THIS PRELIMINARY OFFICIAL STATEMENT AND THE INFORMATION CONTAINED HEREIN ARE SUBJECT TO COMPLETION OR AMENDMENT IN A FINAL OFFICIAL STATEMENT. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

PRELIMINARY OFFICIAL STATEMENT DATED JULY 16, 2025

NEW ISSUE - Book-Entry Only

RATINGS: Moody's: "A2"
S&P: "AA" (Insured)
S&P: Applied For (Underlying)
(See "RATINGS" herein)

In the opinion of McDonald Hopkins LLC, Bond Counsel with respect to the Series 2025C Bonds (as identified below), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming continuing compliance with certain covenants made by the University (as defined below) (i) interest on the Series 2025C Bonds (as identified below) will be excludible from gross income of the holders thereof for purposes of federal income taxation and interest on the Series 2025C Bonds is not an item of tax preference for purposes of calculating the federal alternative minimum tax on individuals and (ii) interest on and any profit made on the sale, exchange, or other disposition of, the Series 2025C Bonds, are exempt from all Ohio state and local taxation, except the estate tax, the domestic insurance company tax, the dealers in intangibles tax, the tax levied on the basis of the total equity capital of financial institutions, and the net worth base of the corporate franchise tax, all subject to the qualifications described herein under the heading "TAX MATTERS."

$67,490,000*
CLEVELAND STATE UNIVERSITY
(A State University of Ohio)
GENERAL RECEIPTS BONDS
SERIES 2025C

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

The above-referenced bonds (the "Series 2025C Bonds") are special obligations being issued by Cleveland State University (the "University") under the Trust Agreement, dated as of May 1, 1993 (the "Original Trust Agreement"), as amended and supplemented to date, including as supplemented by a Fourteenth Supplemental Trust Agreement, dated as of July 1, 2025 (the Original Trust Agreement, as amended and supplemented, is referred to herein as the "Trust Agreement"), all between the University and U.S. Bank Trust Company, National Association (the "Trustee," as further described herein), for the purpose of (a) financing the renovation and improvement of certain University facilities (the "Series 2025C Project," as further described herein), (b) refunding the entire remaining outstanding principal amount of certain revenue bonds issued by the Cleveland-Cuyahoga County Port Authority for the benefit of the Euclid Avenue Development Corporation, a component unit of the University, and (c) paying the costs of issuance with respect to the Series 2025C Bonds. See "PLAN OF FINANCING" herein.

Principal, interest and any premium payable on the Series 2025C Bonds, and on other General Receipts Bonds issued by the University, are payable solely from the General Receipts of the University and the Special Funds, as defined in and subject to the provisions of the Trust Agreement. THE SERIES 2025C BONDS ARE NOT OBLIGATIONS OF THE STATE OF OHIO OR GENERAL OBLIGATIONS OF THE UNIVERSITY, AND THE FULL FAITH AND CREDIT OF THE UNIVERSITY IS NOT PLEDGED TO THEIR PAYMENT. THE OWNERS OF THE SERIES 2025C BONDS SHALL NOT BE GIVEN THE RIGHT AND SHALL HAVE NO RIGHT TO HAVE EXCISES OR TAXES LEVIED BY THE OHIO GENERAL ASSEMBLY FOR THE PAYMENT OF THE PRINCIPAL, INTEREST AND ANY REDEMPTION PREMIUM, AND THE RIGHT OF THE OWNERS TO THE PAYMENT OF PRINCIPAL, INTEREST AND ANY REDEMPTION PREMIUM IS LIMITED TO THE GENERAL RECEIPTS, SPECIAL FUNDS AND OTHER SOURCES PLEDGED TO THOSE PAYMENTS UNDER THE BOND PROCEEDINGS. See "SECURITY AND SOURCES OF PAYMENT" herein.

Principal and interest will be payable upon presentation and surrender at the designated corporate trust office of the Trustee, and interest transmitted by the Trustee on each interest payment date (June 1 and December 1 of each year), commencing December 1, 2025, to the registered owner as of the 15th day of the calendar month preceding that interest payment date. The Series 2025C Bonds are subject to redemption prior to maturity and purchase in lieu of redemption, each as described in this Official Statement. See "CERTAIN TERMS OF SERIES 2025C BONDS-Prior Redemption."

The Series 2025C Bonds are issuable as fully registered bonds and when issued will be registered to Cede & Co., as nominee of The Depository Trust Company ("DTC"), to which principal and interest payments on the Series 2025C Bonds will be made. Individual purchases of the Series 2025C Bonds will be made in book-entry form only, in the denominations of $5,000 or any multiple of $5,000 in excess thereof. Purchasers of the Series 2025C Bonds will not receive physical delivery of bond certificates. So long as Cede & Co. is the registered owner of the Series 2025C Bonds, as nominee of DTC (i) reference herein to the Holders or registered owners of the Series 2025C Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the Series 2025C Bonds and (ii) the principal of and interest on the Series 2025C Bonds are payable to Cede & Co. and will in turn be remitted to the Participants for subsequent disbursement to the Beneficial Owners. See Appendix E – "DTC AND THE BOOK-ENTRY SYSTEM."

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. AN INVESTOR MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The scheduled payment of principal of and interest on the Series 2025C Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Series 2025C Bonds by BUILD AMERICA MUTUAL ASSURANCE COMPANY.

The Series 2025C Bonds are offered by the Underwriter, when, as and if issued by the University, and accepted by the Underwriter, subject to prior sale, withdrawal, or modification of the offer without any notice, and subject to the delivery of an approving opinion on certain legal matters relating to their issuance by McDonald Hopkins LLC, Bond Counsel to the University. Certain other legal matters will be passed upon for the Underwriter by Dinsmore & Shohl LLP and for the University by Sonali B. Wilson, General Counsel of the University. The Series 2025C Bonds are expected to be available for delivery to DTC or its agent on or about July 31, 2025.

Stifel

* Preliminary; subject to change.

MATURITY SCHEDULE*

Cleveland State University
$67,490,000* General Receipts Bonds, Series 2025C

Year (June 1)*	Amount*	Interest Rate	Yield	Price	CUSIP†
2026	$ 2,690,000				
2027	2,415,000				
2028	2,530,000				
2029	2,660,000				
2030	2,795,000				
2031	2,930,000				
2032	3,075,000				
2033	3,230,000				
2034	3,395,000				
2035	3,560,000				
2036	3,740,000				
2037	3,930,000				
2038	4,120,000				
2039	4,325,000				
2040	12,375,000				
2041	9,720,000				
TOTAL	$67,490,000				

[+ Priced to the _________ 1, _____ call date.]

* Preliminary; subject to change.

† CUSIP (Committee on Uniform Security Identification Procedures) is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The CUSIP numbers listed are being provided solely for the convenience of the holders only at the time of issuance of the Series 2025C Bonds, and none of the University, Bond Counsel, the Underwriter, or Underwriter's Counsel is responsible for the selection or use of these CUSIP numbers nor makes any representation with respect to such numbers or undertakes any responsibility for their accuracy on this inside cover page or the Series 2025C Bonds, now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2025C Bonds as a result of various subsequent actions, including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2025C Bonds.

REGARDING USE OF THIS OFFICIAL STATEMENT

General

This Official Statement does not constitute an offering of any security other than the original offering of the Series 2025C Bonds identified on the cover. No person has been authorized by the University to give any information or to make any representation, other than as contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been given or authorized by the University. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, and there shall be no sale of the Series 2025C Bonds by any person, in any jurisdiction in which it is unlawful to make such offer, solicitation or sale.

The information and descriptions in this Official Statement do not purport to be comprehensive or definitive. Statements regarding specific documents, including the Series 2025C Bonds, are summaries and subject to the detailed provisions of those documents and are qualified in their entirety by reference to the appropriate document, copies of which will be made available, upon request, for examination in the office of the Underwriter during the initial offering of the Series 2025C Bonds and thereafter in the designated corporate trust office of the Trustee.

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

The information and expressions of opinion in this Official Statement are subject to change without notice and neither the delivery of this Official Statement nor any sale of the Series 2025C Bonds shall, under any circumstances, create any implication that there has been no change in the affairs of the University since its date.

UPON ISSUANCE, THE SERIES 2025C BONDS WILL NOT BE REGISTERED BY THE UNIVERSITY UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW, AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE OR OTHER GOVERNMENTAL ENTITY OR AGENCY, EXCEPT THE UNIVERSITY, WILL HAVE AT THE REQUEST OF THE UNIVERSITY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT OR APPROVED THE SERIES 2025C BONDS FOR SALE.

The cover page contains certain information for quick reference only (the "Cover"). It is not a summary of this issue. An investor must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The University will agree to make available certain statistical and operating information at least annually as described under "CONTINUING DISCLOSURE - Continuing Disclosure Certificate" herein.

Matters Related to the Underwriter

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

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

Matters Related to the Bond Insurer

Build America Mutual Assurance Company ("BAM") makes no representation regarding the Series 2025C Bonds or the advisability of investing in the Series 2025C Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM, and presented in ***Appendix G*** - "BOND INSURANCE" and ***Appendix H*** - "SPECIMEN BOND INSURANCE POLICY."

Such information relating to BAM presented in ***Appendix G*** – "BOND INSURANCE" and its municipal bond insurance policy presented in ***Appendix H*** – "SPECIMEN BOND INSURANCE POLICY" (the "Policy"), has been furnished by BAM. Such information has not been verified by the University, the Municipal Advisor, or the Underwriter and is not guaranteed thereby as to accuracy, completeness or adequacy, or as to the absence of material adverse changes in the condition of BAM subsequent to its date, and is not to be construed as a representation thereof.

References to Ohio Law

References to provisions of Ohio law, whether codified in the Revised Code or uncodified, or the Ohio Constitution are references to those current provisions. Those provisions may be amended, repealed or supplemented.

