Mandatory Sinking Fund Requirements are imposed and complied with in a prior Fiscal Year or period, to that extent, will be excluded.

"Bond Service Fund" means the Bond Service Fund as further described in the Trust Agreement.

"Bond Service Reserve Account" means the account so designated in the Bond Service Fund further described in the Trust Agreement and which may or may not be funded as to any series of Bonds as provided in the applicable Supplemental Trust Agreement.

"Bonds" means all series of Bonds issued and secured under the Trust Agreement.

"Book entry form" or "book entry system" means a form or system under which physical Bond certificates in fully registered form are issued only to a Securities Depository or its nominee as registered owner, with the certificated Bonds held by and "immobilized" in the custody of the Securities Depository, and the book entry system, maintained by and the responsibility of the Securities Depository or others, is the record that identifies and records the transfer of the interests of the owners of book entry interests in those Bonds.

"Business Day" means any day, other than a Saturday or Sunday, and other than a day on which the Trustee or a Paying Agent (other than the Trustee), as applicable, is required, or authorized or not prohibited, by law (including without limitation, executive orders) to close and is closed.

"Code" means the Internal Revenue Code of 1986, the Treasury Regulations (whether temporary or final) under that Code or the statutory predecessor of that Code, any amendments of, or successor provisions to, the foregoing, and any official rulings, announcements, notices, procedures and judicial determinations regarding any of the foregoing, all as and to the extent applicable. Unless otherwise indicated, reference to a section of the Code includes any applicable successor section or provision and such applicable Treasury Regulations, rulings, announcements, notices, procedures and determinations pertinent to that section.

"Continuing Disclosure Agreement" means any agreement concerning the provision by the University of certain financial and operating information applying to any series of Bonds and provided for in the Bond Proceedings for that series.

"Costs of Facilities" means "costs of facilities" as defined in Revised Code Section 3345.12, being costs related to University Facilities including costs of issuance and other financing costs (as defined in Revised Code Section 133.01), for the payment of which Bonds may be issued under the Act.

"Credit Support Instrument" means a policy of bond insurance, a surety, a letter of credit, a standby bond purchase agreement or other credit enhancement, support or liquidity device provided pursuant to an agreement to which the University is a party and which is used to enhance the security or liquidity of any Bonds or to provide, in whole or in part, any Bond Reserve Requirement.

"Credit Support Provider" means any provider of a Credit Support Instrument relating to provision of all or part of any Bond Reserve Requirement, or relating to any series of Bonds so long as that Credit Support Instrument is in effect.

"Direct Obligations" means direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the U.S. Department of the Treasury), or obligations of any agency, corporation or public body that is controlled or supervised by and acting as an instrumentality of the United States of America, the timely payment of the principal of and interest on which is fully guaranteed by the United States of America, provided that the full faith and credit of the United States of America is pledged to any such direct obligations or guarantee.

"Eligible Investments" means, unless otherwise provided in a Supplemental Trust Agreement, any of the following:

(a) Direct Obligations, including certificates that evidence ownership of the right to receive future payments of principal of and interest on such obligations or specified portions thereof, including portions consisting solely of the principal thereof or solely of the interest thereon, provided that with respect to an investment in any such certificates: a bank or trust company acts as custodian and holds the underlying obligations; the University or the Trustee has the right to proceed directly and individually against the obligor of the underlying obligations; and the underlying obligations are held in a special account separate from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian or any person to whom the custodian may be obligated.

(b) Certificates of deposit, demand deposits or time deposits of any state bank or trust company or national banking association (including the Trustee or any affiliate of the Trustee) that is a member of the Federal Deposit Insurance Corporation (including any successor to the FDIC), including any investment in pools of those certificates of deposit, demand deposits or time deposits owned by the bank, trust company or national banking association, provided that any such certificate of deposit, demand deposit or time deposit is:

(i) Continuously and fully insured by the FDIC, or

(ii) To the extent not insured by the FDIC, fully secured by Direct Obligations that have a market value at all times at least equal to the uninsured principal amount of the deposit, that are held by the Trustee (except in case of a certificate of deposit, demand deposit or time deposit of the Trustee) or any Federal Reserve Bank or depository of the United States of America, as custodian for the institution issuing the deposit, together with the undertaking of such institution, in form satisfactory to the Trustee, that the aggregate market value of the obligations securing the deposit at all times will be maintained in an amount meeting the requirements of this subparagraph (ii), and in which the Trustee has a prior perfected first lien and which are not subject to any third-party claims;

