HOCKING COLLEGE

BOARD OF TRUSTEES MEETING
Thursday, February 24, 2025
Regular Meeting – 6:00 pm @ The Lodge
Virtual / Hybrid Meeting

• **Call to Order (5 min)**	Chairman Mitchell
• **Roll Call**	Mr. Powell
• Motion to Approve Selection Committee Appointees	Chairman Mitchell
• Oath of Office new Board Members	
• **Approve Minutes from October 14, 2024**	Chairman Mitchell
• **Executive Session (15 min)**	Chairman Mitchell
• **President's Report (15 min)**	Dr. Young
➢ Moment of silence for Tom Johnson	
➢ Motion to approve Dissolution of H.C. Police Department	
➢ Motion to accept the PBU Agreement	
➢ Motion to accept the NBU Raise	
• **Executive Vice President Academic Affairs Report (5 min)**	Trustees Ben Mitchell / Dr. Jarrod Tudor
➢ Food Rescue update	
➢ Athletics	
➢ Planetarium update	
➢ Motion approval of Attendance Policy	
➢ Motion approval of Online Eligibility Policy	
➢ Motion to approve academic additional locations	
➢ Motion to approve the revised 25/26, new 26/27, and new 27/28 Academic Calendar	
➢	
• **Community Relations and Student Experience Report (5 min)**	Trustees Stuart Brooks / Leon Forte' / Hannah Guada
➢ Update from Vice President	
• **Finance and Personnel Report (5 min)**	Trustees Jeanie Addington / Mr. Fuller
➢ Update from Vice President / CFO / Treasurer	
➢ Motion to accept FY 2024 Audited Financial Statements	
➢ Motion to approve Medical Insurance Premium Increase for Calendar year 2025	
➢ Motion to approve Technology Fee	
➢ Motion to accept the Transcript Acceptance Policy	
• **Facilities Committee Report (5 min)**	Trustee Budzik/ Dr. Young
➢ Update on Projects	
• **Chairman's Report (10 min)**	Chairman Mitchell
• **New Business (5 min)**	Chairman Mitchell
• **Adjournment**	Chairman Mitchell
•	

- **Event Schedule**
  Next Meeting – April 21, 2025 / 6:00 pm Board Meeting
  April 11, 2025 Joe Burrow Event (Fundraiser Food Rescue)
  April 26, 2025 Sam Jones Trimble Promise Boxing Exhibition
  Hocking College Fashion show May 2, 2025
  Spring Graduation – May 10 at 9:00am

Hocking College
Board of Trustees Action

Date: February 24, 2025
Submitted by: Dr. Betty Young

SUBJECT:

Selection Committee Nominations for Hocking College Board of Trustees

BACKGROUND:

The Hocking College Selection Committee met on December 12, 2024, to review applications for Board of Trustees appointments. The selection committee reviewed applications, and all three members selected both nominees, Jeanete Addington and Shaun North, to serve as trustees on the Hocking College Board of Trustees.

RECOMMENDATION:

The Board of Trustees pass a motion to accept the appointees from the selection committee to the Hocking College Board of Trustees.

ORGANIZATIONAL/ADMINISTRATIVE IMPACT:

None

FISCAL IMPACT:

None

COMMENTS:

None

HOCKING
COLLEGE

Motion to accept Jeanette Addington and Shaun North from the selection committee decision to the Hocking College Board of Trustees

Adopted:______________________________

Approved:_____________________________
, Chairman

HOCKING COLLEGE

Hocking College
Board of Trustees Action

Date: February 24, 2025

Submitted by: Dr. Betty Young

SUBJECT:

Dissolution of Campus Police Department

BACKGROUND:

After careful consideration, Hocking College has determined that the best way to provide a safe and secure campus to its students, employees, and the community is to engage a third party to provide security services to campus.

The new security services model will provide the College with 24/7/365 unarmed, on-campus security through a third party which specializes in providing world-class security services.

In order to facilitate this effort, the College will dissolve its Police Department.

RECOMMENDATION:

Approve a board resolution to dissolve the Hocking College Police Department.

ORGANIZATIONAL/ADMINISTRATIVE IMPACT

The change will allow the College to provide a safe and secure campus to its students, employees, and the community by engaging a third party to provide security services to campus.

FISCAL IMPACT

The College will reallocate resources from Hocking College Police Department to provide 24/7/365 unarmed, on-campus security through a third party which specializes in providing world-class security services.

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WHEREAS, the Board of Trustees of Hocking Technical College, hereinafter referred to as the "College", deems it desirable and in the best interests of the College to dissolve the Hocking College Police Department.

NOW, THEREFORE, BE IT RESOLVED, that the President, Dr. Betty Young is hereby authorized, directed, and empowered to execute, for and on behalf of the College and in its name, any and all documents required in connection with the dissolution of the Hocking College Police Department.

Date Adopted: ______________________

Approved: ______________________

Hocking College
Board of Trustees Action

Date: February 24, 2025

Submitted by: Dr. Betty Young

SUBJECT:

Full-time Professional Bargaining Unit (PBU) between Hocking College and Ohio Education Association (OEA)

BACKGROUND:

Hocking College's current contract for PBU expired on December 31, 2024. The College has been diligently negotiating the terms of the contract to come to a positive resolution for the College and its employees represented in the PBU. The College has come to a tentative agreement of terms.

RECOMMENDATION:

The Board of Trustees approve a motion that Hocking College agrees to a new agreement based upon the tentative agreement dated February 5, 2025. The tentative agreement (see attached) includes the following key negotiated terms:

- All faculty in the professional unit will receive a 5% increase in 2025, a 4% increase in 2026 and a 3% increase in 2027
- All faculty in the professional unit will receive a one-time $1,500 bonus
- The College will be able to assign teaching workload to its program managers, program directors, and other non-professional unit faculty as long as it provides a first refusal for overload teaching opportunities to qualified PBU members.
- The College agrees to maintain no less than 16 full time instructional bargaining unit positions.
- An additional pay scale has been created to allow the College to more successfully attract and retain qualified personnel in the areas of Nursing, Dental Hygiene, and PTA.
-

See Attached for more details

ORGANIZATIONAL/ADMINISTRATIVE IMPACT

Approval by the Board of Trustees will allow the College to enter into a new contract effective January 1, 2025 through December 31, 2027.

FISCAL IMPACT

This action will have a budget impact as follows:

- Year 1 = $70,000
- Year 2 = $87,000
- Year 3 = $118,000
- Total = $275,000

HOCKING
COLLEGE

Motion to Accept the Negotiated Contract between Hocking College and Ohio Education Association (OEA) for the Full-time Professional Bargaining Unit (PBU) effective January 1, 2025 through December 31, 2027.

Adopted: ____________________________

Approved: ____________________________

Tentative Agreement
February 5, 2025

1.) All newly hired faculty will receive a $1,000 addition to the base as it exists in the 2022-2024 professional unit agreement.

Association accepts this proposal.

2.) All faculty in the professional unit will receive:

1) A 5% increase in 2025.

2) A 4% increase in 2026.

3) A 3% increase in 2027.

Association Counter Proposal: The Association will accept this proposal under the following conditions:

1. **The 2025 increase is retroactive to January 1, 2025; the 2026 increase effective January 1, 2026 and the 2027 increase effective January 1, 2027.**
2. **2027 increase will be 3%.**
3. **The College pays a one-time, $1,500 bonus to each bargaining unit member.**
4. **If 1, 2 and 3 are accepted, the Association will withdraw grievance assigned AAA Case Number: 01-24-0002-5113 once both parties have ratified this tentative agreement.**

3.) Program managers, program directors, and all other non-professional unit faculty may be assigned teaching workload at the sole discretion of the Hocking College administration.

Association counter proposal: The Association agrees to delete Appendix A from the Contract in exchange for agreement on the Association's Counter Proposal on Number 4 and Number 11 below.

4.) Professional unit faculty will have the right of first refusal for any overload teaching opportunities assuming suitable academic qualifications.

Association Counter Proposal: Bargaining unit members shall be provided the right of first refusal for any overload teaching opportunities before overload is made available to Program Directors, Program Managers, adjunct faculty and any and all other staff teaching courses at the College assuming suitable qualifications

5.) In academic fields whereby it is difficult to find qualified faculty, Hocking College administration reserves the right to compensate newly-hired faculty in these areas at salaries considered commensurate with current market conditions which may be higher than the salary figures identified in Section VII.A.1. in the 2022-2024 professional unit agreement. The determination of such academic fields is the sole discretion of Hocking College administration. There will be no separate, step-column for these faculty in the agreement.

Association Counter Proposal: The Association maintains its proposal as set forth in its proposal dated January 22, 2025 regarding starting pay.

6.) Faculty will be paid $125 per College Credit Plus observations and evaluations.

Association Counter Proposal: VI.M.3.d. Full time Faculty may volunteer for College Credit Plus observations and evaluations. Faculty shall be paid $125 per course evaluated. Faculty shall be reimbursed for any expenses consistent with College policy on reimbursement.

7.) Current contract language on advising.

Association accepts this proposal.

8.) Current contact language on overload pay.

Association accepts this proposal.

9.) Nine-month faculty will have the same number of personal days in the current contract. However, for 12-month faculty, there will be five personal days per calendar year.

Association counter proposal: X.C. Personal Use Days. Twelve month bargaining unit members shall receive five (5) personal use days per calendar year.

10.) Current contract language on insurance/HSA.

Association accepts this proposal.

11.) Maintain a minimum of 16 full-time faculty positions.

Association counter proposal: The College shall maintain, staff (including filling any vacancies) and employ no less than a minimum of 16 full time professional instructional bargaining unit positions. This includes assigning each full time professional instructional bargaining unit members with a normal teaching load in a given semester in accordance with Article VI.F.2.

12.) All faculty and non-faculty bargaining unit employee supplemental and overload contracts will be issued at the beginning of the third week of the 1st 8 weeks of the term and are subject to change based upon potential course additions/cancellations for the second 8 weeks of the term.

Association counter proposal: VII.H. Contracts. All Faculty and Non-Faculty Bargaining Unit Employee supplemental and overload contracts will be issued ~~between~~ the beginning of the third week of the 1st ~~2nd~~ 8 weeks of the term and are subject to change based upon potential course additional/cancellations for the second eight (8) weeks of the term. The Overload Contract shall include a full listing and calculation of all contact hours for the entire semester.

13.) Faculty will participate in the recruitment of students.

Association accepts this proposal.

Market Category 12 month positions						
	Years Experience	Associate	Bachelor	Master	Specialist	
Step 1	1-4	42,000	52,000	70,000	85,000	
Step 2	5-10	47,000	60,000	75,000	90,000	
Step 3	10+	52,000	70,000	85,000	95,000	

***To determine the years of experience, follow current practice.**
**** Teaching = Credit on the scale equal one year of full-time experience for1 year of full-time relevant teaching experience.**
*****Practice = Credit on the scale equals one year experience for every two years of full-time work experience in the profession.**

Market Category=Nursing, Dental Hygiene and PTA

HOCKING COLLEGE

Hocking College
Board of Trustees Action

Date: February 24, 2025

Submitted by: Dr. Betty Young

SUBJECT:

Fiscal Year 2025 Contract and Non-Bargaining Unit (NBU) Employee Raise

BACKGROUND:

The Fiscal Year 2025 budget has funds available to allocate a 3% raise and 1.5% one-time bonus to all full-time eligible Contract and NBU employees.

RECOMMENDATION:

The Board of Trustees approve a motion to allow the President to issue a 3% raise and 1.5% one-time bonus for all full-time eligible Contract and NBU employees. Eligible employees will be determined by parameters for eligibility set by the College. Bargaining Unit employees are excluded from this action as their pay is dictated by their contract. The raise will be made retroactively to January 6th, the beginning of the first full pay period of calendar year 2025. One-time bonuses will be accrued and then paid on the first scheduled pay date of December 2025.

ORGANIZATIONAL/ADMINISTRATIVE IMPACT:

The raise will allow Hocking College to remain competitive in employee compensation.

FISCAL IMPACT:

This action will have an impact of approximately $204,000 on the fiscal year 2024 budget. This action will have an impact of approximately $204,000 on future budget years.

HOCKING COLLEGE

Motion to approve the President to issue a 3% raise and 1.5% one-time bonus for all eligible Contract and Non-Bargaining Unit Employees (NBU) effective retroactively to January 6th, 2025 based on eligibility parameters set by the College. One-time bonuses will be accrued and then paid on the first scheduled pay date of December 2025.

Adopted: ______________________________

Approved: ______________________________

Hocking College
Board of Trustees Action

Date: February 24, 2025
Submitted by: Dr. Jarrod Tudor

SUBJECT:

Attendance Policy

BACKGROUND:

Hocking College is committed to clarity of student attendance in multiple styles of classroom participation. These styles include online classes, face-to-face courses, and hybrid courses.

RECOMMENDATION:

The Board of Trustees approve a motion to accept the Attendance policy

ORGANIZATIONAL/ADMINISTRATIVE IMPACT:

None

FISCAL IMPACT:

None

Motion to Approve the Attendance policy

Adopted:______________________________

Approved:______________________________
, Chairman

HOCKING COLLEGE

Policy Category: Academic and Student Affairs Policies

Policy Number:

Policy Issued: February 24, 2025

Policy Revised:

Policy Reviewed:

Policy Title: Student Attendance

Policy Approved: February 24, 2025

Pages: 3

1.) Attendance, generally.

1) In support of preparing Hocking College students for the world of work, the following policy has been developed to model work environments they will enter upon graduation.

2) The expectation is that students attend all classes. In the event of illness or emergency, it may be necessary for a student to miss a class. To report an absence, a student must contact their faculty member in advance and make arrangements to complete all required coursework.

3) In an 8-week course, students have 1 Unexcused Absence. In a 16-week course, students have 2 Unexcused Absences.

4) Unexcused absences greater than the above may result in being administratively DROPPED from the course(s). Students administratively DROPPED from a course(s) will not be re-admitted. They will be required to repeat the course to complete the program and are responsible for all associated charges.

5) The College is not responsible for the student's failure to follow the official withdraw policy. Students will be responsible for tuition and fees according to the refund policy.

6) Selective Intake Programs and certification programs by external requirements such as fire science and the police academy may have specific and/or different programmatic attendance requirements than stated above.

7) Hocking College will maintain an attendance policy for its students enrolled in online courses, hybrid courses, and face-to-face courses (see Sections 2, 3, and 4, below).

8) Each faculty member will place the attendance policy on each syllabus each semester.

9) Attendance will be tracked and reported early by faculty for the purposes of compiling an intervention report and for government reporting.

10) Some programs may have a different policy due to external accreditation standards. These standards will be communicated by the instructor.

11) In the case of a hybrid course, attendance for the online classes as a part of a hybrid course will be covered by Section 2 (below) and attendance for the face-to-face classes as a part of a hybrid course will be covered by Section 3 (below).

12) When a class is a lab/lecture, each instructional method should have its own attendance mark.

13) When a student is dropped from the first 8 weeks, that student will be administratively dropped from the second 8 weeks.

2.) Online courses.

1) All Hocking College faculty will take attendance for online courses once per week.

2) A student will be deemed present in an online course if the student logs into the learning management system ("LMS") and completes a task. A task could be watching a video, submitting an assignment, taking a quiz or test, and/or putting forth a post on a discussion board. The task to be completed, for the purposes of attendance, will be determined by the faculty member. This process will be automated in the future.

3) Each faculty member will submit a record of attendance for each student to the Self-Service function on the Hocking College website each week. The academic week, for the purposes of this policy, is Sunday through Saturday.

4) All online courses will have at least one synchronous time period for students set at a time whereby the majority of students can attend. This synchronous time period will be recorded for students to access this session who may not be able to attend.

3.) Face-to-face courses.

1) All Hocking College faculty will take attendance each day a face-to-face class meets and record attendance daily.

2) Attendance, including excused and unexcused absences will be determined by each faculty member who can take into consideration physical presence, time attended in the class session, and other activities associated with the concept of attendance in a course. Excused absences must require work to be made-up by the student in accordance with faculty instructions.

3) Each faculty member will submit a record of attendance for each student to the Self-Service function on the Hocking College website each day the class meets.

4.) Hybrid course.

1) A hybrid course is one in which some of the instruction is delivered on campus whereby the students

2) The online portion of a hybrid course will follow the rules found in Section 2, above.

3) The face-to-face portion of a hybrid course will follow the rules found in Sections 1 and 3.

HOCKING COLLEGE

Hocking College
Board of Trustees Action

Date: February 24, 2025
Submitted by: Dr. Jarrod Tudor

SUBJECT:

Online Course Eligibility Policy

BACKGROUND:

Hocking College is committed to the success of students in their course of study.

RECOMMENDATION:

The Board of Trustees approve a motion to accept Online Course Eligibility Policy

ORGANIZATIONAL/ADMINISTRATIVE IMPACT:

None

FISCAL IMPACT:

None

HOCKING
COLLEGE

Motion to Approve Online Course Eligibility Policy

Adopted:______________________________

Approved:_____________________________
, Chairman

HOCKING
COLLEGE

Policy Category: Academic and Student Affairs Policies

Policy Number:

Policy Issued: February 24, 2025

Policy Revised:

Policy Reviewed:

Policy Title: Online Course Eligibility

Policy Approved: February 24, 2025

Pages: **3**

1.) No student enrolled at Hocking College will be eligible to take an online course unless that student has completed 12 credit hours of face-to-face course work and has achieved a 2.5 minimum grade point average (Rule 1).

2.) Students enrolled in the College Credit Plus program are exempt from Rule 1. College Credit Plus students will be evaluated by the Hocking College Credit Plus Coordinator and the School Counselor in accordance with state College Credit Plus regulations.

3.) Students enrolled in a 100% online program offered by Hocking College are also exempt from Rule 1.

4.) Hybrid courses will be used to meet the 12-credit hour qualification to take an online course.

HOCKING COLLEGE

Hocking College
Board of Trustees Action

Date: February 24, 2025
Submitted by: Jarrod Tudor

SUBJECT:

Additional Location, Amanda Clearcreek High School
Additional Location, Berne Union High School
Additional Location, Frontier High School
Additional Location, Lancaster High School
Additional Location, New Lexington High School
Additional Location, Sheridan High School

BACKGROUND:

According to the Higher Learning Commission (HLC), an additional location is defined as

"a physical facility that is geographically separate from the main campus of an institution, where instruction takes place, and it is possible for students to do one or more of the following:

- Complete 50% or more of the courses in educational programs leading to a degree, certificate or other recognized educational credential.
- Complete 50% or more of a degree completion program (even if the degree completion program provides less than 50% of the courses leading to the degree).

Per the federal definition, an additional location . . . may be at a facility that the institution does not own, such as an office building, high school, or on the campus of another institution. . .There is no threshold number of students necessary for a facility to qualify as an additional location. There is no minimum distance from the campus necessary for a facility to qualify as an additional location. An additional location typically does not have a full range of administrative and student services staffed by the facility's personnel. Such services may be provided from the main campus or another campus."

Per this definition, due to the consistent growth of enrollment in the College Credit Plus program, and our strong relationships with the above-named schools, Hocking College now meets or is on track to meet the qualifications for an Additional Location at each site. Therefore, Hocking College is required to submit an application for such classification to HLC immediately in order to seek approval to continue to meet the needs and demands of these markets. This relationship is akin to the ongoing partnership Hocking College currently enjoys with Logan High School, which was approved by the Board in April of 2020 and remains very strong. We expect to see continued growth at a number of additional partner

high schools in the very near future, as well, and view this as a trend that will serve as an important recruiting pipeline for years to come.

RECOMMENDATION:

The College recommends the Board of Trustees pass a motion to open an additional location at each of the following: Berne Union High School, Lancaster High School, New Lexington High School and Sheridan High School. This will satisfy the post-secondary needs of the community, nurture existing partnerships, and fulfill the requirements of HLC.

ORGANIZATIONAL/ADMINISTRATIVE IMPACT:

These additional locations will be organized and supervised in a manner consistent with our current Logan High School location. Each high school will assign an administrator to work in partnership with Hocking College and assist in overseeing the day-to-day operations of college-credit programs at the high school site. This administrator will facilitate meetings with the high school instructor and their faculty liaison, assist with scheduling classroom observations, and attend professional development workshops.