Disclosure Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change. This Official Statement and continuing disclosure information of the University are intended to be submitted to the MSRB through EMMA (each as defined herein). Copies of the basic documentation relating to the Series 2025C Bonds are available from the University. The University has deemed this Preliminary Official Statement to be "final" for the purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), except for certain information contained on the cover page, and herein, which has been omitted in accordance with such Rule and will be supplied with the final Official Statement.

Defined Terms

As used in this Official Statement:

"Audit Reports" means the audit reports of the University for each Fiscal Year, as released on the website of the Ohio Auditor of State[1] and submitted to the MSRB through EMMA, which contain the Audited Financial Statements for such Fiscal Year.

"Audited Financial Statements" means the audited basic financial statements of the University for each Fiscal Year, which are contained in the Audit Reports for such Fiscal Year.

"Bond Service Charges" means principal (including any mandatory sinking fund requirements) and interest and any redemption premium payable on the General Receipts Bonds.[2] See also "Debt Service Charges."

"Code" means the Internal Revenue Service Code of 1986, as amended.

"CSU" means the University.

"Debt Service Charges" shall have the meaning set forth herein under "THE AGREEMENT - Pledge of General Receipts to Obligations."

"EADC" means the Euclid Avenue Development Corporation, a component unit of the University for accounting purposes, which develops and owns and/or operates housing, parking, and other facilities for the students, faculty and staff of the University.

"EMMA" means the Electronic Municipal Market Access portal of the MSRB.

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[1] https://ohioauditor.gov/auditsearch/Search.aspx

[2] This term is used primarily in the context of provisions set forth in the Original Trust Agreement. See "THE AGREEMENT - Pledge of General Receipts to Obligations" with respect to certain amendments to the Original Trust Agreement which provided for the issuance of General Receipts Obligations and Subordinate Obligations and the payment of Debt Service Charges in connection therewith.

“Fiscal Year” or “FY” means the University’s fiscal year, currently the 12-month period from July 1 to June 30. Fiscal Years are identified by the calendar year in which they end. For example, “Fiscal Year 2025” refers to the Fiscal Year which ended on June 30, 2025. The Fiscal Years of the University and the State are the same.

“Fourteenth Supplemental Trust Agreement” means the Fourteenth Supplemental Trust Agreement, dated as of July 1, 2025, between the University and the Trustee, supplementing the Trust Agreement in connection with the issuance of the Series 2025C Bonds

“General Receipts Bonds” means the “Bonds” as defined in the Original Trust Agreement.

“General Receipts Obligations” shall have the meaning set forth herein under “THE AGREEMENT - Pledge of General Receipts to Obligations.”

“MSRB” means the Municipal Securities Rulemaking Board.

“Obligations” shall have the meaning set forth herein under “THE AGREEMENT - Pledge of General Receipts to Obligations.”

“Revised Code” means the Ohio Revised Code.

“State” means the State of Ohio.

“State Universities” mean, collectively, the State Universities of Ohio, consisting of 14 public universities, including the University.

“Trust Agreement” means the Trust Agreement, dated as of May 1, 1993, as amended and supplemented to date, including as supplemented by the Fourteenth Supplemental Trust Agreement.

“Trustee” means U.S. Bank Trust Company, National Association (formerly Star Bank, N.A., Star Bank National Association, Firstar Bank, National Association, and U.S. Bank National Association), in its capacity as Trustee .

See ***Appendix F*** hereto for a full list of defined terms used in this Official Statement.

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APPENDICES

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INTRODUCTORY STATEMENT

This Official Statement has been prepared by Cleveland State University (the "University"), a State University of Ohio[3], in connection with the original issuance and sale of its $67,490,000[*] General Receipts Bonds, Series 2025C (the "Series 2025C Bonds"), dated July 31, 2025 (the "Date of Issuance").

The Series 2025C Bonds are being issued for the purpose of (a) financing the renovation and improvement of certain University facilities, (b) refunding the entire remaining outstanding principal amount of certain prior bonds issued for the benefit of EADC, and (c) paying the costs of issuance with respect to the Series 2025C Bonds, all as further described herein under "PLAN OF FINANCING."

The Series 2025C Bonds are being issued pursuant to (i) Sections 3345.11 and 3345.12 of the Revised Code (together, the "Act"), (ii) the General Bond Resolution adopted by the Board of Trustees of the University (the "Board of Trustees") on March 16, 1993 (the "General Bond Resolution"), (iii) Resolution 2024-71 adopted by the Board of Trustees on November 21, 2024 (the "Series 2025C Refunding Resolution"), (iv) Resolution 2025-32 adopted by the Board of Trustees on May 15, 2025 (the "Series 2025C Improvement Resolution" and together with the Series 2025C Refunding Resolution, the "Series 2025C Resolutions"), and (v) the Trust Agreement. The General Bond Resolution, the Series 2025C Resolutions, and the Trust Agreement are collectively referred to in this Official Statement as the "Agreement."

Pursuant to the Act, the University is authorized to construct "facilities" (as defined in the Act), and to pay all or part of the costs of those facilities, and to refund, fund or retire prior obligations issued for that purpose, by the issuance of obligations payable from General Receipts of the University (see "SECURITY AND SOURCES OF PAYMENT - General Receipts Pledged to the General Receipts Bonds"). The Trust Agreement authorizes the issuance of Bonds secured by the General Receipts of the University (the "General Receipts Bonds")[4] to finance the costs of authorized facilities (referred to in the Trust Agreement as "University Facilities") and to refund General Receipts Bonds and other Obligations (as defined in the Trust Agreement) previously issued for such purpose. The Series 2025C Resolutions and the Fourteenth Supplemental Trust Agreement specifically authorize the issuance of the Series 2025C Bonds.

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[3] The University is a State-supported institution of higher education and an instrumentality of the State.

[*] Preliminary; subject to change.

[4] The General Receipts Bonds are referred to as the "Bonds" in the Trust Agreement.

General Receipts Obligations

The Series 2025C Bonds are being issued as General Receipts Obligations[5] under the Agreement. The issuance of General Receipts Obligations to finance auxiliary, housing and dining, and educational facilities of State universities was authorized by a 1968 amendment to the Ohio Constitution, as implemented by the Act. Significant elements of the issuance of General Receipts Obligations are the broad scope and gross pledge of the security afforded to such General Receipts Obligations, and the simplicity and flexibility provided by permitting all authorized types of facilities to be financed under one open-end trust agreement.

Security provisions for the General Receipts Obligations include the pledge to the holders General Receipts Obligations, on a gross pledge and first lien basis, of the General Receipts of the University, which include the full amount of every type and character of receipts, excepting only those specifically excluded (such as moneys raised by taxation and State appropriations, except as otherwise permitted under the Revised Code). See "SECURITY AND SOURCES OF PAYMENT - General Receipts Pledged to the General Receipts Bonds."

The proceedings with respect to the issuance of the Series 2025C Bonds provide for the University's mandatory budgeting in each Fiscal Year of amounts from its General Receipts that are sufficient to pay Debt Service Charges[6] with respect to General Receipts Obligations when due in each Fiscal Year. Payments are then made by the University to the Trustee, at least one business day prior to each date Debt Service Charges with respect to General Receipts Obligations are payable (each June 1 and December 1), for deposit into the Bond Service Account of the Bond Service Fund, a special trust fund held in the custody of the Trustee that was established by, and pledged solely to the payment of Debt Service Charges with respect to General Receipts Obligations pursuant to, the General Bond Resolution. The Trustee is required to apply amounts in the Bond Service Account to pay Debt Service Charges with respect to General Receipts Obligations when due. The budgeting of General Receipts assures timely availability of required moneys, but does not limit or modify the first pledge of and lien on all General Receipts. See "THE AGREEMENT - Special Funds."

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

In addition, the University has covenanted to fix, make, adjust and collect items of General Receipts to produce at all times General Receipts at least sufficient to pay Debt Service Charges with respect to General Receipts Obligations, and to satisfy other requirements with respect to the University's General Receipts Obligations and, together with other moneys available for the purpose, to pay all costs and expenses necessary for the proper maintenance and successful and

[5] For purposes of this Official Statement, "General Receipts Obligations" refer to Obligations issued under the Trust Agreement on parity with the Bonds (as defined in the Original Trust Agreement).

[6] For purposes of this Official Statement, "Debt Service Charges with respect to General Receipts Obligations" include Bond Service Charges and Debt Service Charges with respect to any other Obligations issued on parity with the Bonds (all as defined in the Trust Agreement).

continuous operation of the University. See "SECURITY AND SOURCES OF PAYMENT - Covenant as to Sufficiency of General Receipts."

The General Bond Resolution and the Trust Agreement are the basic documents pertaining to all General Receipts Bonds of the University and prescribe the conditions for the issuance of additional parity General Receipts Obligations ("Additional General Receipts Obligations") by the University. For each issue of General Receipts Obligations by the University, a Series Resolution, setting forth detailed provisions for that issue, is adopted. For coverage requirements, see "THE AGREEMENT - Additional Obligations." The Series 2025C Bonds are specifically authorized by the Series 2025C Resolutions and the Fourteenth Supplemental Trust Agreement.

The proceeds of all General Receipts Obligations of the University are to be applied solely to pay costs of University Facilities, and to refund, fund or retire obligations issued for that purpose, as specifically provided and allocated in the applicable Series Resolution. See ***Appendix A*** - "THE UNIVERSITY - FINANCIAL OPERATIONS AND RESULTS - Outstanding Obligations of the University" for additional information regarding the outstanding General Receipts Obligations of the University.