(c) Repurchase agreements collateralized by Direct Obligations with any registered broker/dealer under the jurisdiction of the Securities Investors' Protection Corporation (including any successor to the SIPC) or any state bank or trust company or national banking association (including the Trustee) if such broker/dealer, bank or trust company has unsecured, uninsured and unguaranteed commercial paper rated in its highest rating category or unsecured, uninsured and unguaranteed long-term obligations rated in its third highest or higher rating category by a Rating Service, or each Rating Service that maintains a rating on such obligations, if the obligations are rated by more than one Rating Service, provided that:

(i) A master repurchase agreement or specific written repurchase agreement governs the transaction,

(ii) The Direct Obligations are held by the Trustee or an independent third party acting solely as agent for the Trustee free and clear of any lien, and the third party is a Federal Reserve Bank, or a bank that is a member of the FDIC and that has combined capital, surplus and undivided profits of not less than $50,000,000, and the Trustee must have received written confirmation from the third party that it holds such securities, free of any lien, and as agent for the Trustee,

(iii) A perfected first security interest in the Direct Obligations under the Uniform Commercial Code or book entry procedures prescribed by federal regulations, is created for the benefit of the Trustee (as demonstrated by an opinion of counsel upon which the Trustee may rely as to perfection and priority),

(iv) The repurchase agreement has a term of 30 days or less, or the Trustee will value the collateral securities no less frequently than monthly and will liquidate the collateral Direct Obligations if any deficiency in the required collateral percentage is not restored within two Business Days of such valuation,

(v) If an investment of the Bond Service Fund the proceeds of which are needed to pay Bond Service Charges, the repurchase agreement matures prior to a date on which Bond Service Charges are due and payable, and

(vi) The fair market value of the Direct Obligations in relation to the amount of the repurchase obligation, including principal and interest, is equal to at least 100%;

(d) General obligations of any state of the United States of America or any political subdivision of any state for the payment of which the full faith and credit of the state or political subdivision is pledged, provided that such obligations are rated in one of the three highest rating categories by a Rating Service, or by each Rating Service that maintains a rating on such obligations if the obligations are rated by more than one Rating Service;

(e) An investment in a money-market fund or other pooling arrangement (including those for which the Trustee or any of its affiliates provide services for a fee, whether as an investment advisor, custodian, transfer agent, registrar, sponsor, distributor, manager or otherwise) or similar investment accounts which invest solely in Eligible Investments specified in clauses (a) and (c) above and are rated, at the time of purchase, in one of the four highest rating categories by a Rating Service;

(f) Investments in the State Treasurer's pooled investment program under Section 135.45 of the Revised Code;

provided (i) that any of the foregoing investments or deposits is not prohibited by law and (ii) that any investment or deposit is in compliance with or not in violation of the Code. In determining whether the rating assigned by a Rating Service to an investment complies with the rating categories provided in this definition of Eligible Investments, the rating category must be determined at the time of investment without regard to any numerical or "+" or "-" modifier, unless otherwise expressly provided above.

"Event of Default" means any of the Events of Default described in the Trust Agreement and as summarized and described under **The Agreement - Events of Default and Remedies**.

"Fiscal Officer" means such officer of the University as may be, or be designated by the Board of Trustees as, the chief financial officer of the University, as shown in a written certification maintained by the University on file with the Trustee, signed by the President or an officer of the Board of Trustees and currently identifying the Fiscal Officer, and will also mean any officer of the University identified in that certificate as an alternate to that officer.

"Fiscal Year" means a period of 12 consecutive months commencing on the first day of July of any year and ending on the last day of June of the following year, or, as to be evidenced for purposes of the Bond Proceedings by a certificate of an Authorized Officer filed with the Trustee, such other consecutive 12-month period as may hereafter be established as the University's fiscal year.

"General Receipts" means 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 Bond Service Charges under the proceedings authorizing those obligations. However, there will be excluded from General Receipts all of the following:

(a) Moneys raised by taxation and state appropriations, until and unless the pledge thereof to the payment of Bond Service Charges is authorized by law and is made by a Supplemental Trust Agreement.

(b) Any grants, gifts, donations and pledges, and receipts therefrom, which under restrictions imposed in the grant or promise or as a condition of receipt are not available for payment of Bond Service Charges.