FISCAL IMPACT:

The College Credit Plus program default funding structure is established by Ohio Revised Code 3365.07. The CCP default amounts are based on the Per Pupil Foundation amount determined by Ohio's General Assembly during the biennial budget process. These rates may change on an annual basis. Courses taught at the high school campus with a credentialed teacher are charged the floor rate as established by the State of Ohio. Teacher salary is paid through the individual school district. If a teacher chooses and is credentialed to teach a CCP course, they do not receive any additional pay from Hocking College or the school district.

As of Autumn semester 2024, there was a combined total of **537** students actively participating in CCP courses at the above-named high schools. The college anticipates enrollment growth with the offering of additional courses/programs.

COMMENTS:

HOCKING COLLEGE

Motion to approve

Additional Location, Amanda Clearcreek High School
Additional Location, Berne Union High School
Additional Location, Frontier High School
Additional Location, Lancaster High School
Additional Location, New Lexington High School
Additional Location, Sheridan High School

Adopted:____February 24, 2025_____________

Approved:_______________________________
Ben Mitchell, Chairman

HOCKING COLLEGE

Hocking College
Board of Trustees Action

Date: February 24, 2025
Submitted by: Dr. Jarrod Tudor

SUBJECT:

Revised 2025/2026 Academic Calendar and the new 2026/2027 and 2027/2028 Academic Calendars

BACKGROUND:

All Academic calendars are to be posted to allow accessibility by students and the community members. The Academic Calendars will Identify dates and scheduled events for each semester in the identified academic year.

RECOMMENDATION:

The Board of trustees approves a motion to accept the revised academic calendar for 2025/2026 and accept the academic calendars for 2026/2027 and 2027/2028.

ORGANIZATIONAL/ADMINISTRATIVE IMPACT:

None

FISCAL IMPACT:

None

HOCKING COLLEGE

Motion to accept the revised 2025/2026 academic Calendar and the 2026/2027, and 2027/2028 Academic Calendars

Adopted:________________________________

Approved:________________________________

, Chairman

Hocking College

ACADEMIC CALENDAR

Approved by the Board of Trustees on April 20, 2023 / Updated Draft February 4, 2025

2025-2026

Summer Term	**Monday, May 12- Friday, August 1, 2025**
Last Day to Register (12 week courses)	Sunday, May 11, 2025
Summer Term Begins (12 week courses)	Monday, May 12, 2025
Census Date (15th day of term)	Monday, May 26, 2025
Holiday - Memorial Day - **College Closed**	Monday, May 26, 2025
Summer Graduation Application Due	Friday, June 6, 2025
Last Day to Order Caps/Gowns	Friday, June 6, 2025
Last Day to Register (8 week courses)	Sunday, June 8, 2025
8 Week Courses Begin	Monday, June 9, 2025
Holiday - Juneteenth - **College Closed**	Thursday, June 19, 2025
Holiday - Independence Day - **College Closed**	Friday, July 4, 2025
Last Day to Drop/Withdraw (12 week and 8 week courses)	Friday, July 4, 2025
Summer Term Ends	Friday, August 1, 2025
Summer Commencement	Saturday, August 2, 2025
Autumn Term	**Monday, August 18 - Friday, December 12, 2025**
Start week	Monday, August 11 - Friday, August 15, 2025
Last Day to Register (16 week courses/first 8 week courses)	Sunday, August 17, 2025
Autumn Term Begins (16 week courses/first 8 week courses)	Monday, August 18, 2025
Census Date (15th day of term)	Monday, September 1, 2025
Holiday - Labor Day - **College Closed**	Monday, September 1, 2025
Autumn Graduation Application Due	Friday, September 12, 2025
Last Day to Order Caps/Gowns	Friday, September 12, 2025
Last Day to Drop/Withdraw (first 8 week courses)	Friday, September 12, 2025
Fall Break - College Open, No Courses	Monday, October 13 - Wednesday, October 15, 2025
Last Day to Register (second 8 week courses)	Wednesday, October 15, 2025
Second 8 Week Courses Begin	Thursday, October 16, 2025
HC Professional Development Day (All Students, Faculty & Staff 8-5; All evening Courses held)	Wednesday, October 15, 2025
Holiday - Veterans Day - **College Closed**	Tuesday, November 11, 2025
Last Day to Drop/Withdraw (16 week and second 8 week courses)	Friday, November 14, 2025
Holiday - Thanksgiving Break - **College Closed**	Thursday, November 27 - Friday, November 28, 2025
Autumn Term Ends	Friday, December 12, 2025
Autumn Commencement	Saturday, December 13, 2025
End of Term for Faculty	Tuesday, December 16, 2025
Winter Break - **College Closed**	Monday, December 22, 2025 - Friday, January 2, 2026
Holiday - Christmas - **College Closed**	Thursday, December 25, 2025
Spring Term	**Monday, January 12- Friday, May 8, 2026**
Holiday - New Years Day - **College Closed**	Thursday, January 1, 2026
College Opens	Monday, January 5, 2026
Start week	Monday, January 5 - Friday, January 9, 2026
Last Day to Register (16 week courses/first 8 week courses)	Sunday, January 11, 2026
Spring Term Begins (16 week courses/first 8 week courses)	Monday, January 12, 2026
Holiday - Martin Luther King Day - **College Closed**	Monday, January 19, 2026
Census Date (15th Day of Term)	Monday, January 26, 2026
Spring Graduation Application Due	Friday, February 6, 2026
Last Day to Order Caps/Gowns	Friday, February 6, 2026
Last Day to Drop/Withdraw (first 8 week courses)	Friday, February 6, 2026
Spring Break - College Closed	Monday, March 9 - Friday March 13, 2026
Last Day to Register (second 8 week courses)	Sunday, March 15, 2026
College Opens - Second 8 Week Courses Begin	Monday, March 16, 2026
HC Professional Development Day (All Students, Faculty & Staff 8-5; All evening Courses held)	Wednesday, March 25, 2026
Holiday - Good Friday - **College Closed**	Friday, April 3, 2026
Last Day to Drop/Withdraw (16 week and second 8 week courses)	Friday, April 10, 2026
Spring Term Ends	Friday, May 8, 2026
Spring Commencement	Saturday, May 9, 2026
End of Term for Faculty	Monday, May 11, 2026

Hocking College

ACADEMIC CALENDAR

Draft - February 4, 2025

2026-2027	
Summer Term	**Monday, May 11- Friday, July 31, 2026**
Last Day to Register (12 week courses)	Sunday, May 10, 2026
Summer Term Begins (12 week courses)	Monday, May 11, 2026
Census Date (15th day of term)	Monday, May 25, 2026
Holiday - Memorial Day - **College Closed**	Monday, May 25, 2026
Summer Graduation Application Due	Friday, June 5, 2026
Last Day to Order Caps/Gowns	Friday, June 5, 2026
Last Day to Register (8 week courses)	Sunday, June 7, 2026
8 Week Courses Begin	Monday, June 8, 2026
Holiday - Juneteenth - **College Closed**	Friday, June 19, 2026
Holiday - Independence Day - **College Closed**	Friday, July 3, 2026
Last Day to Drop/Withdraw (12 week and 8 week courses)	Friday, July 10, 2026
Summer Term Ends	Friday, July 31, 2026
Summer Commencement	Saturday, August 1, 2026
Autumn Term	**Monday, August 17 - Friday, December 11, 2026**
Start week	Monday, August 10 - Friday, August 14, 2026
Last Day to Register (16 week courses/first 8 week courses)	Sunday, August 16, 2026
Autumn Term Begins (16 week courses/first 8 week courses)	Monday, August 17, 2026
Census Date (15th day of term)	Monday, August 31, 2026
Holiday - Labor Day - **College Closed**	Monday, September 7, 2026
Autumn Graduation Application Due	Friday, September 11, 2026
Last Day to Order Caps/Gowns	Friday, September 11, 2026
Last Day to Drop/Withdraw (first 8 week courses)	Friday, September 18, 2026
Fall Break - College Open, No Courses	Monday, October 12- Wednesday, October 14, 2026
Last Day to Register (second 8 week courses)	Wednesday, October 14, 2026
Second 8 Week Courses Begin	Thursday, October 15, 2026
HC Professional Development Day (All Students, Faculty & Staff 8-5; All evening Courses held)	Wednesday, October 21, 2026
Holiday - Veterans Day - **College Closed**	Wednesday, November 11, 2026
Last Day to Drop/Withdraw (16 week and second 8 week courses)	Friday, November 20, 2026
Holiday - Thanksgiving Break - **College Closed**	Thursday, November 26 - Friday November 27, 2026
Autumn Term Ends	Friday, December 11, 2026
Autumn Commencement	Saturday, December 12, 2026
End of Term for Faculty	Tuesday, December 15, 2026
Winter Break - **College Closed**	Monday, December 21, 2026 - Friday, January 1, 2027
Holiday - Christmas - **College Closed**	Friday, December 25, 2026
Spring Term	**Monday, January 11- Friday, May 7, 2027**
Holiday - New Years Day - **College Closed**	Friday, January 1, 2027
College Opens	Monday, January 4, 2027
Start week	Monday, January 4 - Friday, January 8, 2027
Last Day to Register (16 week courses/first 8 week courses)	Sunday, January 10, 2027
Spring Term Begins (16 week courses/first 8 week courses)	Monday, January 11, 2027
Holiday - Martin Luther King Day - **College Closed**	Monday, January 18, 2027
Census Date (15th Day of Term)	Monday, January 25, 2027
Spring Graduation Application Due	Friday, February 5, 2027
Last Day to Order Caps/Gowns	Sunday, February 7, 2027
Last Day to Drop/Withdraw (first 8 week courses)	Friday, February 12, 2027
Spring Break - College Closed	Monday, March 8 - Friday March 12, 2027
Last Day to Register (second 8 week courses)	Sunday, March 14, 2027
College Opens - Second 8 Week Courses Begin	Monday, March 15, 2027
HC Professional Development Day (All Students, Faculty & Staff 8-5; All evening Courses held)	Wednesday, March 24, 2027
Last Day to Drop/Withdraw (16 week and second 8 week courses)	Friday, April 16, 2027
Holiday - Good Friday - **College Closed**	Monday, April 26, 2027
Spring Term Ends	Friday, May 7, 2027
Spring Commencement	Saturday, May 8, 2027
End of Term for Faculty	Monday, May 10, 2027

Hocking College

ACADEMIC CALENDAR

Draft - February 4, 2025

2027-2028	
Summer Term	**Monday, May 10- Friday, July 30, 2027**
Last Day to Register (12 week courses)	Sunday, May 9, 2027
Summer Term Begins (12 week courses)	Monday, May 10, 2027
Census Date (15th day of term)	Monday, May 24, 2027
Holiday - Memorial Day - **College Closed**	Monday, May 31, 2027
Summer Graduation Application Due	Friday, June 4, 2027
Last Day to Order Caps/Gowns	Friday, June 4, 2027
Last Day to Register (8 week courses)	Sunday, June 6, 2027
8 Week Courses Begin	Monday, June 7, 2027
Holiday - Juneteenth - **College Closed**	Friday, June 18, 2027
Holiday - Independence Day - **College Closed**	Monday, July 5, 2027
Last Day to Drop/Withdraw (12 week and 8 week courses)	Friday, July 16, 2027
Summer Term Ends	Friday, July 30, 2027
Summer Commencement	Saturday, July 31, 2027
Autumn Term	**Monday, August 16 - Friday, December 10, 2027**
Start week	Monday, August 9 - Friday, August 13, 2027
Last Day to Register (16 week courses/first 8 week courses)	Sunday, August 15, 2027
Autumn Term Begins (16 week courses/first 8 week courses)	Monday, August 16, 2027
Census Date (15th day of term)	Monday, August 30, 2027
Holiday - Labor Day - **College Closed**	Monday, September 6, 2027
Autumn Graduation Application Due	Friday, September 10, 2027
Last Day to Order Caps/Gowns	Friday, September 10, 2027
Last Day to Drop/Withdraw (first 8 week courses)	Friday, September 17, 2027
Fall Break - College Open, No Courses	Monday, October 11- Wednesday, October 13, 2027
Last Day to Register (second 8 week courses)	Wednesday, October 13, 2027
Second 8 Week Courses Begin	Thursday, October 14, 2027
HC Professional Development Day (All Students, Faculty & Staff 8-5; All evening Courses held)	Wednesday, October 20, 2027
Holiday - Veterans Day - **College Closed**	Thursday, November 11, 2027
Last Day to Drop/Withdraw (16 week and second 8 week courses)	Friday, November 19, 2027
Holiday - Thanksgiving Break - **College Closed**	Thursday, November 25 - Friday November 26, 2027
Autumn Term Ends	Friday, December 10, 2027
Autumn Commencement	Saturday, December 11, 2027
End of Term for Faculty	Tuesday, December 14, 2027
Winter Break - **College Closed**	Monday, December 20, 2027 - Friday, December 30, 2027
Holiday - Christmas - **College Closed**	Saturday, December 25, 2027
Spring Term	**Monday, January 10- Friday, May 5, 2028**
Holiday - New Years Day - **College Closed**	Saturday, January 1, 2028
College Opens	Monday, January 3, 2028
Start week	Monday, January 3 - Friday, January 7, 2028
Last Day to Register (16 week courses/first 8 week courses)	Sunday, January 9, 2028
Spring Term Begins (16 week courses/first 8 week courses)	Monday, January 10, 2028
Holiday - Martin Luther King Day - **College Closed**	Monday, January 17, 2028
Census Date (15th Day of Term)	Monday, January 24, 2028
Spring Graduation Application Due	Friday, February 4, 2028
Last Day to Order Caps/Gowns	Friday, February 4, 2028
Last Day to Drop/Withdraw (first 8 week courses)	Friday, February 11, 2028
Spring Break - College Closed	Monday, March 6 - Friday March 10, 2028
Last Day to Register (second 8 week courses)	Sunday, March 12, 2028
College Opens - Second 8 Week Courses Begin	Monday, March 13, 2028
HC Professional Development Day (All Students, Faculty & Staff 8-5; All evening Courses held)	Wednesday, March 22, 2028
Last Day to Drop/Withdraw (16 week and second 8 week courses)	Friday, April 14, 2028
Holiday - Good Friday - **College Closed**	Tuesday, April 4, 2028
Spring Term Ends	Friday, May 5, 2028
Spring Commencement	Saturday, May 6, 2028
End of Term for Faculty	Monday, May 8, 2028

Hocking College
Board of Trustees Action

Date: February 24, 2025

Submitted by: Mark Fuller

SUBJECT:

Audited financial statements for FY 2024

BACKGROUND:

The College prepares annual financial statements which are audited by the Ohio Auditor of State or a designated Independent Public Accountant. The College is currently under contract to be audited by Perry & Associates Certified Public Accountants for FY 2020 through FY 2024.

Perry & Associates have completed their audit of the College's Financial Statements and have found them to be a fair and accurate representation of the College's financial position.

RECOMMENDATION:

The Board of Trustees approve a motion to accept the FY 2024 audited financial statements.

ORGANIZATIONAL/ADMINISTRATIVE IMPACT

The annual audit is a necessary part of the college's ongoing operations.

FISCAL IMPACT

None. The audit confirms the College's FY 2024 Financial Statements to be a fair and accurate representation of the College's financial position.

HOCKING
COLLEGE

Motion to accept the FY 2024 audited financial statements.

Adopted: ______________________

Approved: ______________________

Hocking College
Board of Trustees Action

Date: February 24, 2025

Submitted by: Mark Fuller

SUBJECT:

Medical Insurance Premium Increase for Calendar Year 2025

BACKGROUND:

Hocking College, through South Central Ohio Insurance Consortium (SCOIC), offers medical insurance benefits to eligible employees. Hocking College joined SCOIC in 2016 as part of an initiative to provide quality medical insurance benefits to its employees at a reasonable price.

Hocking College has seen premium rate increases approximately in line with the Ohio Average per the State Employment Relations Board (SERB) Survey:

	Hocking College 5 Year Average	*State of Ohio 5 Year Average*
Single Coverage	5.6%	5.3%
Family Coverage	5.6%	5.1%

RECOMMENDATION:

The Board of Trustees approve a motion to increase Hocking College's Medical Insurance Premiums by 9.0% for Calendar Year 2025, in accordance with SCOIC's analysis.

ORGANIZATIONAL/ADMINISTRATIVE IMPACT

Motion will allow Hocking College to continue to offer medical benefits at an affordable rate, while maintaining appropriate levels of funding for future claims.

FISCAL IMPACT

The 9.0% increase equates to an estimated annual premium increase of $215,000. The burden of this increase will be split between Hocking College ($172,000) and participating employees ($43,000).

The per-pay increase for single coverage employees will be $8.53. The per-pay increase for family coverage employees will be $25.33.

The College is conscious of the impact that inflation has had on its employees and recommends the College allow employees to offset up to 50% of the increase through a reduction in their required HSA deductions. This will allow employees to continue to pay for insurance without a significant increase to their net payroll deductions.

Revised medical insurance withholdings and Health Savings Account (HSA) Contributions will be as follows for each pay:

SINGLE MEDICAL PLANS	**CY 2025**	**CY 2024**	**INCREASE**
College Paid Premium	$ 413.20	$ 379.08	$ 34.12
College HSA Contribution	$ 100.00	$ 100.00	$ 0.00
Total College Costs	**$ 513.20**	**$ 479.08**	**$ 34.12**
Employee Paid Premium	$ 103.30	$ 94.77	$ 8.53
Employee Required HSA Deductions	$ 7.10	$ 11.36	$ (4.26)
Net Payroll Deductions	**$ 110.40**	**$ 106.13**	**$ 4.27**

FAMILY MEDICAL PLANS	**CY 2025**	**CY 2024**	**INCREASE**
College Paid Premium	$ 1,227.19	$ 1,125.86	$ 101.33
College HSA Contribution	$ 100.00	$ 100.00	$ 0.00
Total College Costs	**$ 1,327.19**	**$ 1,225.86**	**$ 101.33**
Employee Paid Premium	$ 306.79	$ 281.46	$ 25.33
Employee Required HSA Deductions	$ 20.98	$ 33.64	$ (12.66)
Net Payroll Deductions	**$ 327.77**	**$ 315.10**	**$ 12.67**

HOCKING
COLLEGE

Motion to approve an 9.0% increase in Hocking College's Medical Insurance Premiums for calendar year 2025. Further motion to permit employees to offset up to 50% of the increase through a reduction in their required HSA deductions, allowing employees to continue to pay for insurance without a significant increase to their net payroll deductions.

Adopted: ___________________________

Approved: ___________________________

HOCKING COLLEGE

Hocking College
Board of Trustees Action

Date: February 24, 2025

Submitted by: Mark Fuller

SUBJECT:

Technology Fee

BACKGROUND:

As Hocking College expands the use of Artificial Intelligence (AI) in its curriculum, it is becoming necessary that students have access to a paid subscription service.

The expansion of AI in the classroom allows students to develop technical competencies that help differentiate themselves in an evolving job market. Further, AI allows students to develop skills in critical thinking, adaptability, and digital literacy which will become increasingly important.

The limitations associated with free AI accounts do not allow students to properly interact with AI, and develop these skills.

The College has engaged OpenAI regarding their ChatCPT.edu service and now seeks to roll out the product to its students starting in Fall 2025.

RECOMMENDATION:

Implement a $75 per semester Technology Fee that will cover the cost of a ChatCPT.edu subscription to every student starting in Fall 2025.

ORGANIZATIONAL/ADMINISTRATIVE IMPACT

The fee will allow the College to provide a paid AI subscription to each of its students.

The amount represents a 50% discount from what a student would pay if seeking to purchase it on their own. The price is representative of the College's ability to receive a bulk discount.

FISCAL IMPACT

This is a budget neutral proposal.

HOCKING
COLLEGE

Motion to implement a $75 per semester Technology Fee, starting Fall 2025, for the purpose of providing students with an AI subscription. The fee will be assessed in full to students regardless of registered credit hours and will only apply to Fall and Spring semesters.