University Facilities are defined in the General Bond Resolution as buildings, structures and other improvements, and equipment, real estate and interests in real estate, all or any part of the costs of which are at any time authorized by the Act to be financed by the issuance of obligations. The present Act authorizes the financing of "facilities," which are defined as:

- Housing and dining facilities, defined as: buildings, structures, and other improvements, and equipment, real estate, and interests in real estate therefor, to be used for or in connection with dormitories or other living quarters and accommodations, or related dining halls or other food service and preparation facilities, for students, members of the faculty, officers, or employees of the institution of higher education, and their spouses and families;

- Auxiliary facilities, defined as: buildings, structures, and other improvements, and equipment, real estate, and interests in real estate therefor, to be used for or in connection with student activity or student service facilities, housing and dining facilities, dining halls, and other food service and preparation facilities, vehicular parking facilities, bookstores, athletic and recreational facilities, faculty centers, auditoriums, assembly and exhibition halls, hospitals, infirmaries and other medical and health facilities, research, and continuing education facilities; and

- Education facilities, defined as: buildings, structures, and other improvements, and equipment, real estate, and interests in real estate therefor, to be used for or in connection with, classrooms or other instructional facilities, libraries, administrative and office facilities, and other facilities, other than auxiliary facilities, to be used directly or indirectly for or in connection with the conduct of the institution of higher education, and

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

Constitutional and Statutory Authorization

The General Receipts Obligations are authorized pursuant to the Act, enacted under authority of Section 2i of Article VIII of the Ohio Constitution which provides in relevant part that the General Assembly of the State may authorize the issuance of revenue obligations and other obligations for capital improvements for state supported and state assisted institutions of higher education, which obligations may be secured by a pledge under law of all or such portion of receipts of those institutions as the General Assembly authorizes. Section 2i further provides that the owners or holders of those obligations, such as the Series 2025C Bonds, are not given the right to have excises or taxes levied by the General Assembly for the payment of principal or interest.

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

PLAN OF FINANCING

Use of Proceeds

The proceeds of the Series 2025C Bonds will be used for the following purposes: (a) financing the Series 2025C Project, (b) refunding the entire remaining outstanding principal amount of the EADC Series 2014 Bonds, and (c) paying the Costs of Issuance with respect to the Series 2025C Bonds, all as further described below. The portion of the proceeds of the Series 2025C Bonds to be used for the financing of the Series 2025C Project and the allocable portion of the Costs of Issuance related thereto is referred to herein as the "Improvement Portion." The portion of the proceeds of the Series 2025C Bonds to be used for the refunding of the entire remaining outstanding principal amount of the EADC Series 2014 Bonds and the allocable portion of the Costs of Issuance related thereto is referred to herein as the "Refunding Portion."

Series 2025C Project

The Euclid Avenue Development Corporation (formerly known as the Euclid Avenue Housing Corporation), an Ohio nonprofit corporation ("EADC"), was incorporated in 2001 primarily for the purpose of furthering the educational mission of the University by developing and owning and/or operating housing, parking, and other facilities for the students, faculty and staff of the University (collectively, the "EADC Facilities"). EADC is treated as a component unit of the University for accounting purposes and a separate annual audit is prepared.

The Cleveland-Cuyahoga County Port Authority (the "Port Authority") issued the EADC Series 2005 Bonds[7], for the benefit of EADC, for the purpose of financing the acquisition, construction, renovation, installation, and equipping of Fenn Tower, a 21-story building located on the periphery of the University campus at 1983 East 24th Street in Cleveland, Ohio ("Fenn Tower"), for uses including student housing, administrative facilities, and ancillary facilities (the "EADC Series 2005 Facilities (Fenn Tower)"). The EADC Series 2005 Facilities (Fenn Tower) were leased to EADC pursuant to the EADC 2005 Lease to facilitate the issuance of the EADC Series 2005 Bonds by the Port Authority and a portion thereof, consisting of administrative facilities, was subleased back to the University pursuant to the EADC 2005 Sublease.

Fenn Tower was closed in May 2024 after a comprehensive facade assessment commissioned by EADC identified critical structural and safety issues requiring immediate action.[8] Pursuant to a Memorandum of Understanding, dated May 14, 2024, between the University and EADC, the University agreed to manage the maintenance and repair of Fenn Tower on behalf of EADC. On January 23, 2025, pursuant to Resolution 2025-03, the Board of Trustees of the University approved moving forward with the renovation of Fenn Tower, in a total amount not to exceed $18 million and later adopted the Series 2025C Improvement Resolution.

A portion of the proceeds of the Series 2025C Bonds will be used to provide for the construction, equipping, furnishing, reconstructing, altering, enlarging, remodeling, renovation, rehabilitation, improvement, maintaining, repairing, and operation of the EADC Series 2005 Facilities (Fenn Tower) (the "Series 2025 Project"). The EADC 2005 Lease and the EADC 2005 Sublease will be terminated in connection with the issuance of the Series 2025C Bonds by the University. The University currently anticipates that the Series 2025 Project schedule will provide for the use of Fenn Tower to resume in Fall 2026.

See also ***Appendix A*** – "THE UNIVERSITY - CAMPUS FACILITIES."

Plan of Refunding

Refunded EADC Series 2014 Bonds. The Port Authority issued the EADC Series 2014 Bonds, for the benefit of EADC, for the purpose of refunding the entire remaining outstanding principal amount of the EADC Series 2005 Bonds, the EADC Series 2008 Bonds, the EADC Series 2009-A Bonds, and the EADC Series 2009-B Bonds. The portion of the remaining outstanding principal amount of the EADC Series 2014 Bonds allocable to the refunding of the EADC Series 2008 Bonds and the EADC Series 2009-B Bonds was subsequently refunded with a portion of the proceeds of the EADC Series 2019 Bonds, issued by the Port Authority for the benefit of EADC.

A portion of the proceeds of the Series 2025C Bonds will be used to provide for the current refunding of the entire remaining outstanding principal amount of the EADC Series 2014 Bonds, related to the refunding of the EADC Series 2005 Bonds and the EADC Series 2009-A Bonds (the "Refunded EADC Series 2014 Bonds," as more specifically described in the table below). The proceeds of the EADC Series 2005 Bonds were used to finance the EADC Series 2005 Facilities

[7] Such EADC Series 2005 Bonds were later refunded with a portion of the proceeds of the EADC Series 2014 Bonds, as further described below under "Plan of Refunding."
[8] See also "RISK FACTORS - Acceleration (EADC Series 2014 Bonds)" herein.

(Fenn Tower) (see "Series 2025C Project" above). The proceeds of the EADC Series 2009-A Bonds were used to finance the development and construction of the facility known as Euclid Commons, located on the campus of the University at 2450 Euclid Avenue in Cleveland, Ohio ("Euclid Commons") for uses including student housing, academic facilities, administrative facilities, and ancillary facilities (the "EADC Series 2009-A Facilities (Euclid Commons)").

The EADC Series 2009-A Facilities (Euclid Commons) were leased to EADC, pursuant to the EADC 2009 Lease[9], to facilitate the issuance of EADC Series 2009-A Bonds by the County of Cuyahoga, Ohio and a portion thereof, consisting of administrative facilities, was subleased back to the University pursuant to the EADC 2009-A Sublease. The EADC 2009 Lease will be amended to remove the EADC Series 2009-A Facilities (Euclid Commons) and the EADC 2009-A Sublease will be terminated, in connection with the issuance of the Series 2025C Bonds by the University.[10] See also ***Appendix A*** – "THE UNIVERSITY - CAMPUS FACILITIES."

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[9] The EADC 2009 Lease also provided for the lease of the EADC Series 2009-B Facilities (Parking) to facilitate the issuance of EADC Series 2009-B Bonds by the County of Cuyahoga, Ohio. Such provisions will remain in effect following the execution of the amendments to the EADC 2009 Lease in connection with the issuance of the Series 2025C Bonds by the University.

[10] EADC will continue to manage and operate the student housing facilities at Euclid Commons on behalf of the University.

The Refunded EADC Series 2014 Bonds consist of the following:

Refunded EADC Series 2014 Bonds

Maturity Date (August 1)	Interest Rate	Original Principal Amount	Principal Amount to be Refunded	Redemption Date	Redemption Price
Serial Bonds					
2025	5.000%	$2,350,000	$2,350,000	07/31/2025	100%
2026	5.000%	2,475,000	2,475,000	07/31/2025	100%
2027	5.000%	2,600,000	2,600,000	07/31/2025	100%
2028	5.000%	2,735,000	2,735,000	07/31/2025	100%
2029	5.000%	2,875,000	2,875,000	07/31/2025	100%
2030	5.000%	3,020,000	3,020,000	07/31/2025	100%
2031	5.000%	3,175,000	3,175,000	07/31/2025	100%
2032	5.000%	3,340,000	3,340,000	07/31/2025	100%
2033	5.000%	3,510,000	3,510,000	07/31/2025	100%
2034	5.000%	3,690,000	3,690,000	07/31/2025	100%
SUBTOTAL		29,770,000	29,770,000		
Term Bonds					
2039†	5.000%	21,490,000	21,490,000	07/31/2025	100%
TOTAL		$51,260,000	$51,260,000		

† Comprised of mandatory sinking fund redemption payments due as follows:

Date (August 1)	Amount
2035	$3,880,000
2036	4,080,000
2037	4,285,000
2038	4,505,000
2039†	4,740,000
	$21,490,000

† Maturity

[Remainder of page intentionally left blank]

Current Refunding of the Refunded EADC Series 2014 Bonds. In accordance with the EADC Trust Indenture and pursuant to the Closing Memorandum dated as of the Date of Issuance (the "Closing Memorandum"), a portion of the proceeds from the sale of the Series 2025C Bonds, along with other available funds related to the Refunded EADC Series 2014 Bonds, in the amount required to provide for the redemption of the entire remaining outstanding principal amount of the Refunded EADC Series 2014 Bonds on July 31, 2025 (the "Redemption Date") and interest accrued thereon to such Redemption Date (the "Redemption Amount") will be transferred to the EADC Trustee on the Date of Issuance for deposit to the Refunding Account of the Project Fund established under the EADC Trust Indenture. Upon deposit of the Redemption Amount with the EADC Trustee, the Refunded EADC Series 2014 Bonds will no longer be deemed to be outstanding under the EADC Trust Indenture and the lien thereof will terminate with respect thereto.

Costs of Issuance with respect to the Series 2025C Bonds

A portion of the proceeds of the Series 2025C Bonds will be used for the purpose of paying certain costs of issuance with respect to the Series 2025C Bonds including, but not limited to, underwriter's discount, fees of bond counsel, underwriter's counsel, the rating agencies, the municipal advisor, and the Trustee, bond insurance premium, printing costs, and other fees and expenses (collectively, the "Costs of Issuance").