(c) Any special fee charged pursuant to Section 154.21(D) of the Revised Code, and receipts from that fee.

"Hedge Agreement" means interest rate swap, swap option, rate cap, rate collar and other arrangements undertaken with respect to Bonds or Notes to reduce costs of borrowing or optimize relative amounts of fixed and variable rate obligations or reduce the risk of variations in debt service costs, including without limitation, arrangements by which different interest costs or receipts at, between or among fixed or variable interest rates, or at different fixed or variable interest rates or maturities are exchanged in respect of Bonds or Notes.

"Mandatory Redemption Obligation" or "Mandatory Redemption" or "Mandatory Sinking Fund Redemption" means mandatory prior redemption of Bonds pursuant to Mandatory Sinking Fund Requirements.

"Mandatory Sinking Fund Requirements" means amounts required by any Bond Proceedings to be deposited to the Bond Service Account in any Fiscal Year for the purpose, as provided in those Bond Proceedings, of retiring, at their stated maturities or by mandatory prior redemption or other prior retirement, principal of Bonds or of paying interest or interest equivalent on Bonds, which by the terms of the Bonds are due and payable in any subsequent Fiscal Year.

"Moody's" means Moody's Investors Service, Inc., New York, New York, or any successor Rating Service.

"Notes" means notes issued by the University in anticipation of the issuance of Bonds.

"Obligations" means bonds or notes or other evidences of obligation authorized to be issued by the University under the Act to provide money to pay Costs of Facilities, or to fund, refund or retire Obligations previously issued.

"Original Trust Agreement" means the Trust Agreement, dated as of November 1, 1971, between the University and the Trustee.

"Outstanding Bonds" or "Bonds outstanding" or "outstanding" as applied to Bonds, means, as of any date, all Bonds which have been authenticated and delivered, or are then being delivered, by the Trustee under the Trust Agreement except:

(a) Bonds surrendered for exchange or transfer or cancelled because of payment or redemption at or prior to such date;

(b) Bonds for the payment, redemption or purchase for cancellation of which sufficient moneys have been deposited prior to such date with the Trustee or Paying Agents (whether upon or prior to the maturity or redemption date of any such Bonds), or which are deemed to have been paid and discharged pursuant to the provisions of the Trust Agreement; provided that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given or arrangements satisfactory to the Trustee shall have been made therefor, or waiver of such notice satisfactory in form to the Trustee shall have been filed with the Trustee, and provided, further, that if such Bonds are to be purchased for cancellation, a firm offer for sale stating the price has been received and accepted; and

(c) Lost, stolen, mutilated or destroyed Bonds in lieu of which others have been authenticated (or payment, when due, of which is made without replacement) under the Trust Agreement.

"Parity Obligations" means obligations of the University secured by a pledge of the General Receipts on a parity with the pledge of General Receipts given under the Trust Agreement to secure Bonds as permitted under the conditions set forth in the Trust Agreement.

"Paying Agent" means the Trustee and any other bank, trust company or other person designated as a Paying Agent for a series of Bonds by or in accordance with the Bond Proceedings, each of which must be a transfer agent registered in accordance with Section 17A(c) of the Securities Exchange Act of 1934 as amended.

"President" means the President of the University.

"Project" or "Projects" means those University Facilities or portions of University Facilities, the costs of which are to be financed or refinanced by Obligations.

"Rating Service" means either Moody's or S&P and will include at any time any Rating Service then having a rating on the Outstanding Bonds.

"Register" means the books kept and maintained by the Registrar pursuant to the Bond Proceedings for the registration, exchange and transfer of Bonds.

"Registrar" means the Trustee and any other bank, trust company or other person designated as a Registrar for a series of Bonds by or in accordance with the Bond Proceedings, each of which must be a transfer agent registered in accordance with Section 17A(c) of the Securities Exchange Act of 1934 as amended.

"Securities Depository" or "Depository" means any securities depository that is a clearing agency under federal law operating and maintaining, with its participants or otherwise, a book entry system to record ownership and effect transfers of book entry interests in bonds, and means initially The Depository Trust Company (a limited purpose trust company) and any successor Depository.

"SIFMA Municipal Swap Index" means the Securities Industry and Financial Markets Association Municipal Swap Index as disseminated by Municipal Market Data, a Thompson Financial Services Company, or a comparable successor index selected by the University if the SIFMA Municipal Swap Index is no longer published or nationally recognized as an index of short-term obligations of state and local government issuers.