Adopted: ____________________________

Approved: ____________________________

HOCKING
COLLEGE

Hocking College
Board of Trustees Action

Date: December 2, 2024
Submitted by: Mark Fuller

SUBJECT:

Official Transcript Acceptance Policy

BACKGROUND:

All Hocking College applicants are asked to submit an official high school transcript to the registrar's office at Hocking College,

RECOMMENDATION:

The Board of Trustees pass a motion to approve the Transcript Acceptance Policy.

ORGANIZATIONAL/ADMINISTRATIVE IMPACT:

This policy is subject to review and amendment as necessary to ensure its effectiveness and relevance.

FISCAL IMPACT:

None

COMMENTS:

None

HOCKING
COLLEGE

Motion to approve Transcript Acceptance Policy

Adopted:______________________________

Approved:_____________________________
Ben Mitchell, Chairman

Policy Category: Administrative Policies

Policy Number:

Policy Issued:

Policy Revised:

Policy Reviewed:

Policy Title: Official Transcript Acceptance Policy

Policy Approved:

Pages: 1

All Hocking College applicants are asked to submit an official high school transcript to the registrar's office at Hocking College, showing proof of high school graduation or successful completion of the General Education Development (GED) exam.

Official high school transcripts or GEDs must be submitted through Direct submission by the high school (Electronic Transcript Services, High School office email, or Postal Service), GED testing services, or International Transcript Services.

HOCKING COLLEGE

Kyle Fuller <fullerk@hocking.edu>

Fwd: OACC's Advocacy Update 12/6/2024

1 message

Betty Young <youngb@hocking.edu>
To: Kyle Fuller <fullerk@hocking.edu>

Fri, Dec 6, 2024 at 4:18 PM

Kyle:
Please print this for the next board packet.

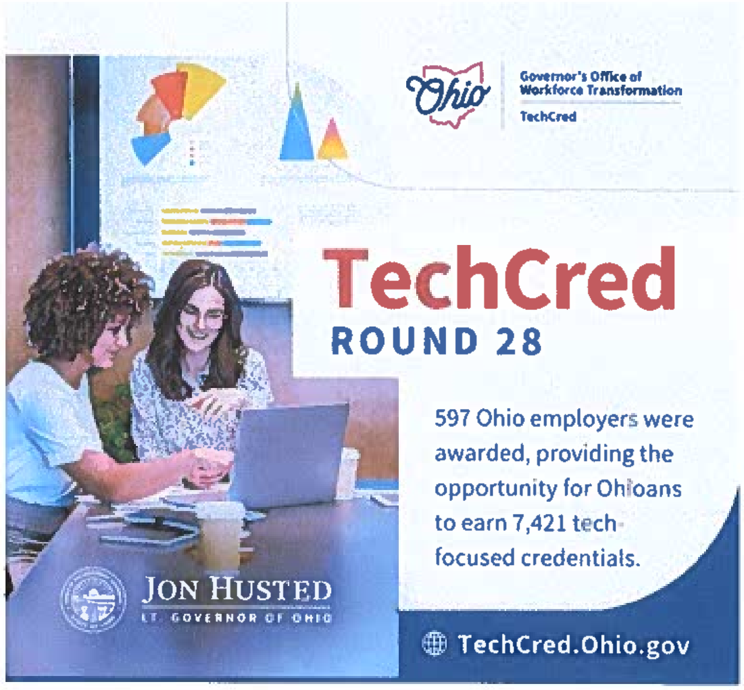
Dr. Betty Young, Ph.D., J.D., LL.M.
President
Hocking College
youngb@hocking.edu
740-753-7004

---------- Forwarded message ---------
From: **Laura Rittner, Ohio Association of Community Colleges** <sam@ohioassociationofcommunitycolleges.ccsend.com>
Date: Fri, Dec 6, 2024 at 3:01 PM
Subject: OACC's Advocacy Update 12/6/2024
To: <youngb@hocking.edu>

OACC
OHIO ASSOCIATION OF COMMUNITY COLLEGES

December 6, 2024

Ohio Awards TechCred Funding to Nearly 600 Employers



The State of Ohio announced recently that nearly 600 employers were awarded funding through the September TechCred application period, enabling Ohioans to earn 7,421 tech-focused credentials. In this round, artificial intelligence (AI) credentials were the most requested, with 1,300 awarded. A total of 597 employers were provided funding.

"Through nearly 30 rounds of awards, the TechCred program has proven to be a winning formula for our employers, their workers, and our state," said Ohio Department of Higher Education Chancellor Mike Duffey. "The credentials earned ensure that our workforce has the skills to keep Ohio moving forward."

The next application period for Ohio employers will open on January 2, 2025, and close on January 31, 2025, at 3:00 p.m. For more information about the program and the 2025 application calendar, visit TechCred.Ohio.gov.

Marion Technical College Named Finalist for Bellwether Award in Innovation and Efficiency

Marion Technical College has been honored as a finalist for the 2025 Bellwether Awards in the Planning, Governance & Finance category. This recognition highlights the college's innovative efforts to enhance institutional efficiency and effectiveness. The Bellwether

Awards recognize outstanding community college programs across the nation. The college will present its program at the 2025 Community College Futures Assembly in San Antonio this February.

Click here to read more.

ODHE Approves Clark State's BSN Program

The Ohio Department of Higher Education recently approved Clark State's application to offer students a bachelor of science in nursing program. Clark State is now working toward obtaining final program approval from the Higher Learning Commission, with the hopes of launching a nursing bachelor's degree option, also known as a BSN completion program, in the fall of 2025.

"This approval underscores our commitment to addressing the needs of students, as well as the healthcare needs of our community," said Jo Alice Blondin, Ph.D., Clark State president.

Click here to read more.

$32M Approved for Choose Ohio First STEM Scholarships

Choose Ohio First

This week, the Ohio Controlling Board approved more than $32 million for the Choose Ohio First program, paving the way for scholarship opportunities at Ohio's colleges and universities.

This latest funding, to be awarded over the next five years, marks the sixth round of grants under the administration. The scholarships will support students pursuing STEM degrees

and certificates, as well as education degrees and certificates with a STEM focus. Both public and private colleges and universities will receive funding through the program.

"As Ohio continues to attract new businesses and advance innovation, it's more critical than ever that we invest in keeping our talented students right here in the Buckeye State," Lt. Gov. Jon Husted said in a statement. "The Choose Ohio First program strengthens our commitment to preparing students for in-demand careers while ensuring that Ohio's workforce remains competitive, dynamic, and ready to meet the needs of our growing economy."

As part of Choose Ohio First, the Ohio Department of Higher Education provides funding to Ohio's colleges and universities to support students in innovative academic programs. Participating universities and colleges award scholarships to students desiring a certificate, associate degree, baccalaureate degree, or graduate degree in eligible STEM fields or to students who want to become STEM teachers.

Click here to read more.

DeWine-Husted Praise Retiring Intel CEO

Pat Gelsinger, who retired as Intel CEO in early December, was praised by Gov. Mike DeWine and Lt. Gov. Jon Husted for Gelsinger's role in developing Intel's $20 billion Ohio project.

Intel recently finalized a $7.86 billion CHIPS Act funding award with the Biden administration, including $1.5 billion earmarked for its central Ohio project.

Gelsinger was "the driving force" in Intel's selection of Ohio, Gov. Mike DeWine and Lt. Gov. Jon Husted said in a joint statement in response to the retirement.

"Billions of dollars have been invested at the Ohio One site in Licking County, including multiple loads of equipment coming north from the Ohio River to the site," the statement said. "Now that the CHIPS Act funding has been announced, we anticipate the project will continue to move ahead quickly."

David Zinsner and Michelle "MJ" Johnston Holthaus have stepped in as interim Intel co-CEOs.

Click here to read more.

Hocking College Launches Rescue Kitchen to Combat Food Insecurity

Hocking College recently celebrated the launch of its innovative Rescue Kitchen program with a groundbreaking ceremony at its Hospitality and Culinary Center. The Rescue Kitchen initiative is designed to repurpose surplus food into nutritious meals for individuals and families in need across southeast Ohio.

The program seeks to address food insecurity while simultaneously addressing food waste, keeping edible food out of landfills, and putting it to good use. By leveraging the expertise of Hocking College's culinary students and faculty, the Rescue Kitchen will serve as both a resource for the community and a hands-on educational experience for students.

Among those attending the ceremony were Ohio First Lady Fran DeWine, Lieutenant Governor Jon Husted, and Robin Burrow of the Joe Burrow Foundation.

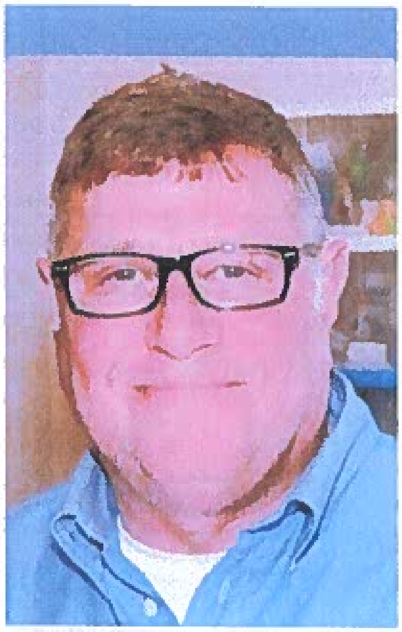
The Rescue Kitchen will be "transformative" for the region and will help make the Joe Burrow Foundation's goal of feeding Southeast Ohioans easier, said Robin Burrow, mother of Cincinnati Bengals quarterback and Athens native Joe Burrow. One of the most heartbreaking experiences while working at a food pantry is to run out of food when there's still people who need to be fed, Robin Burrow said.

Click here to read more.

Provided by Bope-Thomas Funeral Home

Thomas H. Johnson III

May 6, 1956 ~ October 31, 2024 (age 68)



Services

Visitation
Sunday
November 17, 2024
2:00 PM to 5:00 PM
Somerset Community Church
139 E. Main St.
Somerset, OH 43783

Celebration of Life
Sunday
November 17, 2024
5:00 PM
Somerset Community Church
139 E. Main St.
Somerset, OH 43783

Thomas H. Johnson III, 68, of Somerset, died in an automobile accident Thursday, October 31, 2024, near Somerset, Ohio. Tom was born May 6, 1956, in Zanesville, Ohio, the son of the late Thomas H. Johnson Jr. and Marna Lynn Wolfe. Tom was a 1974 graduate of Sheridan High School and was inducted into the ASTRA Hall of Excellence in 2016. In May of 1978 he graduated from Ohio State University with a bachelor's degree in Latin American Studies. He received a Master of Business Administration from Henley College in May 2000. Growing up in small town Ohio, Tom's dreams were big. Boarding school in Switzerland further opened the eyes of the young man to the broader world. Heading to California in pursuit of those youthful dreams, he was recruited into a career of international banking. He was an ambitious and curious young man who saw and took advantage of opportunities to learn and grow. This career took him around the globe, with stints in London, Singapore, frequent business trips to Africa, and other places far, far from home. But after so many rich experiences and business success, Somerset Ohio tugged on Tom's heart to return to the community and people he loved, and to spend more time with his aging parents. Tom became increasingly involved in community affairs, undoubtedly in great part influenced by his father, who had served as Somerset Mayor many years before him, and had been a community leader in other ways. Tom Johnson was a dreamer and a doer. He wasn't afraid to dream big, for his community, his region, the institutions he founded or was affiliated with, and for those whose own dreams he could nurture and support. And he put ideas into action. Tom acted almost as a "one man chamber of commerce", encouraging and supporting the creation of new small businesses and bringing people from all over Ohio, and beyond, to visit and support those small enterprises, adding vibrancy and life to the village. Examples of this abound; the many visionary improvements to his beloved Somerset – the new Genesis emergency facility, bringing much needed immediate health care to the community; the Builders' Club, inspiring and training the area's young people for growth and employment; the many infrastructure improvements to the village, and so much more. Tom's vision of possibilities and leadership did not end at the borders of Somerset, or Perry County. Tom served as Chairman of Hocking College's Board of Trustees, where he played an instrumental role in guiding the college through numerous activities. Recently, he collaborated with the college in advancing the study and use of artificial intelligence in the rural Appalachian Region with Hocking's President Dr. Betty Young and her team. Tom's constructive engagement with Rural Action, a leader in Appalachian development, led Rural Action's CEO Debbie Philips to reflect that Tom was one of the most tenacious committed visionaries in the region. Adding that his boundless energy to see new possibilities for

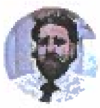
Southeastern Ohio was unmatched, and that so many communities and young professionals and important projects are stronger because of his deep care and dedication to a vision of a thriving future. Tom served as Executive in Residence at Ohio University and was awarded the distinguished title of Executive in Residence Emeritus upon his retirement. At Ohio University, Tom successfully ran efforts to secure tens of millions of dollars in funding for transformative mental health and substance abuse initiatives, disease detection and treatment services, community capital investment projects, and workforce development investments, all of which supported progress in the entire Southeast Ohio region. As a leader in the Mayors' Partnership for Progress he was instrumental in the leadership team that ultimately brought a historic $500 million with the Appalachian Community Grants Program. Through OU, Tom was an innovator, leader, inspirer, and cheerleader for the region. Because of him, people are receiving help with their addictions, cures for their diseases, and jobs for their quality of life. He treasured the opportunity to work alongside his colleagues Rick Hodges, Theressa Kane, Randy Leite and so many others at OU. He was a "go-to" leader whom Governor Mike DeWine and his administration consulted as they sought to bring long needed attention to Southeast Ohio. In collaboration with the Foundation for Appalachian Ohio, and its CEO Cara Dingus Brook, Tom worked to ensure that every county in Appalachian Ohio is now supported by a local foundation. He generated the initiative to create "Growing Home Fellowship", investing in hundreds of next generation leaders, which originated in one of those many initial thinking sessions with Tom at the Somerset City Hall. Tom treated everyone with respect and kindness. Cara has reflected that Tom treated other leaders as equals and partners in the "adventure of public service", and that our loss of Tom's leadership in Appalachia leaves a gaping hole professionally, but that we have also lost a true friend and partner. Tracy Mann of the Foundation shared that Tom was a quiet champion of individual dreams and achievement. He had a way of planting the seed of life changes for many individuals, being present when needed, but enjoying the individual's growth and success without taking personal credit nor too much involvement. Tom was an engaged member of the Ohio Arts Council, and collaborated with the council's CEO, Donna Collins, herself a Perry County leader, on many initiatives to advance the arts across the state. As a member appointed by the governor to the Ohio Commodores, he networked with influential people from across the state to broaden the exposure of the region. One more example of the regionally transformational impact Tom has had was the creation of the Buckeye Lake Region Corporation (BLRC). Along with other visionary leaders, but with Tom, as usual, near the center, the BLRC was willed into being, becoming the first comprehensive area-wide professional advocacy group for the lake in over 200 years, all the while looking out for Perry County's corner of Buckeye Lake. Tom brought the Columbus Symphony Orchestra to Somerset for a free public concert at the park, which he had also supported and expanded over recent years. The Symphony has since expanded its reach into the region because of this example.

Appalachia Ohio abounds with dedicated "small town" mayors, men and women committed to the success of their villages and cities. But Tom was special. He enthusiastically brought his outside experience in the world of international banking, Human Resources, and state and federal government home, for the betterment of his town and our region. Tom was consulted by local leaders across Ohio and beyond the state's borders about community development and leadership. He was always generous with his time and ideas in sharing his experiences with other leaders. He was proud of his many achievements but was never a braggart or took sole credit. He knew it was teams of focused, talented people working together that get things done. His greatest joy was working with his professional friends and colleagues in those endeavors. As was typical of his generosity in his lifetime, among the initiatives he has directed his legacy to support going forward, and to the benefit of his community, are the Somerset Horticultural Fund, the Perry County Hunger Relief Fund, and the Perry County Single Parent Support Fund. In addition, he has directed support of the Somerset Emerald Necklace Fund, the Perry County Park Board Fund, the Somerset Courthouse Fund, the Somerset Builders Club Fund, the Somerset Reading Township Fire Department Fund, and the Somerset Community Fund. If we find ourselves doubting that one person can make a difference, we just need to reflect upon the life of Mayor Tom Johnson and the difference he made and continues to make in Somerset and across Ohio. On Thursday, October 31, Tom Johnson met an untimely and tragic death. But it may give some small comfort to reflect upon the fact that on that evening he was in his element, excelling at bringing outside experts, local advocates, and, yes, young professionals together to pursue cutting edge advocacy for his community. He undoubtedly headed home satisfied with the creative camaraderie he created that evening, and a sense of satisfaction and optimism about the future. Tom is survived by two sisters, Donna King of Bowling Green, Florida, and Joy Alcalde of Somerset, Ohio; two nieces, Jessica Alcalde of Brooklyn, New York and Taylor Stone of Glenwood, Iowa; and a nephew, Mark Bergfeld of Cincinnati, Ohio in addition to hundreds of mourning friends and colleagues. In addition to his parents, Tom was preceded in death by a sister, Laura Bergfeld; a brother, John Johnson; a niece, Melanie Bergfeld; a nephew, John Thomas Burson; and his beloved dog, Buddy. A memorial visitation will be held from 2-5 p.m. Sunday, November 17, 2024, at the Somerset Community Church, 139 E. Main St., Somerset, Ohio. A celebration of life will follow at 5:00 p.m. with Rev. Karen Walters officiating. Bope-Thomas Funeral Home in Somerset is entrusted with the arrangements.

Times Recorder

STATE

Somerset Mayor Tom Johnson leaves behind a legacy of bettering Appalachian Ohio



Shawn Digity
Zanesville Times Recorder

Published 5:16 a.m. ET Nov. 5, 2024 | Updated 1:59 p.m. ET Nov. 5, 2024

SOMERSET – Thomas H. Johnson III is being remembered a man who made life better for others. His legacy is one of unrelenting spirit and dedication to the people of Appalachian in Ohio.

The mayor of Somerset died as a result of a car crash on Oct. 30. He was 68.

"Everything he did and everything he touched was for the betterment of the community," said Dave Levacy, a Fairfield County commissioner.

"I don't think there was a selfish bone in his body. He touched a lot of people, made things better for everybody."

Tom spearheaded a strategy to help floundering Buckeye Lake businesses survive that five-year dam replacement project that staunched tourism, according to Levacy, who owns the Buckeye Lake Marina.

"There's just a whole host of things that I could talk about Tom and how he affected others and affected the lives of others. Just a wonderful individual, and he's going to be totally missed" Lavacy added.

Tom served as Somerset's mayor for the past 15 years, where he worked to transform the village into a vibrant hotspot of commerce and improved the county's access to healthcare.

"Mayor Johnson helped drive significant public and private investments in Perry County and Ohio's Appalachian region, impacting civic infrastructure, economic development, arts and

culture programming, and historic and nature preservation, which touched the lives of many and strengthened the community," Sen. Sherrod Brown said in a news release.

Tom worked tirelessly with others across schools, entities, and organizations, including Ohio University, Hocking College, the Fairfield County Workforce Center, Somerset Builder's Club and Buckeye Lake Region Corporation.

"It's a big gap for many of us personally and a big gap for southeastern Ohio," noted Betty Young, president of Hocking College. "Tom and I really developed a very strong relationship where we were talking every week about emerging trends and workforce and just about anything you can think of affecting southeastern Ohio.

"I've been a president (of Hocking College) for 20 years, but I can say nobody could hold a candle to Tom Johnson.

"All across southeastern Ohio, we're watching our small towns decimated with all the social issues that they face and a lack of commerce. We've had a lack of broadband. Tom and I lobbied in Columbus to improve broadband in southeast Ohio so that business and industry could thrive here," she continued.

Young said Somerset's town square looks nothing like it did 10 years ago, and she credits Tom for the renewed look and growing commerce.

"Anything I can do to recognize this man," she said, adding that Hocking College is setting up a scholarship in his honor.

Luann Cooperrider, Perry County Probate Court judge, echoed Young's sentiment, adding that she and Tom were friends most of their lives.

"We met when we were children, probably about 10 years old, at the Thornville pool. I was showing off, doing a cannonball, and I accidentally jumped on part of his shoulder, and, honest to God, we were friends ever since," Cooperrider shared. "I could see something special in him, not only as a friend, but as a person on a mission."