Sources and Uses of Funds

The proceeds of the Series 2025C Bonds will be applied as follows:

Sources	**Total**
Series 2025C Bond Proceeds	
Par Amount	
[Net] Original Issue [Premium] [Discount]	
Total Bond Proceeds	
Other Sources of Funds	
Transfers from accounts related to the Refunded EADC Series 2014 Bonds	
TOTAL SOURCES	
Uses	
Deposit to the Series 2025C Project Fund	
Deposit of the Redemption Amount to the Refunding Account of the Project Fund under the EADC Trust Indenture	
Costs of Issuance	
TOTAL USES	

CERTAIN TERMS OF THE SERIES 2025C BONDS

General; Book-Entry System

The Series 2025C Bonds will be dated, will be payable in the principal amounts and on the dates, will bear interest (computed on the basis of a 360-day year and twelve 30-day months) at the rates and will be payable on the dates, at the place and in the manner described on the cover and inside cover pages. The Series 2025C Bonds will be issued in the denominations of $5,000 or any multiple of $5,000 in excess thereof ("Authorized Denominations").

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

The Series 2025C Bonds will be delivered in book-entry-only form and, when issued, registered in the name of The Depository Trust Company ("DTC"), or its nominee Cede & Co., which will act as securities depository for the Series 2025C Bonds. For information regarding the book-entry system and DTC and the replacement of Series 2025C Bonds in the event that the book-entry system is discontinued, see ***Appendix E*** - "DTC AND THE BOOK-ENTRY SYSTEM."

Redemption*

Optional Redemption. The Series 2025C Bonds maturing on or after [June 1, 2036] are subject to redemption prior to maturity at the option of the University on or after [June 1, 2035] (the "Optional Redemption Date"), in whole or in part, in principal amounts of $5,000 or any integral multiple thereof (and, if in part, the particular Series 2025C Bonds or portion thereof to be redeemed shall be selected by the University) at a price of par plus accrued interest to the redemption date. See also "CERTAIN TERMS OF SERIES 2025C BONDS – Purchase in Lieu of Redemption."

[Mandatory Sinking Fund Redemption. The Series 2025C Bonds which are being issued as term bonds maturing on June 1, _____ (the "Series 2025C Term Bonds") shall be subject to mandatory sinking fund redemption, pursuant to the terms of the Trust Agreement, at a redemption price equal to 100% of the principal amount redeemed, plus interest accrued to the redemption date, as set forth below:

On June 1	Principal Amount to be Redeemed
TOTAL	

______

†Maturity]

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* Preliminary; subject to change.

Selection of Series 2025C Bonds to be Redeemed.

Partial Redemption of Series. If less than all of the Series 2025C Bonds are to be redeemed, the particular maturities of Series 2025C Bonds to be redeemed at the option of the University will be determined by the University in its sole discretion.

Selection Provisions with respect to the Series 2025C Bonds. During any period in which ownership of the Series 2025C Bonds is determined by a book entry at a securities depository for the Series 2025C Bonds, if fewer than all of the Series 2025C Bonds of the same maturity and series and bearing the same interest rate are to be redeemed, the particular Series 2025C Bonds of such maturity and series and bearing such interest rate shall be selected in accordance with the arrangements between the University and the securities depository. See ***Appendix E*** – "DTC AND THE BOOK-ENTRY SYSTEM."

Notice of Call for Redemption; Effect. The Trustee is to cause notice of the call for redemption, identifying the Series 2025C Bonds or any portion thereof to be redeemed, to be sent by first class mail, at least 30 days prior to the redemption date, to the registered owner (initially, DTC) of the Series 2025C Bonds to be redeemed at the address shown on the Register on the 10th day preceding that mailing. Any defect in the notice or any failure to receive notice by mailing will not affect the validity of any proceedings for the redemption of any Series 2025C Bonds.

On the date designated for redemption, the Series 2025C Bonds or any portion thereof called for redemption shall become due and payable. If the Trustee holds sufficient moneys for payment of debt service and any applicable premium payable on that redemption date, interest on the Series 2025C Bonds or any portion thereof so called for redemption will cease to accrue on that date.

If at the time of the mailing of the notice of redemption of the Series 2025C Bonds there shall not have been deposited with the Trustee moneys sufficient to redeem all Series 2025C Bonds called for redemption, the notice of redemption may, at the direction of the University, specify that the redemption is contingent upon the deposit of moneys with the Trustee in an amount sufficient to pay the redemption price of all Series 2025C Bonds or any portion thereof that are to be redeemed on the applicable redemption date, and such notice shall be of no effect unless such moneys are so deposited.

So long as all of the Series 2025C Bonds are held under a book-entry system by a securities depository (such as DTC), the call notice is sent by the Trustee only to the depository or its nominee. Selection of book-entry interests in the Series 2025C Bonds called, and giving notice of the call to the owners of those interests called, is the sole responsibility of the depository and of its Participants and Indirect Participants. Any failure of the Depository to advise any Participant, or of any Participant or any Indirect Participant to notify the book-entry interest owners, of any such notice and its content or effect will not affect the validity of any proceedings for the redemption of any Series 2025C Bonds or any portion thereof. See ***Appendix E*** – "DTC AND THE BOOK-ENTRY SYSTEM."

Purchase in Lieu of Redemption

In lieu of redeeming Series 2025C Bonds as described herein under "CERTAIN TERMS OF SERIES 2025C BONDS – Redemption," the University may purchase Series 2025C Bonds on or after the Optional Redemption Date, at a purchase price equal to 100% of the principal amount purchased plus interest accrued to the purchase date. The purchase of the applicable Series 2025C Bonds will be mandatory and enforceable against the holders thereof and such holders will have no right to retain such Series 2025C Bonds. Following any such purchase, the purchased Series 2025C Bonds will be registered in the name of the University or its nominee or as otherwise directed by the University. In the case of the purchase of less than all of a maturity of the Series 2025C Bonds, the particular Series 2025C Bonds to be purchased will be selected as described herein under "CERTAIN TERMS OF SERIES 2025C BONDS – Redemption - *Selection of Series 2025C Bonds to be Redeemed*."

Notwithstanding the foregoing, no such purchase of Series 2025C Bonds shall be made unless the University shall have delivered to the Trustee concurrently with such purchase an opinion of Bond Counsel to the effect such purchase will not adversely affect the exclusion from gross income of interest on the Series 2025C Bonds for federal income tax purposes. No such purchase of Series 2025C Bonds will operate to extinguish purchased Series 2025C Bonds which will remain outstanding under the Trust Agreement. Notice of a purchase as described herein, including notice of any conditions that such purchase may be subject to, will be given to the holders at the times and in the manner set forth herein under "CERTAIN TERMS OF SERIES 2025C BONDS – Redemption - *Notice of Call for Redemption; Effect*."

SECURITY AND SOURCES OF PAYMENT

General

The Series 2025C Bonds are being issued pursuant to, and will be secured by, the Agreement. All General Receipts Obligations, including the outstanding General Receipts Bonds, the Series 2025C Bonds, and any Additional General Receipts Obligations, are and will be payable from and secured by a first pledge of and lien on the General Receipts of the University and the Bond Service Account in the Bond Service Fund.

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

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

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

General Receipts Pledged to the Series 2025C Bonds

General Receipts pledged to the security of the Series 2025C Bonds include virtually all fees, charges and other receipts of the University, excepting only receipts expressly excluded by the Agreement. Among receipts expressly excluded are State appropriations, which accounted for approximately 21.5% of the total operating and nonoperating revenues of the University in FY 2024.

The General Receipts are defined in the General Bond Resolution[11] and generally consist of all moneys received by the University including but not limited to all gross fees, deposits, charges, receipts and income from all or any part of the students of the University, whether designated as tuition, instructional fees, tuition surcharges, general fees, activity fees, health fees or other special purpose fees or otherwise designated; all gross income, revenues and receipts from the operation, ownership, or control of University Facilities; all grants, gifts, donations and pledges and receipts therefrom; and the proceeds of the sale of obligations, including proceeds of obligations issued to refund obligations previously issued, to the extent and as allocated to the payment of Bond Service Charges under the proceedings authorizing those obligations.

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

The University and the Trustee may, from time to time, enter into Supplemental Trust Agreements for the purpose of releasing specified sources or portions of General Receipts from the definition of General Receipts and the pledge and lien of the Agreement, provided that the University's independent auditors or other independent consultant certifies to the Trustee that the average of the General Receipts for the two preceding Fiscal Years, less the average of the sources or portion thereof for the two preceding Fiscal Years to be removed from General Receipts, will be, on a proforma basis for the current Fiscal Year, equal to or greater than 25 times the maximum aggregate amount required to be paid for Bond Service Charges in any subsequent Fiscal Year with respect to all Outstanding Bonds.

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

[11] See ***Appendix F*** – "ADDITIONAL DEFINITIONS."

General Receipts for the five most recent Fiscal Years for which Audited Financial Statements are available were as follows:

General Receipts
(Dollars in Thousands)

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Instructional Fee, Tuition and Surcharges	$157,515	$161,585	$163,800	$161,317	$162,246
General Fees	18,927	20,781	29,258	33,893	30,393
Auxiliary Enterprises	17,271	10,294	18,705	20,583	19,883
Other General Income	8,831	19,983	(2,674)	3,026	16,959
TOTAL	$202,544	$212,643	$209,088	$218,820	$229,481

Source: The University's Audited Financial Statements for FY 2020 - FY 2024.

The fees and surcharges charged by the University, including the general fees, are subject to change from time to time by action of the Board of Trustees. Past and current State appropriation acts have prohibited or limited the amount of the increase in the instructional and general fees for Ohio undergraduate students at the State's public institutions of higher education. (See ***Appendix A*** - "THE UNIVERSITY - STUDENT FEES AND CHARGES" for additional information regarding the instructional fee, tuition, and surcharges component of the General Receipts.)