"S&P" means S&P Global Ratings, New York, New York, or any successor Rating Service.

"Special Funds" means the Bond Service Fund and accounts in that fund, and any fund or account established under and identified as a Special Fund or Account in the Trust Agreement or a Supplemental Trust Agreement.

"Supplemental Trust Agreement" means a Supplemental Trust Agreement approved or authorized by the Board of Trustees and entered into by the University and the Trustee pursuant to the Trust Agreement.

"Trustee" means The Huntington National Bank, a national banking association organized and existing under the laws of the United States and authorized to exercise corporate trust powers in the state of Ohio, with its designated corporate trust office located in Cincinnati, Ohio.

"University" means Kent State University, established and existing under Chapter 3341 of the Ohio Revised Code, and every part and component thereof as from time to time existing, and when the context admits, includes its Board of Trustees.

"University Facilities" means facilities as defined in Section 3345.12 of the Revised Code.

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APPENDIX D

Book-Entry System; DTC

Book-Entry System

The information set forth in the following numbered paragraphs is based on information provided by The Depository Trust Company in its "Sample Offering Document Language Describing Book-Entry-Only Issuance" (September 2024). As such, the University believes it to be reliable, but the University takes no responsibility for the accuracy or completeness of that information. It has been adapted to the Series 2025 Bond issue by substituting "Series 2025 Bonds" for "Securities," "University" for "Issuer" and "Trustee" for "registrar" and "Agent" and by the addition of the italicized language set forth in the text. See also the additional information following those numbered paragraphs.

1. The Depository Trust Company ("DTC") will act as securities depository for the Series 2025 Bonds. The Series 2025 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 2025 Bond certificate will be issued for each (*maturity*) of the Series 2025 Bonds (*and interest rate within a maturity*), each in the aggregate principal amount of such (*maturity*), and will be deposited with DTC.

2. 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 a Standard & Poor'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. (*This internet site is included for reference only, and the information in this internet site is not incorporated by reference in this Official Statement.*)

3. Purchases of Series 2025 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2025 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2025 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2025 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2025 Bonds, except in the event that use of the book-entry system for the Series 2025 Bonds is discontinued.

4. To facilitate subsequent transfers, all Series 2025 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2025 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2025 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2025 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.

5. 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 2025 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2025 Bonds, such as redemptions, tenders, defaults and proposed amendments to the Series 2025 Bond documents. For example, Beneficial Owners of Series 2025 Bonds may wish to ascertain that the nominee holding the Series 2025 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 Trustee and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Series 2025 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.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2025 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 2025 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividends payments (*debt charges*) on the Series 2025 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 the Trustee, 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 Participant and not of DTC, the Trustee, or the University, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividends (*debt charges*) to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the University or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. (*Not Applicable to the Series 2025 Bonds.*)

10. DTC may discontinue providing its services as depository with respect to the Series 2025 Bonds at any time by giving reasonable notice to the University or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Series 2025 Bond certificates are required to be printed (*or otherwise produced*) and delivered.

11. The University may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2025 Bond certificates will be printed (*or otherwise produced*) and delivered to DTC. (*See also* **Revision of Book-Entry System; Replacement Bonds**.)

12. The information (*above*) in this section concerning DTC and DTC's book-entry system has been obtained from sources that the University believes to be reliable, but the University takes no responsibility for the accuracy thereof.

Direct Participants and Indirect Participants may impose service charges on Beneficial Owners in certain cases. Purchasers of book-entry interests should discuss that possibility with their brokers.

The University and the Trustee have no role in the purchases, transfers or sales of book-entry interests. The rights of Beneficial Owners to transfer or pledge their interests, and the manner of transferring or pledging those interests, may be subject to applicable state law. Beneficial Owners may want to discuss with their legal advisors the manner of transferring or pledging their book-entry interests.

The University and the Trustee have no responsibility or liability for any aspects of the records or notices relating to, or payments made on account of, beneficial ownership, or for maintaining, supervising or reviewing any records relating to that ownership.

The University and the Trustee cannot and do not give any assurances that DTC, Direct Participants, Indirect Participants or others will distribute to the Beneficial Owners payments of debt charges on the Series 2025 Bonds made to DTC as the registered owner, or redemption, if any, or other notices, or that they will do so on a timely basis, or that DTC, Direct Participants or Indirect Participants will serve or act in a manner described in this Official Statement.