"My life is better because Tom Johnson was my friend," she continued. "His legacy will live on forever. There's no doubt he'll live on. Nobody's ever going to forget Tom Johnson. I won't let them."

Last week Gov. Mike DeWine issued an order for flags to be flown half-staff in Somerset in honor of Johnson and his life and service to Ohio.

"I don't know a stronger advocate for the Appalachian region than Tom," DeWine said in a news release. "He was a great advocate, obviously, for Somerset for Perry County but Appalachia as a whole. He believed in Appalachia."

"His influence will certainly live on for many, many years. He was someone who was greatly admired, greatly trusted. I'm going miss him a lot. I'm going to miss his wise counsel and advice," DeWine added.

A memorial visitation will be 2 to 5 p.m. Nov. 17 at the Somerset Community Church, 139 E. Main St., followed by a celebration of life with the Rev. Karen Walters officiating. Bope-Thomas Funeral Home in Somerset is in charge of arrangements and will post a complete obituary at a later date.

Shawn Digity is a reporter for the Zanesville Times Recorder. He can be reached at sdigity@gannett.com.

Food & Lifestyle

Black Diamond Brewery & Distillery isn't just a business – it's a classroom

Black Diamond's team, from left to right, student Logan Cole, curator of excellence Dave Eldridge, student Parrish Cochran II and head brewer Gwyn Armstrong.
DAN EATON

By Dan Eaton – Staff reporter, Columbus Business First
Dec 13, 2024

Listen to this article 3 min

NELSONVILLE, Ohio – Black Diamond Brewery & Distillery might be open to the public, but it hasn't shaken its classroom roots.

The Nelsonville operation is housed at Hocking College where it began as a hands-on lab for students in the school's fermentation sciences program.

This year it became a full for-profit business where customers belly up to the bar for locally made pints and spirits-hunters in Columbus can now find the Ohio-made bourbon on shelves at the local Ohio Liquor store.

Black Diamond Development, which is a group of investors with several projects throughout southeast Ohio including in Nelsonville and Shawnee, owns the business.

The Black Diamond taproom opened to the public in late summer. The first Black Diamond spirits – a bourbon and a vodka – hit store shelves in November.

"We're an incubator," said Michelle Robinson, a member of the Black Diamond team. "This is a great transition into the development of a small business."

Students learn the technical sides of brewing and distilling as well as the business and operational side.

"We are aligned in our why," said Adam Fowler, a consultant with the brewery and distillery and previous dean of workforce development at Hocking College.

For this year's Workforce Development Guide, *Columbus Business First* looked at the educational pipeline for restaurant industry and some of the institutions including Columbus State Community College and Hocking College, where students get hands-on experience.

"I love the concept. I love the idea of education," said Dave Eldridge, Black Diamond curator of excellence.

Eldridge is an experienced brewer, having spent 1993 to 2005 with Columbus Brewing. He's also a long-time coffee buyer with Crimson Cup Coffee & Tea.

Head Brewer Gwyn Armstrong is a graduate of the program and to her, it's not just a job it's personal.

Hocking College's fermentation science program was started several years ago by Eric Hedin who had the vision to build out a working brewery and distillery. He died in the spring.

Armstrong, at just 25, was working as a shift brewer at Wolf's Ridge Brewing in Columbus when she was recruited to return to Nelsonville to run the education program and lead the brewing operation.

"I was Eric's last student," she said. "It is poetic that I'm able to take over for my mentor."

The beer lineup includes a couple of IPAs – most notably Eric's IPA, an English style IPA made with Hedin's recipe. There are staples including a Kolsch and the staff hopes to add other creations including Armstrong's peach wit, which was her capstone project as a student.

"We're looking forward to experimenting," she said.

Black Diamond beers can be found in Central Ohio. Napa Kitchen + Bar in Dublin, The Grainery in Plain City and the Jerome Village Bar and Grill are among those that have it on tap.

Hungry? The same building that houses Black Diamond also is home to Diamond Dawgz, Hocking College's hands-on restaurant run by culinary students.

Fowler said they're watching the struggles of other craft brewers and it's keeping them alert. He said the business, however, also has the distillery, which is poised to become a community destination in Nelsonville, where the craft competition isn't as intense.

"The city is happy to have them," said Dan Sherman, a former city councilman. "It's a nice draw."

The bar also supports other craft brewers with tap handles from Little Fish in Athens, Rice Family Brewing in Albany and Happy Hollow Brewing in Nelsonville.

Black Diamond Distillery is starting in 10 Ohio Liquor stores with three in Central Ohio and seven in southeast Ohio. It also will sell wholesale to restaurants and bars.

Its first two products are a 103-proof bourbon made by Columbus' Middle West Spirits and based on Black Diamond's mash bill, as well as a vodka.

The bourbon's current price is $59.99, though Robinson said they're developing another bourbon that will have a lower price point.

The distillery side of the business is innovating as well.

Black Diamond teamed up with the Hocking Valley Scenic Railroad to turn an old railroad box car into a "rolling rickhouse" to store bourbon barrels for aging.

Fowler said between the Nelsonville microclimate and the characteristics of the cars (including the ability to move), the aging process could be accelerated. They'll taste those barrels in two years to test that theory. There are 25 barrels aging now with capacity for 100 per railcar.

If they're right, it could mean a new business.

"I hope they line up the whole damn railroad with train cars," Sherman said.

PERRY
& Associates CPAs
PASSION Beyond the Numbers

HOCKING TECHNICAL COLLEGE
ATHENS COUNTY
SINGLE AUDIT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

HOCKING TECHNICAL COLLEGE
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For the Fiscal Year Ended June 30, 2024

INDEPENDENT AUDITOR'S REPORT

Hocking Technical College
Athens County
3301 Hocking Parkway
Nelsonville, Ohio 45764

To the Board of Trustees:

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 **Hocking Technical College**, Athens County, Ohio (the College), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the College'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 discretely presented component unit of Hocking Technical College, Athens County, Ohio as of June 30, 2024, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

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

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 College's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School District'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 College'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* and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis 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 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2024, on our consideration of the College's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

December 10, 2024

Management's Discussion and Analysis
(Unaudited)

The discussion and analysis of Hocking Technical College's (the College) financial statements provides an overview of the College's financial activities for the Fiscal Year ended June 30, 2024. Management has prepared the financial statements and the related footnote disclosures along with the discussion and analysis. Responsibility for the completeness and fairness of this information rests with the College's management.

Management's Discussion and Analysis (MD&A) is an element of the reporting models adopted by the Governmental Accounting Standard Board (GASB) in their Statement No. 34 "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments" and Statement No. 35 "Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities." Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Using this Report

This annual report consists of a series of financial statements and notes to those statements. These statements are presented following the requirements of GASB Statement No. 34 and Statement No. 35, and are organized so the reader can understand the College as a financial whole, an entire operating entity.

This discussion and analysis is intended to serve as an introduction to the College's basic financial statements. The College's basic financial statements are comprised of two components: the government-wide financial statements and notes to the basic financial statements.

Financial Highlights

- The College's capital assets increased $0.7 million or 1.0% from the previous Fiscal Year due primarily to additions to capital assets exceeding depreciation.
- The College continued the practice of adding to its strategic reserve to continue to increase its expendable net position to improve its Primary Reserve Ratio.
- The College's financial position increased $5.3 million or 11.1% during the fiscal year. The increase was due primarily to the decreases in liabilities, while total assets remained stable.

The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position

One of the most important questions asked about the College's finances is, "Is the College as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position report information on the College as a whole and on its activities in a way that helps answer this question. When revenues and other support exceed expenses, the result is an increase in net position. When the reverse occurs, the result is a decrease in net position. The relationship between revenues and expenses may be thought of as the College's operating results.

These two statements report the College's net position and changes in net position. You can think of the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources as one way to measure the College's financial health, or financial position. Over time, increases or decreases in the College's net position are one indicator of whether its financial health is improving or deteriorating.

You will need to consider many other nonfinancial factors, such as the trend in College applicants, student retention, condition of the buildings, and strength of the faculty, to assess the overall health of the College.

These statements include all assets, liabilities, and deferred inflows/outflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector institutions. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The following is a comparative analysis of the major components of the net position of the College:

Current Assets

Net Position as of June 30 (In millions)

	2024	2023	Increase (Decrease)	Percent Change
Assets:				
Current Assets	$20.2	$21.3	($1.1)	(5.2%)
Noncurrent Assets:				
Capital Assets, Net of Accumulated Depreciation	72.1	71.4	0.7	1.0%
Other	6.7	6.3	0.4	6.3%
Total Assets	$99.0	$99.0	($0.0)	(0.0%)
Deferred Outflows of Resources				
Deferred Charges	$1.2	$1.3	($0.1)	(7.7%)
Pension	3.2	3.9	(0.7)	(17.9%)
OPEB	1.2	0.7	0.5	71.4%
Total Deferred Outflows of Resources	$5.6	$5.9	($0.3)	(5.1%)
Liabilities				
Current Liabilities	$8.2	$10.3	($2.1)	(20.4%)
Long-Term Liabilities:				
Due Within One Year	1.3	1.3	0.0	0.0
Due in More Than One Year:				
Net Pension Liability	17.2	19.4	(2.2)	(11.3%)
Net OPEB Liability	2.5	2.3	0.2	8.7%
Other Amounts	15.8	16.8	(1.0)	(6.0%)
Total Liabilities	$45.0	$50.1	($5.1)	(10.2%)
Deferred Inflows of Resources				
Pension	$3.0	$2.7	$0.3	11.1%
OPEB	3.5	4.3	(0.8)	(18.6%)
Total Deferred Inflows of Resources	$6.5	$7.0	($0.5)	(7.1%)
Net Position:				
Net Investment in Capital Assets	$56.7	$55.2	$1.5	2.7%
Restricted - Nonexpendable	1.9	1.6	0.3	18.8%
Restricted - Expendable	2.9	2.0	0.9	45%
Unrestricted(Deficit)	(8.4)	(11.0)	2.6	(23.6%)
Total Net Position	$53.1	$47.8	$5.3	11.1%

Current Assets decreased by $1.1 million, primarily due to reductions in Net OPEB Asset, due from component unit, accounts receivable, and cash with fiscal agent outpacing a $1.3 million increase in cash and cash equivalents.

Noncurrent Assets

Noncurrent Assets increased by $1.1 million which was a result of the increase in capital assets due to acquisitions exceeding depreciation and an increase in endowment investments.

Deferred Outflows/Inflows of Resources

These categories, related to the College's pro-rata share of the State's unfunded pension and OPEB liabilities and required to be reported through GASB Statements No. 68 and 75, deferred outflows decreased $0.3 million and deferred inflows decreased $0.5 million, respectively. The College has no control over these amounts. More information about GASB Statements No. 68 and 75 and their impact on the statements of the College can be seen in Notes 7 and 8 and in the required supplementary information at the end of the report.

Current Liabilities

Current Liabilities decreased by $2.1 million or 20.4%, primarily due to decreases in accounts due to component units and unearned revenue.

Long-Term Liabilities

Long-Term Liabilities decreased by $3.0 million primarily due to the $2.2 million decrease in net pension liability. The pension liability amounts are calculated by the pension systems and the College has no control over these liabilities.

Net Position

The College's overall net position increased by 11.1% from the previous fiscal year. This was primarily the result of reduced liabilities while total assets remained stable. Reductions in Liabilities included unearned revenue, due to component unit, net pension liability and bonds payable. The Net Investment in Capital Assets increased by $1.5 million.

The following is a comparative analysis of the major revenue and expense categories of the College:

Operating Results for the Year (in millions)

	2024	2023	Increase (Decrease)	Percent Change
Operating Revenues:				
Tuition and Fees	$11.6	$13.0	($1.4)	(10.8%)
Grants and Contracts	1.8	4.8	(3.0)	(62.5%)
Sales and Services of Departments	0.0	0.1	(0.1)	(100.0%)
Auxiliary Services	6.2	6.1	0.1	1.6%
Other Operating Revenue	0.5	0.8	(0.3)	(37.5%)
Total Operating Revenues	20.1	24.8	(4.7)	(19.0%)
Operating Expenses:				
Instructional and Departmental Research	10.6	10.7	(0.1)	(0.9%)
Public Service	0.4	0.5	(0.1)	(20.0%)
Academic Support	3.5	4.2	(0.7)	(16.7%)
Student Services	2.0	2.0	0.0	0.0%
Institutional Support	5.4	7.1	(1.7)	(23.9%)
Operation and Maintenance of Plant	2.7	3.4	(0.7)	(20.6%)
Scholarships and Fellowships	2.6	3.3	(0.7)	(21.2%)
Depreciation	2.8	2.3	0.5	21.7%
Auxiliary Services	4.6	4.4	0.2	4.5%
Total Operating Expenses	34.6	37.9	(3.3)	(8.7%)

Operating Results for the Year (in millions)				
	2024	2023	Increase (Decrease)	Percent Change
Operating Income (Loss)	(14.5)	(13.1)	(1.4)	(10.7%)
Nonoperating Revenues (Expenses):				
Grants and Contracts	5.0	4.9	0.1	2.0%
State Appropriations	10.7	10.5	0.2	1.9%
Net Investment Income and Other	0.8	0.6	0.2	33.3%
Interest on Capital Asset-Related Debt	(0.4)	(0.4)	0.0	0.0%
Total Nonoperating Revenues (Expenses)	16.1	15.6	0.5	3.2%
Other Revenues (Expenses):				
Capital Appropriations	2.1	0.0	2.1	100.0%
Capital Grants and Gifts	1.6	0.5	1.1	220.0%
Total Other Revenues (Expenses)	3.7	0.5	3.2	640.0%
Change in Net Position	5.3	3.0	2.3	76.7%
Net Position - Beginning of Year,	47.8	44.8	3.0	6.7%
Net Position - End of Year	$53.1	$47.8	$5.3	11.1%

Operating Revenues

Operating revenues include all transactions that result from the sales of goods and services such as tuition and fees, educational department transactions and auxiliary service fees from residence halls, and operations of the College entrepreneurial ventures, Lake Snowden and parking. In addition, certain federal, state, and local grants are considered operating if they are not for capital purposes and are considered a contract for services.

Operating revenue changes were primarily the result of the following factors:

- Student Tuition and Fees revenue decreased $1.4 million or 10.8% and the decrease is primarily the result of enrollment.
- Grants and Contracts Revenues decreased by $3.0 million or 62.5% due to decreased federal grant funding.

Operating Expenses

Operating expenses are all the costs necessary to perform and conduct the programs and primary purposes of the College. The operating expense changes were primarily the result of the following factors:

- Institutional Support costs decreased $1.7 million or 23.9%, primarily due to decreased spending related to the HEERF funding.
- Operation and Maintenance of Plant costs decreased $0.7 million or 20.6% due to a reduced number of improvement and maintenance projects throughout the campus.
- Instructional and Developmental Research costs decreased $0.1 million or 0.9%, primarily due to decreased costs to provide educational services to students.

Nonoperating Revenues

Nonoperating revenues are all revenue sources that are primarily nonexchange in nature. They consist primarily of certain federal grants, State appropriations and investment income.

Nonoperating revenue increased as a result of increased investment income and state appropriations.

Other Revenues

Other revenues consist of items that are typically nonrecurring, extraordinary, or unusual to the College. Examples are State of Ohio capital appropriations, and capital grants and gifts from local sources. Other revenues increased based on an increase in capital appropriations and capital grants and gifts.

Statement of Cash Flows

Another way to assess the financial health of the College is to look at the Statement of Cash Flows. Its primary purpose is to provide relevant information about the cash receipts and cash payments of an entity during a period. The Statement of Cash Flows also helps users assess:

- An entity's ability to generate future net cash flows;
- Its ability to meet its obligations as they come due; and
- Its need for external financing.

Cash Flows for the Year (in millions)

	2024	2023	Increase (Decrease)	Percent Change
Net Cash From:				
Operating Activities	($14.3)	($13.7)	($0.6)	(4.4%)
Noncapital Financing Activities	15.6	15.7	(0.1)	(0.6%)
Capital and Related Financing Activities	(1.0)	(4.0)	3.0	75.0%
Investing Activities	0.3	1.6	(1.3)	(81.3%)
Net Increase (Decrease) in Cash	0.6	(0.4)	1.0	250.0%
Cash - Beginning of Year	7.7	8.1	(0.4)	(4.9%)
Cash - End of Year	$8.3	$7.7	$0.6	7.8%

The major sources of cash from operating activities are tuition and fees, grants and contracts and auxiliary service charges. Cash outlays include payments for wages, benefits, supplies, utilities, contractual services, and scholarships and fellowships. Overall, net cash from operating activities decreased due to decreases in revenues from federal grants and student tuitions & fees. The decrease in cash from operating activities was offset by increases in cash from financing activities.

State appropriations and certain federal grants are the primary sources of cash from noncapital financing activities. The reporting standards require that the College reflect these sources of revenue as nonoperating even though the budget of the College depends heavily on these sources to continue the current level of operations. Federal grants decreased and the College's state appropriations increased for fiscal year 2024.

A major source of cash outlays include payments for construction projects and other capital assets, and principal paid on the debt that was incurred to acquire and construct these capital assets.

Capital Asset and Debt Administration

Capital Assets

At June 30, 2024, the College had $72.1 million invested in capital assets, net of accumulated depreciation of $46.6 million. Depreciation charges totaled $2.8 million for the current Fiscal Year. Details of these assets for the past two years are shown below.

Capital Assets - Net of Accumulated Depreciation as of June 30 (in millions)

	2024	2023	Increase (Decrease)
Land	$5.4	$5.4	$0.0
Contruction in Progress	0.4	1.2	(0.8)
Land Improvements	2.1	1.3	0.8
Buildings and Improvements	57.6	56.8	0.8
Furniture, Fixtures and Equipment	5.9	5.8	0.1
Vehicles/Fleet	0.7	0.8	(0.1)
Software	0.0	0.1	(0.1)
Total	$72.1	$71.4	$0.7

More detailed information about the College's capital assets is presented in the notes to the financial statements.

Debt

At June 30, 2024, the College had $16.7 million in debt outstanding versus $17.6 million the previous year. The table below summarizes these amounts by type of debt instrument.

Long - Term Debt Outstanding as of June 30 (in millions)

	2024	2023	Increase (Decrease)
Refunding Bonds	$16.7	$17.6	($0.9)
Total	$16.7	$17.6	($0.9)

The College has no current plans to issue additional debt.

More detailed information about the College's long-term liabilities is presented in the notes to the financial statements.

Economic Factors That Will Affect the Future

Hocking College's funding is impacted by the State of Ohio which makes decisions regarding the overall amount of funding available to Higher Education as well as the distribution of those funds to state supported colleges and universities. The funding formula has been modified in recent years and additional changes to the funding formula are expected. Hocking College is active in its planning to ensure maximization of funding opportunities.

Hocking College's funding is impacted by enrollment. Higher Education institutions across the state of Ohio are seeing declining demographics. Hocking College continues to focus on retention and marketing of its programs to new students. Further, Hocking College has continued development of new, market-relevant programs and is active in its reviews of existing programs to ensure continued viability.

Hocking College continues to build its reputation as an innovative and entrepreneurial educational institution. It understands its importance and its responsibility to meet the initiatives of the State of Ohio in providing a quality education at an affordable price.

Contacting the College's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the College's finances and to show the College's accountability for the money it received. If you have any questions about this report or need additional information contact Mark Fuller, Vice President, Chief Financial Officer, Hocking College Board of Trustees, 3301 Hocking Parkway, Nelsonville, OH 45764 or e-mail at fullerm@hocking.edu.