Covenant as to Sufficiency of General Receipts

The General Receipts Bonds are further secured by the University's covenant in the Trust Agreement that so long as any General Receipts Bonds are outstanding under the Trust Agreement the University will fix, make, adjust and collect fees, rates, rentals, charges, and other items comprising General Receipts, as will produce at all times General Receipts at least sufficient to pay Bond Service Charges payable from General Receipts when due, establish and maintain any required reserve provided for in any applicable Bond proceedings, and satisfy all other requirements of the Bond proceedings and, together with other moneys lawfully available for the purpose, to pay all other costs and expenses necessary for the proper maintenance and successful and continuous operation of the University (referred to herein as the "Rate Covenant").

Municipal Bond Insurance Policy

The scheduled payment of principal of and interest on the Series 2025C Bonds when due will be guaranteed under the Policy to be issued concurrently with the delivery of the Series 2025C Bonds by BAM. See ***Appendix G*** - "BOND INSURANCE" and ***Appendix H*** - "SPECIMEN BOND INSURANCE POLICY."

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Annual Debt Service Charges With Respect to General Receipts Obligations*

The annual Debt Service Charges with respect to General Receipts Obligations as of the Date of Issuance are as follows:

		Series 2025C Bonds			
Fiscal Year	Debt Service Charges on the Outstanding Prior General Receipts Obligations[(a)]	Principal	Interest	Total Debt Service Charges	Total Debt Service Charges
2026	$13,014,550				
2027	13,297,773				
2028	13,502,522				
2029	13,735,025				
2030	13,973,597				
2031	14,207,864				
2032	14,431,020				
2033	14,685,648				
2034	12,790,662				
2035	11,173,049				
2036	11,171,624				
2037	11,167,527				
2038	11,175,001				
2039	11,171,443				
2040	405,486				
2041	386,334				
2042	307,315				
TOTALS	$180,596,434				

NOTES TO TABLE: Amounts include applicable mandatory sinking fund redemption requirements with respect to term bonds. Some totals do not foot due to the rounding of the annual amounts.

[(a)] "Outstanding Prior General Receipts Obligations" refers to the outstanding General Receipts Obligations as of the Date of Issuance, with the exception of the Series 2025C Bonds. See ***Appendix A*** - "THE UNIVERSITY - FINANCIAL OPERATIONS AND RESULTS - Outstanding Obligations of the University – *Outstanding General Receipts Obligations*."

[[(b)][Represents the maximum annual Debt Service Charges with respect to the General Receipts Obligations as of the Date of Issuance.]

[Remainder of page intentionally left blank]

* Preliminary; subject to change.

Debt Service Coverage With Respect to Outstanding General Receipts Obligations*

As of the Date of Issuance, the maximum annual Debt Service Charges with respect to General Receipts Obligations will be $__________ (in Fiscal Year _____). The University's FY 2024 General Receipts in the approximate amount of $229,481,000 would be more than _____ times such maximum annual Debt Service Charges with respect to General Receipts Obligations.[12]

THE AGREEMENT

General

The following is a summary of certain provisions of the Agreement and does not purport to be complete. Certain other provisions relating to the General Receipts Obligations have been included in the various supplemental trust agreements delivered in connection with the outstanding General Receipts Obligations, which are not summarized in this Official Statement.

The Trust Agreement, as to be supplemented by the Fourteenth Supplemental Trust Agreement for the Series 2025C Bonds, contains provisions, among others, as to Special Funds; Bond authentication, registration, transfer, exchange and replacement; redemption; events of default and remedies; duties of the Trustee (and any successor); supplemental trust agreements; and defeasance. Certain provisions of the Agreement as to University budgeting requirements, Special Funds, University covenants, events of default and remedies, enforcement by mandamus, defeasance, non-presentment of Bonds, supplemental trust agreements, Additional Obligations, annual reports and records, and the Trustee are summarized below.

Additionally, BAM requires that certain provisions be included in certain documents with respect to the Series 2025C Bonds before it will issue the Policy guaranteeing the scheduled payment of the principal of and interest on such Series 2025C Bonds when due. Certain of these provisions may limit the rights of the holders of the Series 2025C Bonds. These provisions include, but are not limited to, the provisions discussed in ***Appendix I*** – "BOND INSURER DOCUMENT PROVISIONS."

University Budgeting Requirements

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

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* Preliminary; subject to change.

[12] This calculation is provided for reference only. See "THE AGREEMENT - Additional Obligations" for a description of the Additional Obligations Test required for the issuance of additional Obligations under the Trust Agreement.

Pledge of General Receipts to Obligations

The Agreement permits the University to pledge the General Receipts to the payment of "Obligations" and to the payment of "Debt Service Charges" on Obligations on a parity with the pledge given to secure payment of the General Receipts Bonds (for purpose of this Official Statement, "General Receipts Obligations"). "Obligations" consist of the General Receipts Bonds and any other bonds, or notes or other evidences of obligations authorized to be issued under applicable provisions of the Revised Code. "Debt Service Charges" consist of principal, including any mandatory sinking fund or redemption requirements for the retirement of Obligations, interest or interest equivalent and other accreted amounts and any call premium required to be paid on Obligations. Interest or interest equivalent means those payments or portion of payments, however denominated, that constitute or represent consideration for forbearing the collection of money, or for deferring the receipt of payment of money to a future time.

Special Funds

Bond Service Fund. The General Receipts Bond Service Fund (the "Bond Service Fund") is held by the Trustee and the moneys and investments in it are pledged to and are to be applied exclusively to the payment of Bond Service Charges. The General Bond Resolution establishes the Bond Service Account, as an account of the Bond Service Fund, and permits other accounts to be established as special accounts within the Bond Service Fund as may be provided in any Series Resolution in connection with the issuance of Additional Bonds and in certain other circumstances. Other accounts may include a bond service reserve for one or more series of bonds. There is no bond service reserve for the Series 2025C Bonds or any of the Outstanding Bonds.

The Bond Service Account is pledged to, and is to be used solely for, the payment of Bond Service Charges as they fall due upon stated maturity or by operation of mandatory redemption requirements. At least one business day (unless a different period is provided for a particular Series of Bonds) prior to any date upon which any Bond Service Charges fall due, the University is to pay to the Trustee from its General Receipts amounts to the credit of the Bond Service Account which, together with other available moneys in that Account, are sufficient to pay the Bond Service Charges then coming due.

Moneys in the Bond Service Fund may be invested and reinvested by the Trustee in any Eligible Investments, as defined in the General Bond Resolution.

2025C Issuance Expense Fund. The 2025C Issuance Expense Fund shall be established by the Trustee as a separate deposit account. Amounts in the 2025C Issuance Expense Fund shall be used to pay costs of issuance of the Series 2025C Bonds. Any balance remaining in the 2025C Issuance Expense Fund after the payment of all costs of issuance described in the Closing Memorandum shall be deposited in the Bond Service Account and used to pay Bond Service Charges on the Series 2025C Bonds. Any money in the 2025C Issuance Expense Fund shall be uninvested in cash, without liability for interest.

Covenants of the University

In the General Bond Resolution, the University covenants, among other things:

(a) To pay, or cause to be paid, the Bond Service Charges on each and all Bonds on the dates, at the places and in the manner provided in the Agreement and in the General Receipts Bonds;

(b) To fix, make, adjust and collect fees, rates, rentals and charges and other items of General Receipts as will produce at all times General Receipts at least sufficient to pay Bond Service Charges when due and to satisfy all other requirements with respect to the General Receipts Bonds and, together with other money lawfully available for the purpose, to pay all costs and expenses required to be paid under the Bond proceedings and all other costs and expenses for the proper maintenance and successful and continuous operation of the University;

(c) Not to make any pledge or assignment of or create or suffer any lien or encumbrance upon the Bond Service Fund or General Receipts prior to or on a parity with the pledge under the Agreement, except as provided in the Agreement, or to remove specified sources or portions of General Receipts from the pledge and lien of the Agreement; and

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

See also the discussions under the caption "SECURITY AND SOURCES OF PAYMENT - Covenant as to the Sufficiency of General Receipts."

Events of Default and Remedies

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

(a) Failure to pay any interest on any Bond, when and as the same shall have become due and payable;

(b) Failure to pay the principal of or any redemption premium on any Bond, when and as the same shall have become due and payable, whether at maturity or by acceleration or by call for redemption; and

(c) Failure to perform or observe duly or punctually any other covenant, condition or agreement contained in the General Receipts Bonds or the Agreement and to be performed by the University, which failure shall have continued for a period of 60 days after written notice, specifying the default and requiring the default to be remedied given to the University by the Trustee or the holders of not less than 25% in aggregate principal amount of the affected Bonds then outstanding.

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

Upon the happening and continuance of any Event of Default, the Trustee may, and shall, upon the written request of the holders of at least 25% in aggregate principal amount of Bonds then outstanding, and with written notice to the University, declare the principal of all Bonds then outstanding (if not then due and payable) and the interest accrued on those Bonds to be due and payable immediately, and, upon such declaration, that principal and interest shall become and be immediately due and payable.

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

The holders of not less than a majority in aggregate principal amount of the General Receipts Bonds then outstanding shall have the right to direct the method and place of conducting remedial proceedings pursuant to, and as provided in, the Agreement.

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

Before taking remedial action the Trustee may require that a satisfactory indemnity bond be provided for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence, bad faith or willful default, by reason of any action so taken. The Trustee may act without such indemnity, in which case its expenses are to be reimbursed by the University from available General Receipts.

The holders of the General Receipts Bonds shall not be entitled to enforce the provisions of the Agreement or to institute, appear in or defend any suit, action or proceeding to enforce any rights, remedies or covenants granted or contained in the Agreement or to take any action with respect to any Event of Default under the Agreement, except as provided in the Agreement.

Enforcement by Mandamus

The Act establishes that the duties of the University, of the Board of Trustees and its members, and of University officers and employees provided for by the Agreement, the General Receipts Bonds and other resolutions and agreements regarding the issuance, sale and security of the General Receipts Bonds, are duties enforceable by mandamus, and a covenant for that enforcement is contained in the Agreement.