For all purposes under the Series 2025 Bond proceedings (except the Continuing Disclosure Agreement under which others as well as DTC may be considered an owner or holder of the Series 2025 Bonds, see **Continuing Disclosure Agreement**), DTC will be and will be considered by the University and the Trustee to be the owner or holder of the Series 2025 Bonds.

Beneficial Owners will not receive or have the right to receive physical delivery of Bonds, and, except to the extent they may have rights as Beneficial Owners or holders under the Continuing Disclosure Agreement, will not be or be considered by the University and the Trustee to be, and will not have any rights as, owners or holders of Series 2025 Bonds under the Series 2025 Bond proceedings.

Reference herein to "DTC" includes when applicable any successor securities depository and the nominee of the depository.

Revision of Book-Entry System; Replacement Bonds

The Bond proceedings provide for issuance of fully-registered Bonds (Replacement Bonds) directly to owners of the Series 2025 Bonds other than DTC only in the event that DTC (or a successor securities depository) determines not to continue to act as securities depository for the Series 2025 Bonds. Upon occurrence of this event, the University may in its discretion attempt to have established a securities depository book-entry relationship with another securities depository. If the University does not do so, or is unable to do so, and after the Trustee has made provision for notification of the Beneficial Owners of the Series 2025 Bonds by appropriate notice to DTC, the University and the Trustee will authenticate and deliver Replacement Bonds of any one maturity and interest rate within a maturity, in authorized denominations, or any integral multiple of $5,000, to or at the direction of any persons requesting such issuance, and, if the event is not the result of University action or inaction, at the expense (including legal and other costs) of those requesting.

Debt service charges on Replacement Bonds will be payable when due without deduction for the services of the Trustee as paying agent. Principal of and any premium on Replacement Bonds will be payable when due to the registered owner upon presentation and surrender at the designated corporate trust office of the Trustee. Interest on Replacement Bonds will be payable on the interest payment date by the Trustee by transmittal to the registered owner of record on the Bond Register as of the 15th day of the calendar month preceding the interest payment date. Replacement Bonds will be exchangeable for other Replacement Bonds of authorized denominations, and transferable, at the designated corporate trust office of the Trustee without charge (except taxes or governmental fees). Exchange or transfer of then-redeemable Replacement Bonds is not required to be made: (i) during the period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption and ending at the close of business on the day of the mailing, or (ii) of a particular Replacement Bond selected for redemption (in whole or part).

EXHIBIT A

Proposed Text of Opinion of Bond Counsel

We have served as bond counsel to our client Kent State University (the "University"), a state university of Ohio, in connection with the issuance by the University of its $93,900,000 General Receipts Bonds, Series 2025A (the "Series 2025A Bonds"), dated the date of this letter.

The Series 2025A Bonds are issued pursuant to Section 2i of Article VIII of the Ohio Constitution, Sections 3345.11 and 3345.12 of the Ohio Revised Code, the Amended and Restated Trust Agreement (Sixteenth Supplemental Trust Agreement), dated June 21, 2010, (the "Trust Agreement") as supplemented by the Twenty-Sixth Supplemental Trust Agreement, dated as of March 1, 2025 (the "Twenty-Sixth Supplement" and, together with the Trust Agreement, the "Agreement"), each between the University and The Huntington National Bank, as trustee (the "Trustee"), a resolution authorizing the Series 2025A Bonds, adopted by the Board of Trustees of the University on December 12, 2024 (the "Resolution"), and the related Certificate of Award, dated February 13, 2025 (the "Certificate of Award"), executed pursuant to the Resolution. Capitalized terms not otherwise defined in this letter are used as defined in the Agreement.

In our capacity as bond counsel, we have examined the transcript of proceedings relating to the issuance of the Series 2025A Bonds, a copy of the signed and authenticated Series 2025A Bond of the first maturity, the Agreement, the Resolution, the Certificate of Award and such other documents, matters and law as we deem necessary to render the opinions set forth in this letter.

Based on that examination and subject to the limitations stated below, we are of the opinion that under existing law:

1. The Series 2025A Bonds and the Agreement are valid and binding obligations of the University, enforceable in accordance with their respective terms.