HOCKING TECHNICAL COLLEGE
Statement of Net Position
June 30, 2024

	Primary Institution	Component Unit Foundation
ASSETS:		
Current Assets:		
Cash and Cash Equivalents	$6,789,302	$214,762
Cash with Fiscal Agent	194,009	0
Accounts Receivable, Net	11,289,976	0
Intergovernmental Receivables	268,790	0
Due From Component Unit	25,337	0
Other Receivables	0	50,000
Inventories	103,000	0
Prepaid Expenses	697,963	0
Net OPEB Asset	827,056	0
Total Current Assets	20,195,433	264,762
Noncurrent Assets:		
Restricted Cash and Cash Equivalents	1,331,607	0
Endowment Investments	1,859,735	1,297,903
Other Long-Term Investments	3,555,314	433,058
Nondepreciable Capital Assets	5,796,733	78,880
Depreciable Capital Assets	66,270,324	0
Total Noncurrent Assets	78,813,713	1,809,841
TOTAL ASSETS	99,009,146	2,074,603
DEFERRED OUTFLOWS OF RESOURCES:		
Deferred Charges on Bond Refunding	1,237,659	0
Pension	3,159,186	0
OPEB	1,167,184	0
TOTAL DEFERRED OUTFLOWS OF RESOURCES	5,564,029	0
LIABILITIES:		
Current Liabilities:		
Accounts Payable and Other Accrued Liabilities	389,686	0
Due to Primary Government	0	25,337
Unearned Revenue	7,329,397	14,172
Claims Payable	508,610	0
Long-Term Liabilities - Current Portion	1,295,724	0
Total Current Liabilities	9,523,417	39,509
Long-Term Liabilities:		
Net Pension Liability	17,151,637	0
Net OPEB Liability	2,456,674	0
Other Long-Term Liabilities	15,829,015	0
Total Long-Term Liabilities	35,437,326	0
TOTAL LIABILITIES	44,960,743	39,509
DEFERRED INFLOWS OF RESOURCES:		
Pension	2,947,302	0
OPEB	3,541,847	0
TOTAL DEFERRED INFLOWS OF RESOURCES	6,489,149	0
NET POSITION:		
Net Investment in Capital Assets	56,653,579	78,880
Restricted for:		
Nonexpendable:		
Endowments	1,859,735	1,297,903
Expendable:		
Debt Service	1,331,607	0
Scholarships	1,579,475	314,132
Other	54,230	183,951
Unrestricted (Deficit)	(8,355,343)	160,228
TOTAL NET POSITION	$53,123,283	$2,035,094

See accompanying notes to the basic financial statements.

HOCKING TECHNICAL COLLEGE
Statement of Revenues, Expenses and Changes in Net Position
For the Fiscal Year Ended June 30, 2024

	Primary Institution	Component Unit Foundation
REVENUES:		
Operating Revenues:		
Student Tuition and Fees (Net of Scholarship Allowances of $3,371,741)	$11,533,350	$0
Federal Grants and Contracts	1,335,577	0
State Grants and Contracts	30,846	0
Private Grants and Contracts	455,771	0
Sales and Services of Educational Departments	21,170	0
Auxiliary Services Revenues (Net of Scholarship Allowances of $583,188)	6,225,155	0
Other Operating Revenue	473,219	79,396
Total Operating Revenues	20,075,088	79,396
EXPENSES:		
Operating Expenses:		
Educational and General:		
Instructional and Departmental Research	10,640,510	0
Public Service	418,056	0
Academic Support	3,529,427	0
Student Services	1,944,823	0
Institutional Support	5,361,316	0
Operation and Maintenance of Plant	2,742,453	0
Scholarships and Fellowships (Net of Scholarship Allowances of $3,954,929)	2,579,772	272,808
Depreciation	2,839,652	0
Auxiliary Services	4,564,651	0
Other Operating Expenses	0	272,365
Total Operating Expenses	34,620,660	545,173
OPERATING LOSS	(14,545,572)	(465,777)
NONOPERATING REVENUES (EXPENSES):		
Federal Grants and Contracts	5,008,304	0
State Appropriations	10,691,487	0
Gifts	0	169,505
Investment Income	773,960	160,113
Interest on Capital Asset-Related Debt	(399,605)	0
Total Nonoperating Revenues (Expenses)	16,074,146	329,618
INCOME BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES	1,528,574	(136,159)
Capital Appropriations	2,143,049	0
Capital Grants and Gifts	1,629,025	0
CHANGE IN NET POSITION	5,300,648	(136,159)
NET POSITION - Beginning of Year	47,822,635	2,171,253
NET POSITION - End of Year	$53,123,283	$2,035,094

See accompanying notes to the basic financial statements.

HOCKING TECHNICAL COLLEGE
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2024

	Primary Institution	Component Unit Foundation
CASH FLOWS FROM OPERATING ACTIVITIES:		
Tuition and Fees	$12,017,633	$0
Grants and Contracts	1,822,194	0
Federal Direct Loan Awards	6,910,058	0
Payments to Employees	(17,320,343)	0
Payments to Suppliers	(9,157,230)	0
Payments for Utilities	(1,766,819)	0
Payments for Contractual Services	(953,780)	0
Payments for Scholarships and Fellowships	(9,581,403)	0
Auxiliary Services Charges	5,248,335	0
Sales and Services of Educational Departments	21,170	0
Other Receipts	1,142,474	93,568
Other Payments	(2,684,184)	(501,224)
Net Cash from Operating Activities	(14,301,895)	(407,656)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Federal Grants and Contracts	4,898,146	0
State Appropriations	10,691,487	0
Cash Gifted to College	0	159,505
Net Cash from Noncapital Financing Activities	15,589,633	159,505
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Capital Appropriations	2,143,049	0
Capital Grants and Gifts Received	1,629,025	0
Purchases of Capital Assets	(3,479,500)	0
Principal Paid on Capital Debt	(950,000)	0
Interest Paid on Capital Debt	(391,472)	0
Net Cash from Capital and Related Financing Activities	(1,048,898)	0
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on Investments	773,960	53,173
Purchase of Investments	(441,268)	0
Net Cash from Investing Activities	332,692	53,173
Net Increase (Decrease) in Cash and Cash Equivalents	571,532	(194,978)
CASH AND CASH EQUIVALENTS, Beginning of year	7,743,386	409,740
CASH AND CASH EQUIVALENTS, End of year	$8,314,918	$214,762

See accompanying notes to the basic financial statements.

HOCKING TECHNICAL COLLEGE
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2024

	Primary Institution	Component Unit Foundation
Reconciliation of Net Operating Loss to		
Net Cash from Operating Activities:		
Operating Loss	($14,545,572)	($465,777)
Adjustments to Reconcile Net Operating Loss to		
Net Cash from Operating Activities:		
Depreciation	2,839,652	0
Change in Assets, Liabilities, and Deferred Inflows/Outflows of Resources:		
Receivables, Net	1,329,963	0
Intergovernmental Receivable	408,045	0
Inventories	(21,032)	0
Prepaid Expenses	49,575	0
Due From Primary Government	0	250,000
Deferred Outflows of Resources	406,757	0
Accounts Payable and Other Accrued Liabilities	(900,049)	(231,388)
Due to Primary Government	0	25,337
Claims Payable	(61,162)	0
Compensated Absences	32,316	0
Unearned Revenue	(1,153,245)	14,172
Net Pension and OPEB Liabilities	(2,133,388)	0
Deferred Inflows of Resources	(553,755)	0
Net Cash from Operating Activities	($14,301,895)	($407,656)

See accompanying notes to the basic financial statements.

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NOTE 1 - DESCRIPTION OF THE COLLEGE AND REPORTING ENTITY

A. Description of the College

Hocking Technical College (the College) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio (the State).

The College was formed after the creation of a technical college district, as defined in Chapter 3357 of the Ohio Revised Code. The College operates under the direction of an appointed nine-member Board of Trustees. Three trustees are appointed by the Governor of the State with the advice and consent of the Senate.

The remaining six trustees are appointed by the following methodology: For trustees who are appointed prior to January 1, 2024, the trustees are be appointed by the presidents or their representatives of the city and exempted village boards of education of school districts and the governing boards of service districts whose territories are embraced in the College's district.

For trustees who are appointed on or after January 1, 2024, the trustees are appointed by a trustee selection committee which is appointed by the executive committee of the College's Board of Trustees. The Board of Trustees nominates individuals to be considered by the trustee selection committee. The trustee selection committee may select new trustees from the individuals nominated by the Board of Trustees or other applicants. To the greatest extent possible, trustees appointed by the trustee selection committee are individuals who hold leadership positions within significant industries in the College's district.

A President is appointed by the Board of Trustees to oversee day-to-day operations of the College. An appointed Treasurer is the custodian of funds and investment officer, and is also responsible for the fiscal controls of the resources of the College which are maintained in the funds described below.

The College is an institution of higher learning dedicated to providing the residents of the technical college district with a low-cost higher education in various academic and vocational technologies, leading to a two-year associate degree.

B. Reporting Entity

The reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements of the College are not misleading. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the College.

Component units are legally separate organizations for which the College is financially accountable. The College is financially accountable for an organization if the College appoints a voting majority of the organization's governing board and (1) the College is able to significantly influence the programs or services performed or provided by the organization; or (2) the College is legally entitled to or can otherwise access the organization's resources; the College is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the College is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the College in that the College approves the budget, the issuance of debt, or the levying of taxes.

The Hocking College Foundation, Inc. (the Foundation), is not a part of the primary government of the College, but due to its relationship with the College, it is discretely presented as a component unit within the College's financial statements. The Foundation is a nonprofit corporation fund-raising organization, dedicated solely to raising scholarships and other funds for the benefit of the College. Specific disclosures relating to the component unit can be found in Note 16.

The College is associated with the South Central Ohio Insurance Consortium, which is a jointly governed organization. Information concerning this organization is presented in Note 13 to the basic financial statements. The College is not considered to be a component unit of the State.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting and Presentation

The financial statements of the College have been prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when they have been reduced to a legal or contractual obligation to pay, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The financial statements have been prepared in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB), including Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments,* and Statement No. 35, *Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities*, issued in June and November, 1999. The College follows the "business-type activities" reporting requirements of GASB Statement No. 34 that provides a comprehensive one-column look at the financial activities of the College.

The College maintains separate accounting records for several funds, to help assure proper accountability over financial resources restricted to the respective funds. Management has consolidated these funds in these financial statements.

B. Budgetary Process

The budget is an annual plan for the financial operations of the College that establishes a basis of control and evaluation of activities financed through the unrestricted current funds of the College. Formal adoption of the budget into the accounting records is not legally mandated, but the College does integrate the board approved budget into its accounts to provide control and evaluation of financial activities.

C. Appropriations

To provide control over expenditures, a budget is prepared by the Vice Presicent, CFO, Treasurer with input from other administrative staff and presented to the Board of Trustees for their approval near the beginning of the fiscal year. To account for major developments that occur during the first six months, a revised budget may be prepared and presented to the Board for their approval at anytime during the same fiscal year.

D. Encumbrances

The College utilizes an encumbrance system of accounting to record purchase orders, contracts and other commitments for materials or services as a measure of budgetary control over appropriations. Encumbrances outstanding at June 30, 2024 do not constitute expenses or liabilities and are not reflected in the financial statements.

E. Cash and Investments

To improve cash management, all cash received by the College is pooled in a central bank account, except for the cash received for the Hocking College Foundation, Inc., escrow accounts related to bond activity, and cash held with fiscal agent, which are held separately from the cash management pool of the College. For internal control and accountability purposes, individual fund integrity is maintained through the College records. During fiscal year 2024, investments were limited to money market funds, mutual funds, U.S. Treasurey Notes and Bonds, Commercial Paper, Exchange-Traded Funds and certificates of deposit.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

The College makes investments in accordance with the Board of Trustees' policy, which conforms to the authority granted in the Ohio Revised Code. The purchase of specific investment instruments is at the discretion of the College's Chief Financial Officer/Treasurer within these policy guidelines.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as repurchase agreements and nonnegotiable certificates of deposit are reported at cost.

For purposes of the presentation on the Statement of Net Position, investments of the cash management pool or investments with a maturity of three months or less at the time they are purchased by the College are considered to be cash equivalents.

Cash is being held by the South Central Ohio Insurance Consortium on behalf of the College to pay obligations related to the College's medical, dental, and pharmacy benefits. This balance is reported as "Cash with Fiscal Agent" on the accompanying financial statements.

F. Accounts Receivables

Receivables at June 30, 2024 consist primarily of student tuition and fees, and auxiliary sales and services. Receivables are reported at net using the direct write-off method.

G. Inventory

Inventories consist primarily of books and supplies of the bookstore and food inventory for the culinary program and dining services which are stated at the lower of cost or market determined on the first-in-first-out (FIFO) basis.

H. Capital Assets

Capital assets with a unit cost of $5,000 or greater are recorded at cost at the date of acquisition, or if donated, at the acquisition value at the date of donation. The College has no significant infrastructure assets. Depreciation is computed using the straight-line method over the estimated useful life of the asset and is not allocated to the functional expense categories. Expenses for construction in progress are capitalized as incurred. Interest expense relating to construction is capitalized net of interest income earned on resources set aside for this purpose.

Asset Description	Estimated Useful Life (Years)
Land Improvements	5
Buildings and Improvements	20-50
Furniture, Fixtures, and Equipment	5-15
Vehicles/Fleet	3-5
Software	3

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

I. Compensated Absences

The College records a liability for sick leave and vacation when the obligation is attributable to services previously rendered, to rights that vest or accumulate, and where payment of the obligation is probable and can be reasonably determined.

J. Pensions/OPEB

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

K. Operating and Nonoperating Revenues

All revenues from programmatic sources are considered to be operating revenues. Included in nonoperating revenues are certain federal grants and contracts, state appropriations, investment income, and gifts.

L. Scholarship Allowances and Student Aid

Financial aid to students is reported in the financial statements under the alternative method as prescribed by the National Association of College and University Business Officers (NACUBO). Certain aid such as loans, funds provided to students as awarded by third parties, and Federal Direct Lending is accounted for as a third party payment (credited to the student's account as if the student made the payment). All other aid is reflected in the financial statements as operating expenses, or scholarship allowances, which reduces revenues. The amount reported as operating expense represents resources provided in excess of amounts owed by the student to the institution and refunded to the students. Scholarship allowances represent the portion of aid provided to the student in the form of reduced tuition. Under the alternative method, these amounts are computed on a cash basis by allocating the cash payments to students, excluding payments for services, on the ratio of total aid to the aid not considered to be third party aid.

M. Federal Financial Assistance Programs

The College participates in federally funded Pell Grants, SEOG Grants, Federal Work-Study, Federal Direct Lending, and various other federal programs. Federal programs are audited in accordance with Title 2 U.S. Code of the Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.*

During the fiscal year ended June 30, 2024, the College processed $6,910,058 for direct lending through the U.S. Department of Education.

N. Net Position

GASB Statement No. 34 reports equity as "net position" rather than "fund balance." Net position is classified according to external donor restrictions or availability of assets for satisfying obligations of the College. Expendable restricted net position represents funds that have been gifted for specific purposes, funds held in federal and state programs, unexpended bond proceeds restricted for capital use, and funds held in bond escrow accounts.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the policy of the College is to first apply restricted resources.

The unrestricted net position deficit balance of $8,355,343 at June 30, 2024 includes a balance of $859,475 held for auxiliary services.

O. Estimates

The preparation of 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 may differ from those estimates.

P. Restricted Assets

Assets are reported as restricted when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors or laws of other governments or imposed by enabling legislation. As of June 30, 2024, the College reported $1,331,607 of restricted assets, which is payments made to the escrow agent which are to be used for debt service payments.

Q. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the College, deferred outflows of resources include pension and OPEB. The deferred outflows of resources related to pension and OPEB are explained in Note 7 and 8.

In addition to the liabilities, the statement of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the College, deferred inflows of resources include pension and OPEB. The deferred inflows of resources related to pension and OPEB are explained in Note 7 and 8.

NOTE 3 - CASH AND INVESTMENTS

State statutes classify monies held by the College into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the College treasury, in commercial accounts payable or be withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the College has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are public deposits which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit, or by savings or deposit accounts including passbook accounts.

NOTE 3 - CASH AND INVESTMENTS – Continued

Public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the Federal Deposit Insurance Corporation (FDIC), may pledge a pool of government securities equal to at least 105% of the total value of public funds on deposit at the institution, or provide securities through the Ohio Pooled Collateral System as discussed below. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of or guaranteed by the United States and mature or be redeemable within five years of the date of the related repurchase agreement. State law does not require security for public deposits and investments to be maintained in the College's name. During fiscal year 2024, the College complied with the provisions of these statutes.

Interim monies are permitted to be deposited or invested in the following securities:

(1) United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;

(2) Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

(3) Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;

(4) Bonds and other obligations of the State of Ohio;

(5) No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and

(6) The State Treasurer's investment pool (STAR Ohio).

(7) Commercial paper and bankers' acceptances (if authorized by the Board of Education).

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for arbitrage, the use of leverage and short selling are also prohibited. Any investments must mature within five years from the date of purchase unless matched to a specific obligation or debt of the College, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, *"Deposits with Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements"* and GASB Statement No. 40, *"Deposit and Investment Risk Disclosures"*.

NOTE 3 - CASH AND INVESTMENTS – Continued

Deposits: Custodial credit risk is the risk that, in the event of a bank failure, the College's deposits may not be returned. All deposits are collateralized with eligible securities in accordance with state law. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the College.

At June 30, 2024, the carrying amount of all College deposits was $10,426,574. Based on the criteria described in GASB Statement No. 40, "*Deposits and Investment Risk Disclosures*", as of June 30, 2024, the College's bank balance of $11,194,637 was either insured by the Federal Deposit Insurance Corporation or collateralized with pooled securities held by the pledging financial institution in the manner described above.

Custodial Credit Risk

The College has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by:

Eligible securities pledged to the College and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105% of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102% of the deposits being secured or a rate set by the Treasurer of State.

Six of the College's seven financial institutions are enrolled in the OPCS; however, at June 30, 2024, the seventh financial institution still maintained its own collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least 105% of the deposits being secured.

Investments: As of June 30, 2024, the College had the following investments and maturity:

Investment Type	Measurement Value	Maturity Less Than One Year	Maturity One to Two Years	Maturity Three to Five Years	Credit Rating	% of Portfolio
Fair Value:						
Mutual Funds	$2,307,788	$2,307,788	$0	$0	N/A	70%
U.S. Treasurery Note/Bond	364,651	144,696	117,310	102,645	AAA	11%
Commercial Paper	57,381	5,918	17,112	34,351	P-1	2%
Exchange-Traded Funds	573,445	573,445	0	0	N/A	17%
Total	$3,303,265	$3,031,847	$134,422	$136,996		100%

The College has categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the College's investments are valued using pricing sources as provided by the investments managers (Level 1 inputs)

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses arising from rising interest rates and according to state law, the College's investment policy limits investment portfolio maturities to five years or less.

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The College's investment policy does not address credit risk beyond the requirements of the Ohio Revised Code. The money market funds are unrated.

NOTE 3 - CASH AND INVESTMENTS – Continued

Custodial Credit Risk: Custodial credit risk is the risk that in the event of the failure of the counterparty, the College will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the College's securities are either insured and registered in the name of the College or at least registered in the name of the College. The College has no investment policy dealing with investment custodial credit risk beyond the requirements in the state statute that prohibit the payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The College places no limit on the amount that may be invested in any one issuer.

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024 was as follows:

	Balance at June 30, 2023	Additions	Deductions	Balance at June 30, 2024
Nondepreciable Capital Assets:				
Land	$5,356,371	$0	$0	$5,356,371
Construction in Progress	1,253,435	440,362	(1,253,435)	440,362
Total Nondepreciable Capital Assets	6,609,806	440,362	(1,253,435)	5,796,733
Depreciable Capital Assets:				
Land Improvements	5,820,923	982,616	0	6,803,539
Buildings and Improvements	86,070,575	2,439,138	0	88,509,713
Furniture, Fixtures and Equipment	14,039,543	870,819	0	14,910,362
Vehicles/Fleet	2,149,595	0	0	2,149,595
Software	530,607	0	0	530,607
Total Depreciable Capital Assets	108,611,243	4,292,573	0	112,903,816
Total Capital Assets	115,221,049	4,732,935	(1,253,435)	118,700,549
Accumulated Depreciation:				
Land Improvements	(4,464,754)	(224,684)	0	(4,689,438)
Buildings and Improvements	(29,252,490)	(1,691,190)	0	(30,943,680)
Furniture, Fixtures and Equipment	(8,242,362)	(815,078)	0	(9,057,440)
Vehicles/Fleet	(1,365,227)	(77,003)	0	(1,442,230)
Software	(469,007)	(31,697)	0	(500,704)
Total Accumulated Depreciation	(43,793,840)	(2,839,652)	0	(46,633,492)
Total Net Depreciable Capital Assets	64,817,403	1,452,921	0	66,270,324
Total Net Capital Assets	$71,427,209	$1,893,283	(1,253,435)	$72,067,057

The College's capital assets include the costs of the $4,023,873 project to construct an Energy Institute facility. This facility is being used for educational and developmental purposes and alternative energy technology programs, fuel cell technology programs, and vehicular hybrid programs. Funding for this project includes an Economic Development Administration federal grant of $1,612,982 and matching funding from the College. The source of the College's matching amount was a $3,000,000 Bond Anticipation Note issued in September 2007. The agreement for this grant funding includes a stipulation that if the College decides to use this facility in a different manner other than for alternative energy programs or decides to sell the facility within a 20 year period, this grant will become a mortgage and the entire amount will have to be repaid to the U.S. Department of Commerce. As long as the College uses this facility for its intended purpose for at least 20 years, the College is not obligated to repay any amount of this grant. The College has not reported a liability for this agreement since no obligation to repay exists at June 30, 2024.