Defeasance

If there is paid or caused to be paid all Bond Service Charges due or to become due on the General Receipts Bonds and provision is made for paying all other sums payable under the Agreement by the University, then and in that event the Agreement (with certain exceptions) shall cease, terminate and become null and void, and the covenants, agreements and other obligations of the University under it shall be discharged and satisfied. Thereupon the Trustee is to assign and deliver to the University any moneys, investments and Special Funds and Accounts, at the time subject to the lien of the Agreement which may then be in its possession except such held for the payment of Bond Service Charges (subject to the provisions for unclaimed moneys described below).

All Bond Service Charges due on Bonds then outstanding will be deemed to have been paid or caused to be paid for purposes of defeasance if:

(a) The Trustee holds, in trust for and irrevocably committed thereto, sufficient moneys, or

(b) The Trustee holds, in trust for and irrevocably committed thereto, Federal Securities (as defined below) certified by an independent public accounting firm of national reputation to be payable in such amounts and on such dates as will, without further investment or reinvestment of either principal or investment earnings (likewise to be held in trust and committed, except as described below), be sufficient together with moneys referred to in (a) above,

for the payment at their maturity or redemption date of all Bond Service Charges to the date of maturity or redemption, as the case may be; provided, that if any Bonds are to be redeemed prior to maturity, notice of redemption has been given or provision satisfactory to the Trustee has been made for the giving of that notice.

Any moneys held in cash by the Trustee in accordance with these provisions shall be invested only in Federal Securities, as defined below, of which the maturities or redemption dates (at the option of the holder) coincide as nearly as practicable with, but no later than, the time or times at which the moneys will be required for these purposes. Any income or interest earned by, or increment to, those investments shall, to the extent not required for the applicable purposes, be transferred to the University free of any trust or lien.

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

If the Agreement is satisfied and discharged in accordance with the terms described above, all Bonds then outstanding will cease to be entitled to any lien, benefit or security of the Agreement except the right to receive the funds held by the Trustee pursuant to the provisions for unclaimed money described below), and will be deemed not to be outstanding under the Agreement. It is the duty of the Trustee, any other paying agents, and the University to so hold those funds for the benefit of the holders of the General Receipts Bonds.

The Agreement also may be satisfied only as to any series of Bonds, or only as to certain of the General Receipts Bonds of any series, as specified by the University, upon deposit by the University with the Trustee of sufficient moneys or Federal Securities satisfying the requirements of clauses (a) or (b), above, with respect to the Bond Service Charges on that series of Bonds or certain bonds of any series, and notification to the holders of the affected Bonds.

Supplemental Trust Agreements

The Trustee and the University may without consent of or notice to any of the holders enter into agreements supplemental to the Trust Agreement ("Supplemental Trust Agreements") which are not, in the opinion of the University and the Trustee, inconsistent with the terms and provisions of the Agreement for any one or more of the following purposes: (i) to cure ambiguity, inconsistency or formal defect or omission in the Agreement; (ii) to grant or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authority that may be lawfully granted to or conferred upon the Bondholders or the Trustee; (iii) to subject additional revenues or receipts to the lien and pledge of the Agreement; (iv) to add to the covenants and agreements of the University contained in the Agreement other covenants and agreements thereafter to be observed for the protection of the holders, or to surrender or limit any right, power or authority reserved to or conferred upon the University in the Agreement, including the limitation of rights of redemption so that in certain instances Bonds of different series will be redeemed in some prescribed relationship to one another; (v) to evidence any succession to the University and the assumption by the successor of the covenants and agreements of the University contained in the agreement; (vi) in connection with the issuance of Additional Bonds in accordance with the provisions of the Agreement; (vii) to permit compliance with changes in federal or state securities or tax laws or regulations; (viii) to permit the exchange of Bonds, at the option of the holders, for coupon Bonds payable to bearer, in an aggregate principal amount not exceeding the unmatured and unredeemed principal amount of the predecessor Bonds, bearing interest at the same rate or rates and maturing on the same date or dates, with coupons attached representing all unpaid interest due or to become due on the predecessor Bonds if, in the opinion of nationally recognized bond counsel selected by the University, that exchange would not result in the interest on any of the General Receipts Bonds outstanding being included in gross income for federal income tax purposes; (ix) to permit the Trustee to comply with any obligations imposed upon it by law, (x) to specify further the duties and responsibilities of, and to define further the relationship among, the Trustee and any Authenticating Agent or Paying Agent; (xi) to release specified sources or portions of General Receipts from the pledge and lien of the Agreement within certain limitations set forth in the Agreement and (xii) to permit any other amendment which, in the opinion of the Trustee, is not to the prejudice of the Trustee or the holders.

Exclusive of Supplemental Trust Agreements referred to above, the holders of not less than a majority in aggregate principal amount of the General Receipts Bonds then outstanding must consent to and approve of the execution by the University and the Trustee of any other Supplemental Trust Agreements. However, no Supplemental Trust Agreement shall permit, or be construed as permitting (i) an extension of the maturity of the principal of or the interest on any Bond, or a reduction in the principal amount of or the rate of interest or redemption premium on any Bond, or a reduction in the amount or extension of the time of any payment required by any mandatory sinking fund requirements, without the consent of the holder of each Bond so affected, or (ii) a reduction in the aggregate principal amount of the General Receipts Bonds required for consent to that Supplemental Trust Agreement without the consent of the holders of all Bonds then outstanding.

Additional Obligations

The Agreement currently permits the issuance or incurrence of additional Obligations (including the issuance of Additional General Receipts Bonds under the Trust Agreement) upon satisfaction of the following conditions:

(a) The University is not in default of any covenants or obligations of the University under the Trust Agreement, and the issuance or incurrence of the additional Obligations will not result in any such default.

(b) The General Receipts for any 12 consecutive months in the 18 months immediately preceding the issuance or incurrence of the additional Obligations were at least two times the maximum Annual Debt Service Requirements for the current or any subsequent Fiscal Year with respect to all Obligations to be Outstanding after delivery of the additional Obligations (the "Additional Obligations Test").

Calculation of Debt Service Requirements

In computing the coverage of maximum Annual Debt Service Requirements by the General Receipts for purposes of issuing or incurring additional Obligations:

(a) any Obligations that are or are to be issued bearing interest at a variable rate shall be assumed to bear interest as follows:

(i) with respect to any Outstanding Obligations bearing interest at a variable rate, the rate of interest on the Obligations shall be deemed to be the average rate of interest borne by those variable rate Obligations during the preceding twelve (12) months or such shorter period of time that those variable rate Obligations have been Outstanding; or

(ii) with respect to any proposed additional Obligations bearing interest at a variable rate, the rate of interest on the Obligations shall be the rate identified in a certificate of an underwriting or financial advisory firm selected by the Fiscal Officer to be a rate the Obligations may reasonably be anticipated to bear upon issuance, taking into account other variable rate indebtedness with comparable terms and credit quality; or

(iii) if the University has entered into an interest rate exchange or hedge arrangement with respect to Obligations under which the University will make fixed interest rate payments in exchange for a counterparty making variable rate payments, then, at the election of the Fiscal Officer, the Obligations may be assumed to bear interest at the fixed rate of interest simulated by the hedge arrangement for purposes of the calculation of Annual Debt Service Requirements, in lieu of the rate determined under subparagraph (a)(i) or (a)(ii) for the period of the hedge arrangement, so long as the counterparty to the hedge arrangement is not in default of its obligations thereunder.

(b) Any Obligations 20% or more of the principal of which is payable in a single year, or 20% or more of the principal of which may be tendered by the holder for purchase by the University, shall be assumed to be indebtedness which is payable (without regard to tenders) over a thirty (30) year term from the date of its original incurrence, with level annual debt service based on a rate of interest equal to the Revenue Bond Index as most recently published prior to the date of calculation, as specified in a certificate of the Fiscal Officer. If a Revenue Bond Index is not available or is not appropriate for the purpose of this calculation, as certified by the Fiscal Officer, a rate of interest may be assumed for purposes of this calculation that is identified in a certificate of an underwriting or financial advisory firm selected by the Fiscal Officer to be an interest rate indebtedness having comparable terms, security and federal income tax status amortized on a level debt service basis over a period of 30 years and issued or incurred by similar issuers of comparable credit standing would be marketable.

(c) The University may subtract from the amount of principal of Obligations included in the calculation an amount equal to any debt service reserve funds or other escrowed funds or grants which are available and are to be applied to pay the principal of those Obligations.

(d) The University may subtract from the amount of interest on Obligations included in the calculation any interest that is to be paid from the proceeds of the Obligations or other funds held in escrow and to be applied to pay the interest on the Obligations in the year such interest is due.

(e) Payments owed under interest rate exchange or hedge arrangements and received in any Fiscal Year or other 12-month period may, at the option of the University, be netted against each other for purposes of calculating Annual Debt Service Requirements.

(f) Non-scheduled termination or similar payments on interest rate exchange or hedge arrangements, payments due on optional redemptions, payments due on tenders of Obligations for purchase or retirement (other than scheduled mandatory sinking fund payments), payments due as a result of acceleration following default and similar, non-scheduled payments which come due or may become due on any Obligations shall not be treated as debt service for purpose of the calculation of Annual Debt Service Requirements.

(g) Payments required to be made in any Fiscal Year subsequent to delivery of the additional Obligations in respect of Obligations which are to be or have been refunded shall be excluded from the Annual Debt Service Requirement to be paid in any subsequent Fiscal Year.

(h) In no event shall the obligations of the University with respect to any Obligations be counted more than once in making the foregoing calculations.

Subordinate Obligations

The University may issue or incur Obligations not secured by a pledge of the General Receipts or secured by a pledge subordinate to the pledge given as security for the General Receipts Bonds and parity Obligations. The instruments securing any Obligations secured by a subordinate pledge of the General Receipts shall provide that no Debt Service Charges shall be paid or funded from the General Receipts during any period in which all amounts then required to be paid or funded in respect of General Receipts Bonds or other parity General Receipts Obligations have not been paid or funded.