2. The Series 2025A Bonds constitute special obligations of the University, and the principal of and any premium and interest on (collectively, "debt service") the Series 2025A Bonds, together with debt service on any other obligations issued and outstanding under the Agreement on a parity with the Series 2025A Bonds (collectively with the Series 2025A Bonds, the "Bonds"), are payable from and secured solely by a pledge of and lien on the Bond Service Fund established by and as provided in the Agreement and the "General Receipts" of the University as defined in and subject to the provisions of the Agreement. The payment of principal of and interest on the Series 2025A Bonds is not secured by an obligation or pledge of any money raised by taxation, and the Series 2025A Bonds do not represent or constitute a general obligation or a pledge of the faith and credit of the University, the State of Ohio or any of its political subdivisions.

3. Interest on the Series 2025A Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. Interest on, and any profit made on the sale, exchange or other disposition of, the Series 2025A Bonds are exempt from all Ohio state and local taxation, except the estate tax, the domestic insurance company tax, the dealers in intangibles tax, the tax levied on the basis of the total equity capital of financial institutions, and the net worth base of the corporate franchise tax. We express no opinion as to any other tax consequences regarding the Series 2025A Bonds.

The opinions stated above are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. In rendering all such opinions, we assume, without independent verification, and rely upon (i) the accuracy of the factual matters represented, warranted or certified in the proceedings and documents we have examined, (ii) the due and legal authorization, execution and delivery of those documents by, and the valid, binding and enforceable nature of those documents upon, any parties other than the University, and (iii) the correctness of legal conclusions contained in the legal opinion letter of the University's Vice President and General Counsel.

We express no opinion herein regarding the perfection or priority of the lien on General Receipts or other funds created by the Agreement.

In rendering those opinions with respect to the treatment of the interest on the Series 2025A Bonds under the federal tax laws, we further assume and rely upon compliance with the covenants in the proceedings and documents we have examined, including those of the University. Failure to comply with certain of those covenants subsequent to issuance of the Series 2025A Bonds may cause interest on the Series 2025A Bonds to be included in gross income for federal income tax purposes retroactively to their date of issuance.

The rights of the owners of the Series 2025A Bonds and the enforceability of the Series 2025A Bonds are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer, and other laws relating to or affecting the rights and remedies of creditors generally; to the application of equitable principles, whether considered in a proceeding at law or in equity; to the exercise of judicial discretion; and to limitations on legal remedies against public entities.

No opinions other than those expressly stated herein are implied or shall be inferred as a result of anything contained in or omitted from this letter. The opinions expressed in this letter are stated only as of the time of its delivery and we disclaim any obligation to revise or supplement this letter thereafter. Our engagement as bond counsel in connection with the original issuance of the Series 2025A Bonds is concluded upon delivery of this letter.

EXHIBIT B

Proposed Form of Continuing Disclosure Agreement

THIS CONTINUING DISCLOSURE AGREEMENT, dated as of March 6, 2025 (the "Agreement"), is made, signed and delivered by the **KENT STATE UNIVERSITY**, a state university of Ohio, duly organized and existing under the Constitution and laws of the state of Ohio (the "University"), for the benefit of the Holders and Beneficial Owners (as defined herein) from time to time of the University's $93,900,000 General Receipts Bonds, Series 2025A (the "Series 2025 Bonds"), authorized by a resolution passed by the Board of Trustees of the University on December 12, 2024 (the "Series 2025 Resolution").

RECITAL

The University, by passage of the Series 2025 Resolution, has determined to issue the Series 2025 Bonds, and J.P. Morgan Securities LLC, PNC Capital Markets LLC, KeyBanc Capital Markets Inc., and Loop Capital Markets LLC (collectively, the "Participating Underwriters") have agreed to provide those funds to the University by purchasing the Series 2025 Bonds. As a condition to the purchase of the Series 2025 Bonds from the University and the sale of the Series 2025 Bonds to Holders and Beneficial Owners, the Participating Underwriters are required to reasonably determine that the University has undertaken, in a written agreement for the benefit of Holders and Beneficial Owners of the Series 2025 Bonds, to provide certain information in accordance with the Rule (as defined herein).

NOW, THEREFORE, in accordance with the Series 2025 Resolution, the University covenants and agrees as set forth in this Continuing Disclosure Agreement.

Section 1. Purpose of Continuing Disclosure Agreement. This Agreement is being entered into, signed and delivered for the benefit of the Holders and Beneficial Owners of the Series 2025 Bonds and in order to assist the Participating Underwriters of the Series 2025 Bonds in complying with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission (SEC) pursuant to the Securities Exchange Act of 1934, as may be amended from time to time (the "Rule").