NOTE 5 - STATE SUPPORT

The College is a state-assisted institution of higher education which receives a student based subsidy from the State. This subsidy is determined annually based upon a formula devised by the Ohio Board of Regents.

In addition to the student subsidies, the State provides some capital funding for construction and deferred maintenance. The funding is obtained from the issuance of special obligation bonds by the Ohio Public Facilities Commission (OPFC), which in turn causes the construction and subsequent lease of the facility by the Ohio Board of Regents. Upon completion of a facility, the Board of Regents turns over control to the College, which capitalizes the cost thereof. Neither the obligation for the special obligation bonds issued by the Ohio Public Facilities Commission nor the annual debt service charges for principal and interest on the bonds are reflected in the financial statements of the College. These are currently being funded through appropriations to the Ohio Board of Regents by the Ohio General Assembly.

The facilities are not pledged as collateral for the special obligation bonds. Instead, the bonds are supported by a pledge of monies in the Higher Education Bond Service Fund established in the custody of the Treasurer of the State. If sufficient monies are not available from this fund, a pledge exists to assess a special student fee uniformly applicable to students in state-assisted institutions of higher education throughout the state.

NOTE 6 - LONG-TERM LIABILITIES

Long-term liabilities of the College consist of general receipts improvement bonds, a revenue bond, net pension liability, and compensated absences payable. The change in long-term liabilities are as shown below:

	Balance at June 30, 2023	Additions	Deductions	Balance at June 30, 2024	Due Within One Year
Bonds Payable:					
Refunding Bonds; 0.746% - 3.002%	17,715,000	0	950,000	16,765,000	960,000
Discount on Bonds	(121,996)	0	(8,133)	(113,863)	0
Total Bonds Payable	17,593,004	0	941,867	16,651,137	960,000
Net Pension Liability:					
STRS	10,603,679	0	1,445,904	9,157,775	0
SERS	8,794,381	0	800,519	7,993,862	0
Total Net Pension Liability	19,398,060	0	2,246,423	17,151,637	0
Net OPEB Liability:					
STRS	0	0	0	0	0
SERS	2,343,639	113,035	0	2,456,674	0
Total Net OPEB Liability	2,343,639	113,035	0	2,456,674	0
Compensated Absences	441,286	581,227	548,911	473,602	335,724
Total Long-Term Liabilities	$39,775,989	$694,262	$3,737,201	$36,733,050	$1,295,724

NOTE 6 - LONG-TERM LIABILITIES – Continued

On November 19, 2020, the College issued $18,435,000 of general obligation refunding bonds to refund $15,910,000 of outstanding 2013 General Receipts Improvements Bonds. The bonds were issued for an 18 year period with final maturity at July 1, 2038. The bond issue included term bonds in the amounts of $2,415,000 and $3,900,000. At the date of refunding, $18,197,350 (after discounts, underwriting fees, and other issuance costs) was deposited in an irrevocable trust to provide for all future debt service payments on the refunded bonds.

These refunding bonds were issued with a discount of $138,262 which is reported as a decrease to bonds payable. The amounts is being amortized to interest expense over the life of the bonds using the straight- line method; the amortization of the discount for fiscal year 2023 was $8,133. The issuance costs were $99,389. The refunding resulted in a difference between the net carrying amount of the debt and the acquisition price of $1,502,872. This difference, reported in the accompanying financial statements as a decrease to bonds payable is being amortized to interest expense over the life of the bonds using the straight-line method. The amortization of this difference for fiscal year 2023 was $88,405.

The Series 2020 Term Bonds maturing on July 1, 2035 are subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, on July 1 in the years and in the respective principal amounts as follows:

Date	Principal Amount to be Redeemed
2034	$1,190,000
2035	1,225,000

The remaining principal amount of such Series 2020 Term Bonds ($2,415,000) will be paid at stated maturity on July 1, 2035.

The Series 2020 Term Bonds maturing on July 1, 2038 are subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, on July 1 in the years and in the respective principal amounts as follows:

Date	Principal Amount to be Redeemed
2036	$1,260,000
2037	1,300,000
2038	1,340,000

The remaining principal amount of such Series 2020 Term Bonds ($3,900,000) will be paid at stated maturity on December 1, 2038.

The annual requirements to amortize long-term obligations outstanding as of June 30, 2024 are as follows:

	Refunding Bonds	
Year Ending June 30,	Principal	Interest
2025	$960,000	$402,619
2026	975,000	390,292
2027	990,000	376,311
2028	1,005,000	359,758
2029	1,025,000	341,447
2030-2034	5,495,000	1,350,813
2035-2039	6,315,000	574,527
Totals	$16,765,000	$3,795,767

NOTE 7 - DEFINED BENEFIT PENSION PLANS

Net Pension Liability

Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period.

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

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

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension/OPEB liability (asset) on the accrual basis of accounting. Any liability for the contractually-required pension and contribution outstanding at the end of the year is included in intergovernmental payable on both the accrual and modified accrual basis of accounting.

NOTE 7 - DEFINED BENEFIT PENSION PLANS – (Continued)

Plan Description - School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

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

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

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

An individual whose benefit effective date is before April 1, 2018 is eligible for a cost of living adjustment (COLA) on the first anniversary date of the benefit. New benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. A three-year COLA suspension was in effect for all benefit recipients for the years 2018, 2019, and 2020. The COLA it is indexed to the percentage increase in the CPI-W, not to exceed 2.5 percent and with a floor of 0 percent. The Retirement Board of Trustees approved a 0.5 percent cost-of-living adjustment (COLA) for eligible retirees and beneficiaries for 2024.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the College is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2023, the allocation to pension, death benefits, and Medicare B was 14 percent. For fiscal year 2024, the Retirement Board did not allocate any employer contributions to the Health Care Fund.

The College's contractually required contribution to SERS was $901,336 for fiscal year 2024.

NOTE 7 - DEFINED BENEFIT PENSION PLANS – (Continued)

Plan Description - State Teachers Retirement System (STRS)

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

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307.

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0 percent to preserve the fiscal integrity of the retirement system. Benefit recipients' base benefit and past cost-of living increases are not affected by this change. Effective July 1, 2022, an ad-hoc COLA of 3 percent of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2023 as long as they retired prior to July 1, 2018. Eligibility changes will be phased in until August 1, 2023, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

Eligibility changes for DB Plan members who retire with actuarially reduced benefits will be phased in until August 1, 2023, when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit at any age.

The DC Plan allows members to place all their member contributions and 11.09 percent of the 14 percent employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS. The remaining 2.91 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12 percent of the 14 percent member rate goes to the DC Plan and the remaining 2 percent is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 or later.

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

NOTE 7 - DEFINED BENEFIT PENSION PLANS – (Continued)

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

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 2024, plan members were required to contribute 14 percent of their annual covered salary. The College was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2024 contribution rates were equal to the statutory maximum rates.

The College's contractually required contribution to STRS was $769,565 for fiscal year 2024.

Net Pension Liability

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The College's proportion of the net pension liability was based on the College's share of contributions to the pension plan relative to the projected contributions of all participating entities. Following is information related to the proportionate share:

	SERS	STRS	Total
Proportion of the Net Pension Liability:			
Current Measurement Date	0.14467180%	0.04252520%	
Prior Measurement Date	0.16259460%	0.04769959%	
Change in Proportionate Share	-0.01792280%	-0.00517439%	
Proportionate Share of the Net Pension Liability	$7,993,862	$9,157,775	$17,151,637
Pension Expense (Gain)	$515,464	($87,567)	$427,897

NOTE 7 - DEFINED BENEFIT PENSION PLANS – (Continued)

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between Expected and Actual Experience	$343,594	$333,873	$677,467
Net Difference between Projected and Actual Earnings			0
Changes of Assumptions	56,625	754,193	810,818
College Contributions Subsequent to the Measurement Date	901,336	769,565	1,670,901
Total Deferred Outflows of Resources	$1,301,555	$1,857,631	$3,159,186
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	$0	$20,321	$20,321
Net Difference between Projected and Actual Earnings	112,359	27,447	$139,806
Changes of Assumptions	0	567,690	567,690
Changes in Porportion and Differences between College Contributions and Proportionate Share of Contributions	748,365	1,471,120	2,219,485
Total Deferred Inflows of Resources	$860,724	$2,086,578	$2,947,302

$1,670,901 reported as deferred outflows of resources related to pension resulting from College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2025	($263,917)	($663,553)	($927,470)
2026	(547,736)	(766,829)	(1,314,565)
2027	345,193	695,299	1,040,492
2028	5,955	(263,429)	(257,474)
	($460,505)	($998,512)	($1,459,017)

Actuarial Assumptions - SERS

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

NOTE 7 - <u>DEFINED BENEFIT PENSION PLANS</u> – (Continued)

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2023, compared with June 30, 2022, are presented below:

	June 30, 2023	June 30, 2022
Inflation	2.4 percent	2.4 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent	3.25 percent to 13.58 percent
COLA or Ad Hoc COLA	2.0 percent, on or after April 1, 2018, COLAs for future retirees will be delayed for three years following commencement	2.0 percent, on or April 1, 2018, COLAs for future retirees will be delayed for three years following commencement
Investment Rate of Return	7.00 percent net of System expenses	7.00 percent net of system expense, including inflation
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)	Entry Age Normal (Level Percent of Payroll)

Mortality rates for 2023 and 2022 were based on the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

The most recent experience study was completed for the five year period ended June 30, 2020.

NOTE 7 - <u>DEFINED BENEFIT PENSION PLANS</u> – (Continued)

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

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash	2.00 %	0.75 %
US Equity	24.75	4.82
Non-US Equity Developed	13.50	5.19
Non-US Equity Emerging	6.75	5.98
Fixed Income/Global Bonds	19.00	2.24
Private Equity	12.00	7.49
Real Estate/Real Assets	17.00	3.70
Private Debt/Private Credit	5.00	5.64
Total	100.00 %	

Discount Rate The total pension liability for 2023 was calculated using the discount rate of 7.00 percent. The discount rate determination did not use a municipal bond rate. The projection of cash flows used to determine the discount rate assumed that employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 21-year amortization period of the unfunded actuarial accrued liability. The actuarially determined contribution rate of fiscal year 2023 was 14 percent. Projected inflows from investment earnings were calculated using the long term assumed investment rate of return, 7.00 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability. The annual money-weighted rate of return, calculated as the internal rate of return on pension plan investments, for fiscal year 2023 was 6.90 percent.

Sensitivity of the College's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.00 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent), or one percentage point higher (8.00 percent) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
College's Proportionate Share of the Net Pension Liability	$11,798,532	$7,993,862	$4,789,152

NOTE 7 - <u>DEFINED BENEFIT PENSION PLANS</u> – (Continued)

<u>Actuarial Assumptions - STRS</u>

Key methods and assumptions used in the June 30, 2023, actuarial valuation compared to those used in the June 30, 2022, actuarial valuation are presented below:

	June 30, 2023	June 30, 2022
Inflation	2.50 percent	2.50 percent
Projected salary increases	8.50 percent at age 20 to 2.50 percent at age 65	8.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	7.00 percent, net of investment expenses, including inflation
Discount Rate of Return	7.00 percent	7.00 percent
Payroll Increases	3.00 percent	3.00 percent
Cost-of-Living Adjustments (COLA)	0.0 percent	0.0 percent,

Post-Retirement mortality rates for 2023 and 2022 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 Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2023, valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021.

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation *	Long-Term Expected Real Rate of Return**
Domestic Equity	26.00%	6.60%
International Equity	22.00%	6.80%
Alternatives	19.00%	7.38%
Fixed Income	22.00%	1.75%
Real Estate	10.00%	5.75%
Liquidity Reserves	1.00%	1.00%
Total	100.00%	

* Final Target weights reflected at October 1, 2022.

** 10 year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25 percent, and does not include investment expenses. Over a 30 year period, STRS Ohio's investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

NOTE 7 - DEFINED BENEFIT PENSION PLANS – (Continued)

Discount Rate - The discount rate used to measure the total pension liability was 7.00 percent as of June 30, 2023, and was 7.00 percent as of June 30, 2022. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2023. Therefore, the long-term expected rate of return on pension plan investments of 7.00 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2023.

Sensitivity of the College's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table presents the College's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.00 percent, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.00 percent) or one-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
College's Proportionate Share of the Net Pension Liability	$14,082,632	$9,157,775	$4,992,695

Changes Between the Measurement Date and the Reporting Date – Demographic assumptions were changed based on the actuarial experience study for the period July 1, 2015 through June 30, 2021.

NOTE 8 - POSTEMPLOYMENT BENEFITS

Net OPEB Liability

OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. OPEB are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period.

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

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

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

NOTE 8 - POSTEMPLOYMENT BENEFITS– (Continued)

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension/OPEB liability (asset) on the accrual basis of accounting. Any liability for the contractually-required pension and contribution outstanding at the end of the year is included in intergovernmental payable on both the accrual and modified accrual basis of accounting.

Plan Description - School Employees Retirement System (SERS)

Health Care Plan Description - The College contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. The following types of credit purchased after January 29, 1981 do not count toward health care coverage eligibility: military, federal, out-of-state, municipal, private school, exempted and early retirement incentive credit. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Annual Comprehensive Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Active employee members do not contribute to the Health Care Plan. The SERS Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2024, no allocation of covered payroll was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2024, this amount was $30,000. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2024, the College's surcharge obligation was $102,600.

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The College's contractually required contribution to SERS was $102,600 for fiscal year 2024.

Plan Description - State Teachers Retirement System (STRS)

Plan Description – The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Medicare Part B premium reimbursements was discontinued effective January 1, 2020. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

NOTE 8 - <u>POSTEMPLOYMENT BENEFITS</u> – (Continued)

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2024, STRS did not allocate any employer contributions to post-employment health care.

Net OPEB Liability

The net OPEB liability(asset) was measured as of June 30, 2023, and the total OPEB liability(asset) used to calculate the net OPEB liability(asset) was determined by an actuarial valuation as of that date. The College's proportion of the net OPEB liability was based on the College's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share:

	SERS	STRS	Total
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.14912020%	0.04252520%	
Prior Measurement Date	0.16692460%	0.04769959%	
Change in Proportionate Share	-0.01780440%	-0.00517439%	
Proportionate Share of the Net OPEB Liability/(Asset)	$2,456,674	($827,056)	$1,629,618
OPEB Expense (Gain)	($494,525)	($120,616)	($615,141)

At June 30, 2024, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between Expected and Actual Experience	$5,115	$1,289	$6,404
Net Difference between Projected and Actual Investment Earnings	19,040	1,475	20,515
Changes of Assumptions	830,673	121,840	952,513
Changes in Proportion and Differences between College Contributions and Proportionate Share of Contributions	64,914	20,238	85,152
College Contributions Subsequent to the Measurement Date	102,600	0	102,600
Total Deferred Outflows of Resources	$1,022,342	$144,842	$1,167,184
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	$1,266,997	$126,143	$1,393,140
Changes of Assumptions	697,722	545,680	1,243,402
Changes in Proportion and Differences between College Contributions and Proportionate Share of Contributions	809,457	95,848	905,305
Total Deferred Inflows of Resources	$2,774,176	$767,671	$3,541,847

NOTE 8 - POSTEMPLOYMENT BENEFITS– (Continued)

$102,600 reported as deferred outflows of resources related to OPEB resulting from College contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2025	($575,429)	($325,913)	($901,342)
2026	(465,479)	(115,826)	(581,305)
2027	(278,670)	(40,856)	(319,526)
2028	(179,467)	(55,275)	(234,742)
2029	(151,860)	(50,108)	(201,968)
Thereafter	(203,529)	(34,851)	(238,380)
	($1,854,434)	($622,829)	($2,477,263)

Actuarial Assumptions - SERS

The total OPEB liability is determined by SERS' actuaries in accordance with GASB Statement No. 74, as part of their annual actuarial valuation for each retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

NOTE 8 - POSTEMPLOYMENT BENEFITS– (Continued)

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2023, compared with June 30, 2022, are presented below:

	June 30, 2023	June 30, 2022
Inflation	2.40 percent	2.40 percent
Future Salary Increases, including inflation		
Wage Increases	3.25 percent to 13.58 percent	3.25 percent to 13.58 percent
Investment Rate of Return	7.00 percent net of investment expense	7.00 percent net of investment expense, including inflation
Municipal Bond Index Rate:		
Measurement Date	3.86 percent	3.69 percent
Prior Measurement Date	3.69 percent	1.92 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation		
Measurement Date	4.27 percent	4.08 percent
Prior Measurement Date	4.08 percent	2.27 percent
Medical Trend Assumption		
Medicare	6.75 to 4.40 percent	7.00 to 4.40 percent
Pre-Medicare	6.75 to 4.40 percent	7.00 to 4.40 percent

For 2023 and 2022, mortality rates among healthy retirees were based on the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females. Mortality rates for contingent survivors were based on PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5 percent for males and adjusted 122.5 percent for females. Mortality rates for actives is based on PUB-2010 General Amount Weighted Below Median Employee mortality table.

The most recent experience study was completed for the five year period ended June 30, 2020.

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2016 through 2020, and was adopted by the Board on April 15, 2021. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.00 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes.

NOTE 8 - POSTEMPLOYMENT BENEFITS– (Continued)

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2020 five-year experience study, are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00 %	0.75 %
US Equity	24.75	4.82
Non-US Equity Developed	13.50	5.19
Non-US Equity Emerging	6.75	5.98
Fixed Income/Global Bonds	19.00	2.24
Private Equity	12.00	7.49
Real Estate/Real Assets	17.00	3.70
Private Debt/Private Credit	5.00	5.64
Total	100.00 %	

Discount Rate The discount rate used to measure the total OPEB liability at June 30, 2023 was 4.27 percent. The discount rate used to measure total OPEB liability prior to June 30, 2022 was 4.08 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the state statute contribution rate of 1.50 percent of projected covered employee payroll each year, which includes a 1.50 percent payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position is projected to be depleted in 2048 by SERS' actuaries. The Fidelity General Obligation 20-year Municipal Bond Index Rate was used in the determination of the single equivalent interest rate for both the June 30, 2022 and the June 30, 2023 total OPEB liability. The Municipal Bond Index rate is the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion. The Municipal Bond Index Rate is 3.86 percent at June 30, 2023 and 3.69 percent at June 30, 2022.

Sensitivity of the College's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.27 percent) and higher (5.27 percent) than the current discount rate (4.27 percent). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (5.75 percent decreasing to 3.40 percent) and higher (7.75 percent decreasing to 5.40 percent) than the current rate (6.75 percent to 4.40 percent).