Annual Reports and Records

The University is to submit to the Trustee and any Bondholder requesting (at the Bondholder's expense) an annual report showing the financial operations of the University during the preceding Fiscal Year, which may be in the form submitted to the Ohio Chancellor of Higher Education or other State officials, and also showing the status of the Bond Service Fund at the end of the Fiscal Year and the receipts to and payments from that Fund during the Fiscal Year, and to the Trustee such other data as the Trustee may reasonably deem to be relevant and request in writing.

The Trustee or the holders of 25% or more in aggregate principal amount of all outstanding Bonds shall have the right at all reasonable times to inspect any records, books, documents, and Special Funds and Accounts of the University, relating to the University's responsibilities under the Agreement.

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RISK FACTORS

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

Operating Deficits

As set forth under "FINANCIAL OPERATIONS AND RESULTS – Recent Financial Planning Initiatives" and "– Current Financial Overview" in ***Appendix A*** hereto, the University has undertaken various measures to address operating deficits and ongoing budget challenges. During FY 2024 and FY 2025, a total amount of $15,790,495 was charged against the University's unrestricted reserves to pay expenses related to a Voluntary Separation Incentive Plan (the "VSIP"), which was implemented to reduce future operating expenses. The Board of Trustees approved a balanced FY 2026 budget in July 2025.

Acceleration (EADC Series 2014 Bonds)

As set forth in the FY 2024 Audit Reports attached hereto as ***Appendix B***, since Fenn Tower is not currently a revenue producing facility, pursuant to the EADC Series 2014 Trust Indenture and the EADC Series 2014 Loan Agreement, EADC is in nonmonetary default on the EADC Series 2014 Bonds, a portion of the proceeds of which were used to refinance the EADC Series 2005 Facilities (Fenn Tower). As a result, pursuant to the EADC 2014 Trust Indenture, the Trustee may declare and/or the holders may request an acceleration of the outstanding principal amount, limited to the EADC Series 2014 Bonds, to be paid immediately. To date EADC has not received a notice of an event of default from the holders. The entire remaining outstanding principal amount of the EADC Series 2014 Bonds is expected to be refunded with a portion of the proceeds of the Series 2025C Bonds and redeemed on the Redemption Date. Upon such redemption, the EADC 2014 Trust Indenture will be released, pursuant to the terms thereof.

The Improvement Portion of the proceeds of the Series 2025C Bonds will be used to complete the Series 2025C Project and reopen Fenn Tower as a revenue producing facility. See "PLAN OF FINANCING -Series 2025C Project" and "- Plan of Refunding" herein.

University Direct and Contingent Support With Respect to the EADC Facilities

Certain University Direct Support Agreements, consisting of certain leases related to the projects financed or refinanced with the proceeds of the EADC Bonds, provide for the maintenance of a Fixed Charges Coverage Ratio of at least 1.2:1.0, with respect to the Outstanding EADC Bonds under the EADC Trust Indenture. If such Fixed Charges Coverage Ratio is not satisfied in any Fiscal Year, based upon the financial statements of EADC, the University has covenanted and agreed to make payments to EADC in the amount required to satisfy such Ratio (an "FCC

Payment") from the applicable Project Revenues on a pro rata basis and/or the University's General Receipts, as needed, subject to appropriation and subordinate to current and future pledges thereof.[13] The University made FCC Payments in the amounts of $936,905 in FY 2020, $1,950,000 in FY 2021, and $1,000,000 in FY 2024. See ***Appendix A*** – "THE UNIVERSITY – FINANCIAL OPERATIONS AND RESULTS – Subordinate Obligations – *Lease Obligations*" and "-*University Contingent Support*" for additional information regarding the EADC Bonds which will remain outstanding following the refunding and redemption of the Refunded EADC Series 2014 Bonds.

Uncertainties of Federal Legislation and Policy

The University continues to monitor developments involving the federal government. Federal policies and priorities involving higher education (including research funding, tuition assistance and accreditation standards); appropriations and government contracts and grants, borrowing (including the debt ceiling); trade (including tariffs on materials used in new construction); immigration (and its impact on foreign students, faculty and employees); diversity, equity and inclusion; clean energy; civil rights and free speech violations, and other topics can shift, sometimes dramatically, from one presidential administration or Congress to another. From time to time, such shifts can result in reductions to the level of federal funding to the University for a variety of policy priorities, including education, research and other federally funded programs, leading to unpredictability. Recently, several such policy shifts have been proposed or promulgated through presidential executive orders and other official and unofficial actions at the federal level, including proposed delays, reductions, freezes, reallocations and potential eliminations in grants, federal funding and other appropriations and financial assistance, the substantial reduction or elimination of federal agencies (including the U.S. Department of Education), accreditation standards, new or increased tariffs, immigration actions, the elimination of existing tax credits, curtailment of tax-exempt bond financing (which could be retroactive), increases or changes to endowment taxation requirements, reduced funding for financial aid programs, and audits, investigations and enforcement actions by federal agencies.

The University cannot predict the outcome of such proposals and other actions, nor the potential impacts of any future changes in federal policy. However, any such future changes could have adverse effects on University revenues, operation and maintenance costs, or capital funding requirements, which could be material.

Tax Legislation

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

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[13] The University Support Agreements and the leases with respect to the EADC Housing Facilities and the EADC Retail Facilities will be amended or further amended (as applicable) to provide additional clarification regarding the historical calculation of the Fixed Charges Coverage Ratio by the University and EADC.

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

Recent State Legislation Related to Higher Education

The Ohio General Assembly recently approved Substitute Senate Bill 1 ("SB1"), which became effective on June 26, 2025, and requires State institutions of higher education, including the University, to undertake a number of actions, including, eliminating diversity, equity, and inclusion (DEI) programs and other related or similar aspects of their operations, complying with new course requirements, modifying duties of members of a board of trustees, responsibilities and maximum terms of office for members of a board of trustees, and providing new reporting, among other provisions. The University continues to analyze the provisions of SB1 and the potential impacts, if any, such legislation may have on the University, including impacts on enrollment, faculty recruitment, and administrative costs and potential reductions in financial support from the State, none of which can be quantified at this time.

Cybersecurity

The University, like most other higher educational institutions, relies on a complex technology environment to conduct its operations. The University acknowledges the pervasive nature of cyber threats in modern governance, including hacking, malware, and other malicious attacks on its digital infrastructure. While the University strives to implement robust security measures, it cannot guarantee absolute protection against cyber-attacks, and the consequences of any successful breach could be significant, impacting its operations and incurring substantial costs for remediation. To fortify its defenses, the University has adopted a multifaceted approach to cybersecurity, which includes both proactive measures and risk management strategies. All physical data centers are protected by RFID access cards, ensuring only authorized personnel can enter. Network security is reinforced with a 24/7 monitored Security Operations Center, EntraID with MFA and conditional access, Cisco FirePower application-level firewalls, DNSsec, EDR, XDR, Microsoft Defender for Identity, Security Incident and Event Monitoring (Splunk), improved anti-phishing training and email security for advanced threat detection scanning/blocking, and tenable vulnerability management proactively identify and mitigate risks. Additionally, the University recently appointed a dedicated Chief Information Security Officer to improve the cybersecurity posture, uphold comprehensive policies, procedures, and playbooks for all foreseeable threats, and rigorously test controls through tabletop exercises, ensuring preparedness and resilience against evolving cybersecurity challenges and hired a Senior Director to manage non-security infrastructure matters. A formal schedule was adopted to present cybersecurity information to the Board of Trustees on an annual basis, beginning in November 2024. This schedule has recently been modified to present such cybersecurity information semi-annually, beginning in January 2026. While the University cannot eliminate all cyber risks, it seeks to protect the interests of its constituents and stakeholders by safeguarding its digital assets and maintaining a resilient cybersecurity posture with a proactive approach, collaborative leadership, and comprehensive security measures. See "FINANCIAL OPERATIONS AND RESULTS – Insurance Coverage – Other Insurance" for information regarding the University's cybersecurity insurance coverage.

Competition

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

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

Risks Associated with Bond Insurance

The scheduled payment of principal of and interest on the Series 2025C Bonds when due will be guaranteed under the Policy to be issued concurrently with the delivery of the Series 2025C Bonds by BAM. See ***Appendix G*** – "BOND INSURANCE," ***Appendix H*** – "SPECIMEN BOND INSURANCE POLICY" and ***Appendix I*** – "DOCUMENT PROVISIONS RELATED TO THE POLICY" hereto. In connection therewith:

(a) BAM may direct, and must consent to, any remedies that are exercised and BAM's consent may be required in connection with amendments to the Trust Agreement.

(b) In the event BAM is unable to make payment of principal and interest as such payments become due under the Policy, the Series 2025C Bonds will be payable solely from the moneys received by the Trustee pursuant to the Trust Agreement. In the event BAM becomes obligated to make payments with respect to the Series 2025C Bonds, no assurance is given that such event will not adversely affect the market price of the Series 2025C Bonds or the marketability (liquidity) of the Series 2025C Bonds.

(c) The long-term ratings on the Series 2025C Bonds are dependent in part on the financial strength of BAM and its claims paying ability. BAM's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of BAM and of the ratings on the

Series 2025C Bonds will not be subject to downgrade and such event could adversely affect the market price or the marketability (liquidity) of such Series 2025C Bonds.

(d) In an event of default by BAM, the remedies available with respect to the payment obligations thereof related to the Series 2025C Bonds may be limited by applicable bankruptcy law or other similar laws related to insolvency.

(e) None of the University, Bond Counsel, the Municipal Advisor, the Underwriter nor any of their counsel, will make any independent investigation of the claims paying ability of BAM, and no assurance or representation regarding the financial strength or projected financial strength of BAM will be given. Thus, when making an investment decision, potential investors should carefully consider the ability of the University to pay principal and interest with respect to the Series 2025C Bonds and the claims paying ability of BAM, particularly over the life of the investment.