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

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

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

"Beneficial Owner" means any person that (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2025 Bonds (including persons holding Series 2025 Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2025 Bonds for federal income tax purposes.

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

"Filing Date" means the last day of the ninth month following the end of each Fiscal Year (or the next succeeding business day if that day is not a business day), beginning March 31, 2025.

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

"Fiscal Year" means the 12-month period beginning on July 1 of each year or such other 12-month period as the University shall adopt as its fiscal year.

"Holder" means, with respect to the Series 2025 Bonds, the person in whose name a Bond is registered in accordance with the Series 2025 Resolution.

"MSRB" means the Municipal Securities Rulemaking Board.

"Obligated Person" means, any person, including the issuer of municipal securities (such as the Series 2025 Bonds), who is generally committed by contract or other arrangement to support payment of all or part of the obligations on the municipal securities being sold in an offering document (such as the Official Statement); the University is the only Obligated Person for the Series 2025 Bonds.

"Official Statement" means the Official Statement for the Series 2025 Bonds dated February 13, 2025.

"Participating Underwriters" means any of the original underwriters of the Series 2025 Bonds required to comply with the Rule in connection with offering of the Series 2025 Bonds.

"Specified Events" means any of the events with respect to the Series 2025 Bonds as set forth in Section 5(a).

"State" means the State of Ohio.

"Trust Agreement" means the Amended and Restated Trust Agreement (Sixteenth Supplemental Trust Agreement), dated June 21, 2010, as supplemented by the Twenty-Sixth Supplemental Trust Agreement, dated as of March 1, 2025, each between the University and The Huntington National Bank, as the Trustee.

Section 3. <u>Provision of Annual Information</u>.

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

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

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

(a) Financial information and operating data of the type included in the Official Statement under the captions: **Security and Sources of Payment – General Receipts Pledged to the Bonds** and in **Appendix A** under the captions **Enrollment Kent Campus – General**, **Student Admissions**, and **Student Fees and Charges**, **Regional Campuses – Enrollment**, **Student Admissions,** and **Student Fees and Charges**, **Financial Operations and Results – General**, **State Appropriations to the University**, **Grants and Contracts**, **Foundation, Gifts and Endowment**, and **Outstanding Obligations**.

(b) The Audited Financial Statements of the University utilizing generally accepted accounting principles applicable to public colleges and universities as described in the Official Statement, except as may be modified from time to time and described in such financial statements.

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

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

Section 5. Reporting Specified Events.

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

(1) Principal and interest payment delinquencies;

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

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

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

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

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

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

(8) Bond calls, if material, and tender offers; (a)

(9) Defeasances;

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

(11) Rating changes;

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

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

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

(15) incurrence of a Financial Obligation 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 Holders of the Series 2025 Bonds, if material; and

(16) 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.

<u>Note</u>:

(a) Any scheduled redemption of Series 2025 Bonds pursuant to mandatory sinking fund redemption requirements does not constitute a specified event within the meaning of the Rule. There is no debt service reserve fund, credit enhancements or liquidity facilities for the Series 2025 Bonds.

(b) Repayment of the Series 2025 Bonds is not secured by a lien on any property capable of release or sale or for which other property may be substituted.

For the Specified Events described in Section 5(a) (2), (6, as applicable), (7), (8, as applicable), (10), (13), (14), (15) and (16), the University acknowledges that it must make a determination whether such Specified Event is material under applicable federal securities laws in order to determine whether a filing is required.

Section 6. <u>Amendments</u>. The University reserves the right to amend this Agreement, and noncompliance with any provision of this Agreement may be waived, as may be necessary or appropriate to achieve its compliance with any applicable federal securities law or rule, to cure any ambiguity, inconsistency or formal defect or omission, and to address any change in circumstances arising from a change in legal requirements, change in law, or change in the identity, nature, or status of the University, or type of business conducted by the University. Any such amendment or waiver shall not be effective unless the University shall have received a written opinion of qualified independent special counsel selected by the University that the Agreement (as amended or taking into account such waiver) would have materially complied with the requirements of the Rule at the time of the primary offering of the Series 2025 Bonds, after taking into account any applicable amendments to or official interpretations of the Rule, as well as any change in circumstances. An Annual Filing containing any revised operating data or financial information shall explain, in narrative form, the reasons for any such amendment or waiver and the impact of the change on the type of operating data or financial information being provided. If the amendment relates to the accounting principles to be followed in preparing Audited Financial Statements, the University shall provide notice of such change in the same manner as for a Specified Event under Section 5.