	1% Decrease	Current Discount Rate	1% Increase
College's Proportionate Share of the Net OPEB Liability	$3,140,331	$2,456,674	$1,917,581

	1% Decrease	Current Trend Rate	1% Increase
College's Proportionate Share of the Net OPEB Liability	$1,804,833	$2,456,674	$3,320,450

NOTE 8 - <u>POSTEMPLOYMENT BENEFITS</u> – (Continued)

<u>Actuarial Assumptions - STRS</u>

Key methods and assumptions used in the June 30, 2023, actuarial valuation and the June 30, 2022 actuarial valuation are presented below:

	June 30,	June 30, 2022
Projected salary increases	Varies by service from 8.50 percent at age 20 2.50 percent at age 65	8.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	7.00 percent, net of investment expenses, including inflation
Payroll Increases	3 percent	3 percent
Discount Rate of Return	7.00 percent	7.45 percent
Health Care Cost Trends		
Medical		
Pre-Medicare	7.50 percent initial, 4.14 percent ultimate	7.50 percent initial, 3.94 percent
Medicare	-10.94 percent initial, 4.14 percent ultimate	-68.78 percent initial, 3.94 percent ultimate
Prescription Drug		
Pre-Medicare	-11.95 percent initial, 4.14 percent ultimate	9.00 percent initial, 3.94 percent ultimate
Medicare	1.33 percent initial, 4.14 percent ultimate	5.47 initial, 3.94 percent ultimate

Projections of benefits include the historical pattern of sharing benefit costs between the employers and retired plan members.

For healthy retirees post-retirement mortality rates 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 Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2023; valuation is based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021.

NOTE 8 - POSTEMPLOYMENT BENEFITS – (Continued)

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation *	Long-Term Expected Rate of Return **
Domestic Equity	26.00 %	6.60 %
International Equity	22.00	6.80
Alternatives	19.00	7.38
Fixed Income	22.00	1.75
Real Estate	10.00	5.75
Liquidity Reserves	1.00	1.00
Total	100.00 %	

* Final target weights reflected at October 1, 2022.

** 10 year annualized geometric nominal returns, which include the real rate o return and inflation of 2.25 percent and does not include investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actual rate of return, with net value added by management.

Discount Rate The discount rate used to measure the total OPEB liability was 7.00 percent as of June 30, 2023, and was 7.00 percent as of June 30, 2022. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was not projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan assets of 7.00 percent was used to measure the total OPEB liability as of June 30, 2023.

Sensitivity of the College's Proportionate Share of the Net OPEB Liability/Asset to Changes in the Discount and Health Care Cost Trend Rate The following table represents the net OPEB liability/asset as of June 30, 2023, calculated using the current period discount rate assumption of 7.00 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current assumption. Also shown is the net OPEB liability/asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease	Current Discount Rate	1% Increase
College's Proportionate Share of the Net OPEB Asset	$699,995	$827,056	$937,713

	1% Decrease	Current Trend Rate	1% Increase
College's Proportionate Share of the Net OPEB Asset	$942,848	$827,056	$687,587

NOTE 8 - POSTEMPLOYMENT BENEFITS – (Continued)

Assumption Changes Since the Prior Measurement Date – The discount rate remained unchanged at 7.00% for the June 30, 2023 valuation.

Benefit Term Changes Since the Prior Measurement Date – Healthcare trends were updated to reflect emerging claims and recoveries experience as well as benefit changes effective January 1, 2024,

NOTE 9 - OTHER EMPLOYEE BENEFITS

A. **Compensated Absences:** Vacation and sick leave accumulated by employees has been recorded by the College. Upon termination of College service, a fully vested employee is entitled to 25% of their accumulated sick leave not to exceed 50 days plus all accumulated vacation. At June 30, 2024, the long-term liability for vested and probable benefits for vacation and sick leave totaled $137,878, and the short-term liability totaled $335,724 for a total liability of $473,602.

B. **Insurance Benefits:** Medical, prescription, and dental insurance is offered to employees through the South Central Ohio Insurance Consortium (SCOIC). The College was self-funded with SCOIC effective January 1, 2017 and this arrangement is further described in Note 11 – "Risk Management". The College provides life insurance and accidental death and dismemberment insurance to employees through Metlife Insurance Company.

C. **Deferred Compensation:** College employees may participate in the Ohio Public Employees Deferred Compensation Plan. This plan was created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

   Under the deferred compensation program, all plan assets are now being held in a trust arrangement for the exclusive benefit of all participants and their beneficiaries as required by the Small Business Job Protection Act of 1996. Under this Act, all existing deferred compensation plans were required to establish such a trust arrangement by January 1, 1999. As a result, the assets of this plan are no longer reflected in the financial statements of the College.

NOTE 10 - THE LODGE AT HOCKING COLLEGE

The Lodge at Hocking College ("The Lodge") re-opened in June 2021 as a hotel, conference, event center, and live learning lab for students. The Lodge markets itself as a space with modern and rustic themes, having 39 guest rooms as well as multiple spaces for conferences and events, with available on-site catering. The Lodge serves as a training space and learning lab for culinary and hospitality programs.

NOTE 11 - RISK MANAGEMENT

The College is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The College has addressed these various types of risk and has contracted with Reed and Baur Insurance with Insurance Protection provided through Wright Specialty Insurance Company for Commercial General Liability (including Sexual Misconduct, Employee Benefits Liability, Employers Stop Gap, Law Enforcement, Adverse Event Response Coverage) Educators Legal Liability, Property, Inland Marine, Crime and Fleet Insurance Coverage.

The Crime coverage provides coverage for Public Officials/Public Employee Dishonesty of $250,000, Money and Securities of $250,000 and Forgery & Alteration of $250,000.

NOTE 11 - RISK MANAGEMENT – Continued

The General Liability Insurance is maintained for each coverages limits listed below retaining a $25,000 deductible:

- General Liability Insurance $1,000,000 per occurrence/$3,000,000 aggregate
- Sexual Misconduct Liability $1,000,000 per occurrence/$1,000,000 aggregate
- Counseling Professional Liability Coverage $1,000,000 per occurrence/ $1,000,000 aggregate
- Employers Stop Gap Liability $1,000,000 per occurrence /$1,000,000 aggregate

The General Liability Insurance additional limits of coverage for:

- Employee Benefits Liability $1,000,000 per occurrence/$2,000,000 aggregate $0 Deductible
- Law Enforcement Liability $1,000,000 per occurrence/$3,000,000 aggregate $2,500 Deductible

Educators Legal Liability Insurance is maintained with limits of liability of $1,000,000 for each occurrence and $3,000,000 in the aggregate and a $25,000 deductible.

The College also carries a $10,000,000 Excess Liability Policy that provides coverage beyond the General Liability (including Sexual Misconduct, Employee Benefits Liability, Employers Stop Gap, Law Enforcement, Adverse Event Response Coverage) and the Educators Legal coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the last three fiscal years. There has been no significant reductions in coverage from the prior year. The College also carries cyber coverage with an aggregate limit of $2,000,000.

The College maintains Fleet Insurance in the amount of $1,000,000 for any one accident or loss. Uninsured-Underinsured Motorists Liability $1,000,000 per occurrence. Hired and Non-Owned Auto Liability included as well as physical damage for Comprehensive and Collision for each unit with a $500 deductible per occurrence.

The Excess Liability Policy also extends the $10,000,000 protection over the fleet liability coverage.

The College maintains replacement cost insurance on buildings and contents in the amount of $167,263,498 with a $50,000 deductible per occurrence. The College maintains coverage for Business Income Loss and extra expense coverage in all college operations with a limit of $27,750,000. Additionally, the College has a special liquor liability insurance policy in the amount of $1,000,000 for each occurrence regarding the operations of the lounge, and catering in The Lodge at Hocking College as well as a separate liquor liability insurance policy in the amount of $1,000,000 per occurrence for the Rhapsody Restaurant.

The College maintains a Commercial Inland Marine Coverage on building and grounds equipment in the amount of $341,400 with a $1,000 deductible per occurrence and miscellaneous articles (as scheduled) in the amount of $4,967,689 with a $5,000 deductible per occurrence.

The College pays the State Workers' Compensation System a premium based on a rate per each $100 of total salaries from the prior calendar year. This rate is calculated based on accident history and administrative costs.

The College provides medical, prescription and dental insurance for its employees. Premiums are paid directly to the South Central Ohio Insurance Consortium (SCOIC). SCOIC contracted with Employee Benefits Management Corporation to service the claims of SCOIC members.

The College was self funded with the South Central Ohio Insurance Consortium effective January 1, 2016.

The South Central Ohio Insurance Consortium was established to accumulate balances sufficient to self-insure basic medical and prescription drug coverage and permit excess umbrella coverage for claims over a predetermined level.

NOTE 11 - RISK MANAGEMENT – Continued

The Board's share and the employees' share of premium contributions are determined by the negotiated agreement for certificated employees and by Board action for administrators and classified employees.

Premiums are paid to the South Central Ohio Insurance Consortium Fund from the Self Insurance Fund of the College. The College had a cash balance of $194,009 with the fiscal agent at June 30, 2024. Claims payments are made on an as-incurred basis by the third party administrator, with the balance of contributions remaining with the fiscal agent of the Consortium.

The member Colleges are self insured for medical, dental and pharmacy benefits. The risk for medical, dental and pharmacy benefits remains with the members. The claims payable will be reported for medical, dental and pharmacy claims as of June 30, 2024, and cash with fiscal agent for the balance of funds held by the Consortium that covers medical, dental and pharmacy claims will also be reported.

The claims liability of $508,610 reported at June 30, 2024 is based on an estimate provided by the third party administrators and the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for unpaid claim costs, including estimates of costs related to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Change in claims activity for the past two fiscal years are as follows:

Fiscal Year	Balance at Beginning of Year	Current Year Claims	Claims Payments	Balance at End of Year
2023	$428,313	$2,272,593	$2,131,134	$569,772
2024	$569,772	$2,185,298	$2,246,460	$508,610

NOTE 12 – CONTINGENCIES

Grants

The College receives financial assistance from federal and state agencies in the form of grants. The receipt of funds under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability to the College. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the College at June 30, 2024.

Litigation

The College is a party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects. The College's management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material adverse effect on the overall financial position of the College at June 30, 2024.

NOTE 13 - JOINTLY GOVERNED ORGANIZATIONS

South Central Ohio Insurance Consortium (SCOIC)

South Central Ohio Insurance Consortium is a regional council of governments organized under Ohio Revised Code Chapter 167. The SCOIC's primary purpose and objective is establishing and carrying out a cooperative health program for its member organizations. The governing board consists of the superintendent or other designee appointed by each of the members of the SCOIC. The College does not have an ongoing financial interest in or financial responsibility for the SCOIC other than claims paid on behalf of the College for College employees. To obtain financial information on the SCOIC, write to the Bloom-Carroll Local School District, Travis Bigam, who serves as Treasurer, at 5240 Plum Road, Carroll, Ohio 43112.

NOTE 14 – RELATED PARTY TRANSACTION

As of the end of fiscal year 2024, the College has paid in full to the Hocking College Foundation towards various projects through out the campus.

NOTE 15 - DONOR RESTRICTED ENDOWMENTS

Under the standard established by Section 1715.56 of the Ohio Revised Code ("ORC"), an institution may appropriate as much as is prudent of the realized and unrealized net appreciation of the fair value of assets of the endowment fund over the historic dollar value of the fund for the uses and purposes for which an endowed fund is established. The College's investments are held in CD and investment accounts where the interest and investment gains are credited to temporarily restricted funds and spent in compliance with donor restrictions placed on earnings. Investment earnings of non-endowment investments are recorded as unrestricted earnings and expended at the discretion of the Board of Trustees who are required to consider the College's long- and short-term needs when deciding how the funds should be allocated. Any net appreciation that is spent is required to be spent for the purposes for which the fund was established. As of June 30, 2024, there was no net appreciation on donor-restricted assets available to be spent. The nonspendable principal balance of the endowments is reported as net position restricted for nonexpendable endowments on the accompanying Statement of Net Position.

NOTE 16 - COMPONENT UNIT DISCLOSURES - HOCKING COLLEGE FOUNDATION, INC.

The Hocking College Foundation Inc. was incorporated with the State of Ohio on October 21, 1992 and created for the purpose of operating exclusively for charitable and educational purposes in support of Hocking Technical College, a state institution of higher learning, authorized and existing under Chapter 3357 of the Ohio Revised Code.

The Internal Revenue Service granted a foundation status classification under 501(a) of the IRS Regulations as an organization described in Section 501(c)(3), granting the Foundation tax-exempt status. The initial five year ruling period ending June 30, 1997, was updated on November 6, 1997 with the IRS reaffirming the Foundation's exempt status under Section 501(a) as described in 501(c)(3) of the Internal Revenue Code.

Summary of Significant Accounting Policies

Basis of Accounting and Presentation

The financial statements of the Hocking College Foundation, Inc. (hereinafter referred to as "the Foundation"), have been prepared on the accrual basis whereby all revenues are recorded when earned and all expenses are recorded when they have been reduced to a legal or contractual obligation to pay.

NOTE 16 - COMPONENT UNIT DISCLOSURES - HOCKING COLLEGE FOUNDATION, INC. – Continued

The financial statements have been prepared in accordance with generally accepted accounting principles. Although the Foundation is supposed to report under the Financial Accounting Standards Board (FASB) standards, the financial statements have been presented in accordance with the Governmental Accounting Standards Board (GASB), including Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments,* and Statement No. 35, *Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities*, issued in June and November, 1999, to conform to the College's financial statement presentation.

Cash and Investments

All cash received by the Foundation is deposited in a central bank account. During fiscal year 2024, investments were limited to money market accounts and mutual funds.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as repurchase agreements and nonnegotiable certificates of deposit are reported at cost.

For purposes of the presentation on the Statement of Net Position, investments with an original maturity of three months or less at the time they are purchased by the Foundation are considered to be cash equivalents.

Capital Assets

Capital assets with a unit cost of $5,000 or greater are recorded at cost at the date of acquisition, or if donated, at acquisition value at the date of donation. The Foundation has no significant infrastructure assets. Depreciation is computed using the straight-line method over the estimated useful life of the asset and is not allocated to the functional expense categories. Expenses for construction in progress are capitalized as incurred. Interest expense relating to construction is capitalized net of interest income earned on resources set aside for this purpose.

Asset Description	Estimated Useful Life (Years)
Buildings and Improvements	20-50

Cash and Investments

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, *"Deposits with Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements"* and GASB Statement No. 40, *"Deposit and Investment Risk Disclosures"*.

Deposits: Custodial credit risk is the risk that, in the event of a bank failure, the Foundation's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 102% of the carrying value of the deposits. Such collateral, as permited by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the Foundation.

At June 30, 2024, the carrying amount of all Foundation deposits was $155,432. Based on the criteria described in GASB Statement No. 40, "*Deposit and Investment Risk Disclosures*", as of June 30, 2023, the Foundation's bank balance of $155,432 was either insured by the Federal Deposit Insurance Corporation or collateralized with pooled securities held by the pledging financial institution in the manner described above.

NOTE 16 - COMPONENT UNIT DISCLOSURES - HOCKING COLLEGE FOUNDATION, INC. – Continued

Custodial Credit Risk: The Foundation has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by:

> Eligible securities pledged to the Foundation and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105% of the deposits being secured; or
>
> Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102% of the deposits being secured or a rate set by the Treasurer of State.

The Foundation's financial institution is enrolled in the OPCS at June 30, 2024.

Investments: As of June 30, 2024, the Foundation had the following investments and maturities:

Investment Type	Fair Value	Maturity
Mutual Funds	$1,730,961	< 1 Year
Money Market Funds	61,330	< 1 Year
Total	$1,792,291	

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses arising from rising interest rates and according to state law, the Foundation's investment policy limits investment portfolio maturities to five years or less.

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Foundation's investment policy does not address credit risk beyond the requirements of the Ohio Revised Code. The credit ratings of the Foundation's investments at June 30, 2024 are as follows:

Credit Rating	Net Asset Value Per Share
Unrated	$1,730,961

Credit Rating (S&P)	Net Asset Value Per Share
A2	$61,330

Custodial Credit Risk: Custodial credit risk is the risk that in the event of the failure of the counterparty, the Foundation will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the Foundation's securities are either insured and registered in the name of the Foundation or at least registered in the name of the Foundation. The Foundation has no investment policy dealing with investment custodial credit risk beyond the requirements in the state statute that prohibit the payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Foundation places no limit on the amount that may be invested in any one issuer. The Foundation holds 96.6% in mutual funds and 3.4% in money market funds.

NOTE 16 - COMPONENT UNIT DISCLOSURES - HOCKING COLLEGE FOUNDATION, INC. – Continued

The classification of cash and cash equivalents, and investments in the financial statements is based on criteria set forth in GASB Statement No. 9, *"Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting"*. For purposes of the Statement of Cash Flows, cash and cash equivalents include investments of the cash management pool and investments with maturities of three months or less at the time of their purchase by the Foundation.

Other Receivables

At June 30, 2024, the Foundation had pledges of future donations in the amount of $50,000. These pledges have been reported as Other Receivables as of June 30, 2024 and will be received in future fiscal years. These pledges have been made by donors of the Foundation and the Foundation expects to receive the full amount of the pledges. Pledges receivable are unconditional promises to give and are recognized at the present value of future cash flows. No allowance for uncollectible promises to give is considered necessary. All pledges are unconditional promises to give with the following due dates:

	Amount
Within One Year	$50,000
One to Five Years	0
Total	$50,000

Capital Assets

Capital asset activity for the year ended June 30, 2024 was as follows:

	Balance at June 30, 2023	Additions	Deductions	Balance at June 30, 2024
Nondepreciable Capital Assets:				
Land	$78,880	$0	$0	$78,880
Capital Assets, Net	$78,880	$0	$0	$78,880

Donor Restricted Endowments

Under the standard established by Section 1715.56 of the Ohio Revised Code ("ORC"), an institution may appropriate as much as is prudent of the realized and unrealized net appreciation of the fair value of assets of the endowment fund over the historic dollar value of the fund for the uses and purposes for which an endowed fund is established. The Foundation's investments are stated at market value, with changes in the market value being recognized as gains and losses during the period in which they occur. Market value is determined by market quotations. Investment earnings from endowment investments are credited to temporarily restricted funds and spent in compliance with donor restrictions placed on earnings. Investment earnings of non-endowment investments are recorded as unrestricted earnings and expended at the discretion of the Foundation's Investment Committee who makes a recommendation to its Board of Directors and expends as decided. As of June 30, 2024, there was no net appreciation on donor-restricted assets available to be spent. The nonspendable principal balance of the endowments is reported as net position restricted for nonexpendable endowments on the accompanying Statement of Net Position.

HOCKING TECHNICAL COLLEGE

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

Last Ten Fiscal Years(1)

	2024	2023	2022	2021
School Employees Retirement System of Ohio				
College's Proportion of the Net Pension Liability	0.14467180%	0.16259460%	0.16721240%	0.16194150%
College's Proportionate Share of the Net Pension Liability	$7,993,862	$8,794,381	$6,169,653	$10,711,152
College's Covered-Employee Payroll	$6,058,807	$6,176,379	$6,302,407	$6,175,900
College's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered-Employee Payroll	131.94%	142.39%	97.89%	173.43%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	76.06%	75.82%	82.86%	68.55%
State Teachers Retirement System of Ohio				
College's Proportion of the Net Pension Liability	0.04252520%	0.04769959%	0.05128704%	0.05313049%
College's Proportionate Share of the Net Pension Liability	$9,157,775	$10,603,679	$6,557,508	$12,855,688
College's Covered-Employee Payroll	$5,702,993	$6,207,057	$6,834,279	$6,768,571
College's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered-Employee Payroll	160.58%	170.83%	95.95%	189.93%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.00%	78.88%	87.80%	75.48%

(1) Amounts presented as of the College's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

2020	2019	2018	2017	2016	2015
0.17706550%	0.19096220%	0.20981830%	0.21983360%	0.2620630%	0.2519610%
$10,594,139	$10,936,759	$12,536,180	$16,089,791	$14,953,569	$12,751,603
$6,380,036	$6,648,464	$6,919,279	$6,841,043	$7,895,514	$7,960,643
166.05%	164.50%	181.18%	235.19%	189.39%	160.18%
70.85%	71.36%	69.50%	62.98%	69.16%	71.70%
0.05639515%	0.06265736%	0.07596938%	0.09000395%	0.11680635%	0.14311894%
$12,471,449	$13,776,947	$18,046,689	$30,127,035	$32,281,859	$34,811,479
$6,796,429	$7,087,193	$9,448,929	$9,985,964	$12,092,450	$14,952,992
183.50%	194.39%	190.99%	301.69%	266.96%	232.81%
77.40%	77.31%	75.30%	66.80%	72.10%	74.71%

HOCKING TECHNICAL COLLEGE

Schedule of the District's Proportionate Share of Net OPEB Liablity(Asset)
Last Eight Fiscal Years (1)

	2024	2023	2022	2021
School Employees Retirement System of Ohio				
College's Proportion of the Net OPEB Liability	0.14912020%	0.16692460%	0.17275780%	0.16857830%
College's Proportionate Share of the Net OPEB Liability	$2,456,674	$2,343,639	$3,269,583	$3,663,758
College's Covered-Employee Payroll	$6,058,807	$6,176,379	$6,302,407	$6,175,900
College's Proportionate Share of the Net OPEB Liability as a Percentage of it's Covered-Employee Payroll	40.55%	37.95%	51.88%	59.32%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	30.02%	30.34%	24.08%	18.17%
State Teachers Retirement System of Ohio				
College's Proportion of the Net OPEB Liability(Asset)	0.04252520%	0.04769959%	0.05128704%	0.05313049%
College's Proportionate Share of the Net OPEB Asset	$827,056	$1,235,101	$1,081,345	$933,767
College's Proportionate Share of the Net OPEB Liability	$0	$0	$0	$0
College's Covered-Employee Payroll	$5,702,993	$6,207,057	$6,834,279	$6,768,571
College's Proportionate Share of the Net OPEB Liability/(Asset) as a Percentage of it's Covered-Employee Payroll	(14.50%)	(19.90%)	(15.82%)	(13.80%)
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	168.50%	230.73%	174.70%	182.13%

(1) Information prior to 2017 is not available.

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

See accompanying notes to the required supplementary information.

2020	2019	2018	2017
0.18152760%	0.19415320%	0.21022010%	0.21983360%
$4,565,037	$5,386,334	$5,641,755	$5,992,050
$6,380,036	$6,648,464	$6,919,279	$6,841,043
71.55%	81.02%	81.54%	87.59%
15.57%	13.57%	12.46%	11.49%
0.05639515%	0.06265736%	0.07596938%	0.09000395%
$934,039	$1,006,840	$0	$0
$0	$0	$2,964,045	$4,062,862
$6,769,429	$7,087,193	$9,448,929	$9,985,964
(13.80%)	(14.21%)	31.37%	40.69%
174.74%	176.00%	47.10%	37.30%

HOCKING TECHNICAL COLLEGE
Schedule of the College Contributions
School Employees Retirement Systems of Ohio
Last Ten Fiscal Years

	2024	2023	2022	2021
Pension				
Contractually Required Contributions	$901,336	$848,233	$864,693	$882,337
Contributions in Relation to the Contractually Required Contributions	(901,336)	(848,233)	(864,693)	(882,337)
Contribution Deficiency (Excess)	$0	$0	$0	$0
College Covered-Employee Payroll	$6,438,114	$6,058,807	$6,176,379	$6,302,407
Contributions as a Percentage of Covered-Employee Payroll	14.00%	14.00%	14.00%	14.00%
OPEB				
Contractually Required Contributions (1)	$0	$0	$0	$0
Contributions in Relation to the Contractually Required Contributions (1)	0	0	0	0
Contribution Deficiency (Excess)	$0	$0	$0	$0
College Covered-Employee Payroll	$6,438,114	$6,058,807	$6,176,379	$6,302,407
Contributions as a Percentage of Covered-Employee Payroll	0.00%	0.00%	0.00%	0.00%

See accompanying notes to the required supplementary information.

(1) Excludes Surcharge.

2020	2019	2018	2017	2016	2015
$864,626	$861,305	$897,543	$968,699	$957,746	$1,040,629
(864,626)	(861,305)	(897,543)	(968,699)	(957,746)	(1,040,629)
$0	$0	$0	$0	$0	$0
$6,175,900	$6,380,036	$6,648,464	$6,919,279	$6,841,043	$7,895,516
14.00%	13.50%	13.50%	14.00%	14.00%	13.18%
$0	$31,900	$33,242	$0	$70,203	$64,743
0	(31,900)	(33,242)	0	(70,203)	(64,743)
$0	$0	$0	$0	$0	$0
$6,175,900	$6,380,036	$6,648,464	$6,919,279	$6,841,043	$7,895,516
0.00%	0.50%	0.50%	0.00%	1.03%	0.82%

HOCKING TECHNICAL COLLEGE

Schedule of the College Contributions
State Teachers Retirement System of Ohio
Last Ten Fiscal Years

	2024	2023	2022	2021
Pension				
Contractually Required Contributions	$769,565	$798,419	$868,988	$956,799
Contributions in Relation to the Contractually Required Contributions	(769,565)	(798,419)	(868,988)	(956,799)
Contribution Deficiency (Excess)	$0	$0	$0	$0
College Covered-Employee Payroll	$5,496,893	$5,702,993	$6,207,057	$6,834,279
Contributions as a Percentage of Covered-Employee Payroll	14.00%	14.00%	14.00%	14.00%
OPEB				
Contractually Required Contributions	$0	$0	$0	$0
Contributions in Relation to the Contractually Required Contributions	0	0	0	0
Contribution Deficiency (Excess)	$0	$0	$0	$0
College Covered-Employee Payroll	$5,496,893	$5,702,993	$6,207,057	$6,834,279
Contributions as a Percentage of Covered-Employee Payroll	0.00%	0.00%	0.00%	0.00%

See accompanying notes to the required supplementary information.

2020	2019	2018	2017	2016	2015
$947,600	$951,500	$992,207	$1,322,850	$1,398,035	$1,692,943
(947,600)	(951,500)	(992,207)	(1,322,850)	(1,398,035)	(1,692,943)
$0	$0	$0	$0	$0	$0
$6,768,571	$6,796,429	$7,087,193	$9,448,929	$9,985,964	$12,092,450
14.00%	14.00%	14.00%	14.00%	14.00%	14.00%
$0	$0	$0	$0	$0	$0
0	0	0	0	0	0
$0	$0	$0	$0	$0	$0
$6,768,571	$6,796,429	$7,087,193	$9,448,929	$9,985,964	$12,092,450
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

NOTE 1 – SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

Pension

Changes in benefit terms:
2014-2017: There were no changes in benefit terms for the period.

2018: The following were the most significant changes in benefit terms:

- The cost-of-living adjustment was changed from a fixed 3.00% to a cost-of-living adjustment that is indexed to CPI-W not greater than 2.5% with a floor of 0% beginning January 1, 2018.
- Under HB 49, the Board enacted a three-year COLA suspension for benefit recipients in calendar year 2018, 2019 and 2020.

2019: The following were the most significant changes in benefit terms:

- Under Senate Bill 8, the Board enacted a three-year COLA delay for future benefit recipients commencing benefits on or after April 1, 2018.

2020-2024: There were no changes in benefit terms for the period.

Changes in assumptions:
2014-2016: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2017: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date:

- Assumed rate of inflation was reduced from 3.25% to 3.00%
- Payroll Growth Assumption was reduced from 4.00% to 3.50%
- Assumed real wage growth was reduced from 0.75% to 0.50%
- Rates of withdrawal, retirement and disability were updated to reflect recent experience.
- Mortality among active members was updated to the following:
    - RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. The above rates represent the base rates used.
- Mortality among service retired members, and beneficiaries was updated to the following:
    - RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates.

2018-2021: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2022: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date:

- Assumed rate of inflation was reduced from 3.00% to 2.4%
- Payroll Growth Assumption was reduced from 3.5% to 3.25%
- Mortality among active members was updated to the following:
    - PUB 2010 General Employee Amount Weighted Below Medium Healthy Retiree Mortality Table with fully generational projection and a five year age set-forward for both males and females. The above rates represent the base rates used.
- Mortality among service retired members, and beneficiaries was updated to the following:
    - PUB 2010 General Employee Amount Weighted Below Medium Healthy Retiree Mortality Table with fully generational projection with Scale BB, 105.5% of male rates, and 122.5% of female rates.

NOTE 1 – SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO _(Continued)_

2023: The following changes were made to the actuarial assumptions as identified:

- Cost-of-Living Adjustments was increased from 2.00% to 2.50% for calendar year 2023.

2024: The following changes were made to the actuarial assumptions as identified:

- Cost-of-Living Adjustments was increased from 2.00% to 2.50% for calendar year 2024.

Other Postemployment Benefits

Changes in benefit terms:
2017-2024: There were no changes in benefit terms for the period.

Changes in assumptions:
2017: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date:

- Assumed rate of inflation was reduced from 3.25% to 3.00%
- Payroll Growth Assumption was reduced from 4.00% to 3.50%
- Assumed real wage growth was reduced from 0.75% to 0.50%
- Rates of withdrawal, retirement and disability were updated to reflect recent experience.
- Mortality among active members was updated to the following:
  - RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females.
- Mortality among service retired members, and beneficiaries was updated to the following:
  - RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates.
- Mortality among disabled members was updated to the following:
  - RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

2018: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date:
- Discount rate used to measure the total OPEB liability at June 30, 2017 was 3.63 percent.
- Discount rate used to measure total OPEB liability prior to June 30, 2017 was 2.98 percent.

2019-2021: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2022: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date:

- Assumed rate of inflation was reduced from 3.00% to 2.4%
- Payroll Growth Assumption was reduced from 3.5% to 1.75%
- Mortality among active members was updated to the following:
  - PUB 2010 General Employee Amount Weighted Below Medium Healthy Retiree Mortality Table with fully generational projection and a five year age set-forward for both males and females. The above rates represent the base rates used.
- Mortality among service retired members, and beneficiaries was updated to the following:
  - PUB 2010 General Employee Amount Weighted Below Medium Healthy Retiree Mortality Table with fully generational projection with Scale BB, 105.5% of male rates, and 122.5% of female rates.

NOTE 1 – SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO _(Continued)_

2023: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2024: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date:

- The assumption for percent of pre-Medicare eligible retirees who chose the Wraparound plan increased from 10% to 20%.
- The health care trend assumption on retiree premiums was updated to not apply trend to the $35 surcharge.
- An assumption was added to assume that 15% of pre-65 retirees who waive will elect coverage upon Medicare eligibility.

NOTE 2 - STATE TEACHERS RETIREMENT SYSTEM OF OHIO

Pension

Changes in benefit terms:
2017-2024: There were no changes in benefit terms for the period.

Changes in assumptions:
2018: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date:

- Long term expected rate of return was reduced from 7.75% to 7.45%,
- Inflation assumption was lowered from 2.75% to 2.50%,
- Payroll growth assumption was lowered to 3.00%,
- Total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation.
- Healthy and disabled mortality assumptions were updated to the following:
  - RP-2014 mortality tables with generational improvement scale MP-2016. Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

2019-2021: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2022: Long term expected rate of return was reduced from 7.45% to 7.00%.

2023: Projected salary increases beginning rate changed from 12.50% to 8.50%.

2024: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

NOTE 2 - <u>STATE TEACHERS RETIREMENT SYSTEM OF OHIO</u> _(Continued)_

<u>Other Postemployment Benefits</u>

Changes in benefit terms:
2017: There were no changes in benefit terms for the period.

2018: The following were the most significant changes in benefit terms:
- The subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1% to 1.9% per year of service.
- Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries
- All remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019.
- Subsequent to the current measurement date, the date for discontinuing remaining Medicare Part B premium reimbursements is extended to January 2020.

2019: The following were the most significant changes in benefit terms:
- The subsidy multiplier for non-Medicare benefit recipients was increased from 1.9% to 1.944% per year of service effective January 1, 2019.
- The non-Medicare frozen subsidy base premium was increased effective January 1, 2019.
- All remaining Medicare Part B premium reimbursements will be discontinued beginning January 2021.

2020: The following were the most significant changes in benefit terms:
- The subsidy multiplier for non-Medicare benefit recipients was increased from 1.944% to 1.984% per year of service effective January 1, 2020.
- The non-Medicare frozen subsidy base premium was increased effective January 1, 2020.
- Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare Plan.
- Medicare Part B monthly reimbursements elimination date was postponed to January 1, 2021.

2021: The following were the most significant changes in benefit terms:
- The subsidy multiplier for non-Medicare benefit recipients was increased from 1.984% to 2.055% per year of service effective January 1, 2021.
- The non-Medicare frozen subsidy base premium was increased effective January 1, 2021.
- Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare Plan.
- Medicare Part B monthly reimbursements elimination date was postponed indefinitely.

2022 - 2024: There were no changes in benefit terms for the period.

Changes in assumptions:
2017: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2018: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date:
- Discount rate was increased from 3.26% to 4.13%
- Long term expected rate of return was reduced from 7.75% to 7.45%.
- Valuation year per capita health care costs were updated, and the salary scale was modified.
- The percentage of future retirees electing each option was updated
- The percentage of future disabled retirees and terminated vested participants electing health coverage were decreased.
- The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

NOTE 2 - STATE TEACHERS RETIREMENT SYSTEM OF OHIO _(Continued)_

2019: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date:

- Discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45%
- Valuation year per capita health care costs were updated

2020-2021: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

2022: Discount rate was reduced from 7.45% to 7.00%.

2023: The following were the most significant changes of assumptions that affected total pension liability since the prior measurement date:

- Projected salary increases beginning rate changed from 12.50% to 8.50%.
- Health care cost trend rates were modified for medical and prescription drug costs.

2024: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions.

HOCKING TECHNICAL COLLEGE
Schedule of Federal Awards Revenues and Expenditures
For the Fiscal Year Ended June 30, 2024

FEDERAL GRANTOR *Pass-Through Grantor* Program Title	Pass-Through Entity Number	Grant Year	Federal AL Number	Expenditures
UNITED STATES DEPARTMENT OF LABOR				
Pass-Through Ohio University				
ODJFS Ohio Broadband 5G Plan	N/A	2024	17.277	$ 79,517
Total United States Department of Labor				79,517
UNITED STATES DEPARTMENT OF EDUCATION				
Direct from Federal Government:				
Student Financial Assistance Cluster:				
Federal Supplemental Educational Opportunity Grants	N/A	2024	84.007	153,474
Federal Work-Study Program	N/A	2024	84.033	219,890
Federal Pell Grant Program Administrative	N/A	2023	84.063	130
Federal Pell Grant Program Administrative	N/A	2024	84.063	4,995
Federal Pell Grant Program	N/A	2024	84.063	4,629,815
Federal Direct Student Loans	N/A	2024	84.268	6,910,058
Total Student Financial Assistance Cluster				11,918,362
Title III Part A Programs - Stregthening Institutions	N/A	2024	84.031A	536,066
TRIO Cluster:				
TRIO - Student Support Services	N/A	2023	84.042A	40,421
TRIO - Student Support Services	N/A	2024	84.042A	361,535
Total TRIO Cluster				401,956
Pass-Through Ohio Department of Education:				
Career and Technical Education - Basic Grants to States	3L90	2024	84.048	161,062
Total Passed Through Ohio Department of Education				161,062
Total United States Department of Education				13,017,446
Total Federal Financial Assistance				$ 13,096,963

The accompanying notes to the Schedule of Federal Awards Revenues and Expenditures are an integral part of the Schedule.

HOCKING TECHNICAL COLLEGE
Notes to the Schedule of Expenditures of Federal Awards
2 CFR 200.510(b)(6)
For the Fiscal Year Ended June 30, 2024

NOTE 1 – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Hocking Technical College (the College) under programs of the federal government for the year ended June 30, 2024. The information on this Schedule is prepared 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 College, it is not intended to and does not present the financial position, changes in net position, or cash flows of the College.

NOTE 2 – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the same basis of accounting as the basic financial statements, although the basis for determining when federal awards are expended is presented in accordance with the requirements of the cost principles contained Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 3 – Indirect Cost Rate

The College has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 4 – Federal Direct Loans Program

The College participates in the Federal Direct Student Loan Program. The dollar amount listed in the Schedule represents new loans advanced during the fiscal year ended June 30, 2024. The College is a direct lender for these loan funds; however, they are not responsible for collecting these loans in future periods.

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

Hocking Technical College
Athens County
3301 Hocking Parkway
Nelsonville, OH 45764

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standard applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and discretely presented component unit of **Hocking Technical College**, Athens County, (the College) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the College's basic financial statements and have issued our report thereon dated December 10, 2024.

Report on the Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the College'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 College's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 College'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 College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

December 10, 2024

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

Hocking Technical College
Athens County
3301 Hocking Parkway
Nelsonville, OH 45764

To the Board of Trustees:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited **Hocking Technical College's** (the College) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Hocking Technical College's major federal programs for the year ended June 30, 2024. Hocking Technical College's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of audit findings.

In our opinion, Hocking Technical College 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 the College 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 College's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

The College's Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the College'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 College'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 College'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 College'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 College'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 College'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 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 this testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

December 10, 2024

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	Student Financial Assistance Cluster: Federal Supplemental Educational Opportunity Grants, AL #84.007, Federal Work-Study Program, ALN #84.033, Federal Pell Grant Program, AL #84.063, Federal Direct Student Loans, AL #84.268
(d)(1)(viii)	**Dollar Threshold: Type A/B Programs**	Type A: > $ 750,000 Type B: > All Others
(d)(1)(ix)	**Low Risk Auditee 2 CFR § 200.520?**	No

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

None

3. FINDINGS FOR FEDERAL AWARDS

None

UNIVERSITY OF CALIFORNIA, BERKELEY CA 94720 -1900, USA

Solomon Darwin
Executive Director, Center for Corporate Innovation
Haas School of Business

Berkeley-NASA Innovation Forum
April 1-4, 2025 @ NASA Campus
Moffett Federal Airfield, Silicon Valley

December 12, 2024

Dear Dr. Young,

On behalf of Richard Lyons, Henry Chesbrough, Deans, and the rest of our distinguished faculty, this is to invite you as our dinner Keynote Speaker at the upcoming Berkeley-NASA Innovation Forum on April 3, 2025. The fireside side chat following your keynote will be moderated by Anshul Sonak, Global Director - Digital Readiness Programs at Intel. You are welcome to participate in the entire 4-day program at NASA between April 1-4, 2025. Our members only event will be held at NASA Moffit Field Campus under the Chatham House Rule, no press, tweeting or blogs are allowed.

This will be our 44th Innovation Forum at Berkeley. To provide you with a brief background, the Berkeley Innovation Forum has been our flagship program over the past 21 years serving Senior Executives with their innovation needs to expand their markets. Our corporate members include Senior Innovation Officers of over 40 global elite firms represented by their Chief Innovation Officers, CTOs, and senior executives who oversee market expansion within their firms.

The theme for our upcoming forum at NASA is "Open Innovation Strategies to Govern a Geopolitically Divided World" Among many other prominent speakers, our Chief Guest will be His Excellency, Irfaan Ali, President of Guyana. As you may be aware, Guyana, is the most biodiverse nation in the world also known as the lungs of the earth and land of many waters. Although it is rich in oil, gas and mineral resources, especially gold, is the most Carbon negative nation in the world according to the UN.

Berkeley Innovation Forum will showcase its emerging technologies during the three-day forum. Participating member firms will be provided with a booth where interactions can take place during networking breaks.

Our most recent keynotes included distinguished CEOs across industries: Astro Teller, Charles Duke, Her Excellency Patricia Scotland, Brad Smith, Barbara Humpton, Dave Keller, John T. Chambers, Ed Catmull, Clark Spencer, Bob Weis, Steve Wozniak, Paul Otellini, Pat Gelsinger Paul E. Jacobs Marissa Mayer, Scott D. Cook, Vinod Khosla, Steve Jurvetson, Francesco Starace, Omar Ishrak, Bill Ruh, John Hagel, Eric Benhamou, Will Marshall, and John Roese. Over the years, the forum contributors included Berkeley's distinguished faculty, Nobel laureates, and policy experts & advisors to the President of the United States, Federal Reserve, IMF, WHO, and the World Bank.

Attached is the draft agenda for our upcoming forum for your review. Our past events can be found **HERE**
I look forward to hearing from you. You may reach me at 510-316-8286

Blessings,

Solomon Darwin
Faculty Profile