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

Section 8. Remedy for Breach. This Agreement shall be solely for the benefit of the Holders and Beneficial Owners from time to time of the Series 2025 Bonds. The exclusive remedy for any breach of the Agreement by the University shall be limited, to the extent permitted by law, to a right of Holders and Beneficial Owners to institute and maintain, or to cause to be instituted and maintained, such proceedings as may be authorized at law or in equity to obtain the specific performance by the University of its obligations under this Agreement in a court in Portage County, Ohio. Any such proceedings shall be instituted and maintained only in accordance with Section 133.25(B)(4)(b) or (C)(1) of the Revised Code (or any like or comparable successor provisions); provided that any Holder or Beneficial Owner may exercise individually any such right to require the University to specifically perform its obligation to provide or cause to be provided a pertinent filing if such a filing is due and has not been made. Any Beneficial Owner seeking to require the University to comply with this Agreement shall first provide at least 30 days' prior written notice to the University of the University's failure, giving reasonable detail of such failure, following which notice the University shall have 30 days to comply. A default under this Agreement shall not be deemed an event of default under the Trust Agreement, and the sole remedy under this Agreement in the event of any failure of the University to comply with this Agreement shall be an action to compel performance. No person or entity shall be entitled to recover monetary damages under this Agreement.

Section 9. Appropriation. The performance by the University of its obligations under this Agreement shall be subject to the availability of funds and their annual appropriation to meet costs that the University would be required to incur to perform those obligations. The University shall provide notice to the MSRB in the same manner as for a Specified Event under Section 5 of the failure to appropriate funds to meet costs to perform the obligations under this Agreement.

Section 10. Termination. The obligations of the University under the Agreement shall remain in effect only for such period that the Series 2025 Bonds are outstanding in accordance with their terms and the University remains an Obligated Person with respect to the Series 2025 Bonds within the meaning of the Rule. The obligation of the University to provide the information and notices of the events described above shall terminate, if and when the University no longer remains such an Obligated Person. If any person, other than the University, becomes an Obligated Person relating to the Series 2025 Bonds, the University shall use its best efforts to require such Obligated Person to comply with all provisions of the Rule applicable to such Obligated Person.

Section 11. Dissemination Agent. The University may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under this Agreement, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 12. Beneficiaries. This Agreement shall inure solely to the benefit of the University, any dissemination agent, the Participating Underwriters and Holders and Beneficial Owners from time to time of the Series 2025 Bonds, and shall create no rights in any other person or entity.

Section 13. Recordkeeping. The University shall maintain records of all Annual Filings and notices of Specified Events and other events including the content of such disclosure, the names of the entities with whom such disclosures were filed and the date of filing such disclosure.

Section 14. Governing Law. This Agreement shall be governed by the laws of the State.

[Balance of Page Intentionally Left Blank; Signature Page Follows]

IN WITNESS WHEREOF, the University has caused this Continuing Disclosure Agreement to be duly signed and delivered to the Participating Underwriters, as part of the Series 2025 Bond proceedings and in connection with the original delivery of the Series 2025 Bonds to the Participating Underwriters, on its behalf by its officials signing below, all as of the date set forth above, and the Holders and Beneficial Owners from time to time of the Series 2025 Bonds shall be deemed to have accepted this Agreement made in accordance with the Rule.

KENT STATE UNIVERSITY

By:__________________________________
President

By:__________________________________
Senior Vice President for Finance
and Administration

CERTIFICATE – CONTINUING DISCLOSURE AGREEMENT

As fiscal officer of Kent State University, I certify that the money required to meet the obligations of the University under the Agreement made by the University in accordance with the Rule, as set forth in the Series 2025 Resolution and the attached Continuing Disclosure Agreement, during Fiscal Year 2025, has been lawfully appropriated by the Board of Trustees of the University for those purposes and is in the University treasury or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances. This Certificate is given in compliance with Sections 5705.41 and 5705.44 of the Revised Code.

Dated: March 6, 2025

____
Senior Vice President for Finance
and Administration
Kent State University

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KENT STATE UNIVERSITY (A STATE UNIVERSITY OF OHIO) • GENERAL RECEIPTS BONDS, SERIES 2025A

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