Other Risk Factors

Other factors that may also adversely affect the operations of the University, although the extent cannot be presently determined, include, among others[14]: (1) changes in the demand for higher education in general or for programs offered by the University in particular; (2) a decrease in availability of student loan funds or other student financial aid; (3) reductions in funding support from donors or other external sources; (4) a decline in research funding, including research funding from the U.S. government; (5) risks relating to expansions or construction projects undertaken by the University; (6) an increase in the costs of health care benefits, retirement plan or other benefit packages offered by the University to its employees and retirees; (7) a significant decline in the University's investments based on market or other external factors; (8) cost and availability of energy; (9) high interest rates, which could strain cash flow or prevent borrowing for needed capital expenditures; (10) an increase in the cost of any outstanding variable rate debt; (11) risks associated with any interest rate hedges, including basis risk, obligations to post collateral or counterparty risk; (12) increased costs and decreased availability of public liability insurance; (13) litigation; (14) employee strikes and other labor actions that could result in a substantial reduction in revenues without corresponding decreases in costs; (15) natural disasters, which might damage the University's facilities, interrupt service to its facilities or otherwise impair the operation of the facilities; (16) changes in the legal or political environment that could impact international students attending the University; (17) damages, penalties or other liability associated with cybersecurity or data breaches; (18) decrease in financial support from the State whether through decreased appropriations or otherwise; (19) developments in connection with name, image and likeness for collegiate athletics, employment status of student athletes, and other changes in college athletics; and (20) the elimination or modification of, or reduction in, government funded or financially assisted programs, projects, grants, contracts or activities, including those funded or financially assisted by the U.S. government that may be affected by changes in governmental policy or decision-making.

[14] Additional information regarding matters related to the federal government and cybersecurity, referred to generally below, is provided under the subheadings "Uncertainties of Federal Legislation and Policy" and "Cybersecurity" in this section.

It is possible under certain market conditions, or if the financial condition of the University should change, that the market price of the Series 2025C Bonds could be adversely affected. If the rating on the Series 2025C Bonds is changed, it is possible that the market price of the Series 2025C Bonds could be adversely affected.

TRUSTEE

The Trustee, U.S. Bank Trust Company, National Association, acting through its St. Paul, Minnesota, corporate trust office, is a national bank organized and existing under the laws of the United States, and is authorized to exercise corporate trust powers in the State of Ohio and regularly acts as trustee for revenue bond issues of Ohio issuers.

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

The Trustee is entitled to act upon opinions of counsel as provided in the Agreement, and is not responsible for any loss or damage resulting from good faith reliance on those opinions of counsel. The Trustee is also entitled to rely on certain instruments, and is not liable for any action reasonably taken or omitted to be taken by it in good faith and reasonably believed by it to be within the discretion conferred upon it by the Agreement.

The Trustee may be removed at any time by (i) an instrument or concurrent instruments in writing delivered to the Trustee and to the University and signed by or on behalf of the holders of not less than a majority in aggregate principal amount of General Receipts Bonds then outstanding, or (ii) so long as there is no event of default which has occurred and is continuing, by written notice of the University delivered to the Trustee not less than 60 days before the removal is to take effect.

The Trustee has provided the following sentence for inclusion in this Official Statement: U.S. Bank Trust Company, National Association, by acceptance of its duties as Trustee under the Trust Agreement, has not reviewed this Official Statement and has made no representations as to the information contained herein, including but not limited to, any representations as to the financial feasibility or related activities.

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TAX MATTERS

State Tax Matters

In the opinion of Bond Counsel, under existing law interest on and any profit made on the sale, exchange, or other disposition of the Series 2025C Bonds, are exempt from all Ohio state and local taxation, except the estate tax, the domestic insurance company tax, the dealers in intangibles tax, the tax levied on the basis of the total equity capital of financial institutions, and the net worth base of the corporate franchise tax.

Federal Income Tax Matters

Introduction

The following is a summary of the principal federal income tax consequences relating to the acquisition, ownership and disposition of the Series 2025C Bonds for certain Holders. It does not provide a complete analysis of all potential tax considerations relating to the acquisition, ownership and disposition of the Series 2025C Bonds. This summary is based on the tax laws of the United States, including the current provisions of the Code, its legislative history, current final, temporary and proposed Treasury regulations thereunder, published rulings and pronouncements of the IRS and court decisions, all as currently in effect and all of which are subject to change at any time, possibly with retroactive effect, so as to result in federal income tax consequences different from those described below. There can be no assurance that the IRS will not take a contrary view or that a court would not sustain a contrary view, and no ruling from the IRS has been, or is expected to be, sought on the issues discussed herein. Legislative, judicial or administrative changes or interpretations may occur that could alter or modify the statements and conclusions set forth herein. Any such changes or interpretations may or may not be retroactive and could affect the tax consequences discussed below.

THE FEDERAL INCOME TAX DISCUSSION THAT APPEARS BELOW IS INCLUDED IN THIS OFFICIAL STATEMENT FOR THE GENERAL INFORMATION OF A PROSPECTIVE PURCHASER. SOME OR ALL OF THE DISCUSSION MAY NOT APPLY TO A PARTICULAR PURCHASER DEPENDING UPON THE PARTICULAR SITUATION OF THAT PURCHASER. EACH PROSPECTIVE PURCHASER SHOULD SEEK ADVICE BASED ON THE PROSPECTIVE PURCHASER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR. THIS SUMMARY DOES NOT ADDRESS FEDERAL GIFT, GENERATION SKIPPING OR ESTATE TAX CONSEQUENCES OR ALTERNATIVE MINIMUM, FOREIGN, STATE, LOCAL OR OTHER TAX CONSEQUENCES. BECAUSE INDIVIDUAL CIRCUMSTANCES MAY DIFFER, EACH PROSPECTIVE PURCHASER CONSIDERING THE PURCHASE OF SERIES 2025C BONDS SHOULD CONSULT ITS OWN TAX ADVISOR CONCERNING THESE MATTERS AND CONCERNING THE TAX TREATMENT OF SERIES 2025C BONDS UNDER STATE AND LOCAL TAX LAWS AND REGULATIONS AND THE POSSIBLE EFFECTS OF CHANGES IN FEDERAL OR OTHER TAX LAWS AFFECTING THE ACQUISITION, OWNERSHIP AND DISPOSITION OF THE SERIES 2025C BONDS.

General

In the opinion of Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming continuing compliance with certain covenants made by the University: (i) interest on the Series 2025C Bonds will be excludible from gross income of the holders thereof for purposes of federal income taxation, and (ii) interest on the Series 2025C Bonds is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals, all subject to the qualifications described in this section.

The University has not designated the Series 2025C Bonds as "qualified tax exempt obligations" within the meaning of Section 265(b)(3) of the Code.

A copy of the opinion of Bond Counsel with respect to the Series 2025C Bonds is set forth in ***Appendix C***, attached hereto.

The Code imposes various restrictions, conditions, and requirements relating to the exclusion from gross income for Federal income tax purposes of interest on obligations such as the Series 2025C Bonds. The University has covenanted to comply with certain restrictions designed to ensure that interest on the Series 2025C Bonds will not be includible in gross income for Federal income tax purposes. Failure to comply with these covenants could result in interest on the Series 2025C Bonds being includible in income for Federal income tax purposes and such inclusion could be required retroactively to the Date of Issuance. The opinion of Bond Counsel assumes compliance with these covenants. However, Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the Date of Issuance may adversely affect the tax status of the interest on the Series 2025C Bonds.

Certain requirements and procedures contained or referred to in the Resolutions, the Trust Indenture, and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Series 2025C Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any Series 2025C Bonds or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of bond counsel other than McDonald Hopkins LLC.

Although Bond Counsel has rendered an opinion that interest on the Series 2025C Bonds is excludible from gross income for Federal and Ohio income tax purposes, the ownership or disposition of, or the accrual or receipt of interest on, the Series 2025C Bonds may otherwise affect a Holder's Federal, state or local tax liabilities. The nature and extent of these other tax consequences may depend upon the particular tax status of the Holder or the Holder's other items of income or deduction. Bond Counsel expresses no opinions regarding any tax consequences other than what is set forth in its opinion and each Holder or potential Holder is urged to consult with tax counsel with respect to the effects of purchasing, holding or disposing of the Series 2025C Bonds on the tax liabilities of the individual or entity.

Receipt of tax-exempt interest, ownership or disposition of the Series 2025C Bonds may result in other collateral Federal, state or local tax consequences for certain taxpayers. Such effects include, without limitation, increasing the federal tax liability of certain foreign corporations subject to the branch profits tax imposed by Section 884 of the Code, increasing the federal tax liability of certain insurance companies, under Section 832 of the Code, increasing the federal tax liability and affecting the status of certain S Corporations subject to Sections 1362 and 1375 of the Code, increasing the federal tax liability of certain individual recipients of Social Security or Railroad Retirement benefits, under Section 86 of the Code and limiting the use of the Earned Income Credit under Section 32 of the Code that might otherwise be available. Ownership of any Bonds may also result in the limitation of interest and certain other deductions for financial institutions and certain other taxpayers, pursuant to Section 265 of the Code. Finally, residence of the holder of Series 2025C Bonds in a state other than Ohio, or being subject to tax in a state other than Ohio, may result in income or other tax liabilities being imposed by such states or their political subdivisions based on the interest or other income from the Series 2025C Bonds.

Prospective purchasers of the Series 2025C Bonds are advised to consult their own tax advisors prior to any purchase of the Series 2025C Bonds as to the impact of the Code upon their acquisition, holding or disposition of the Series 2025C Bonds.

Corporate Alternative Minimum Tax

The Inflation Reduction Act of 2022 imposes a new corporate alternative minimum tax equal to 15% of the "adjusted financial statement income" of "applicable corporations" as defined in Section 59(k) of the Code; generally, corporations (as defined for federal income tax purposes, other than S corporations, regulated investment companies, and real estate investment trusts) having "average annual adjusted financial statement income" of more than $1,000,000,000 over any preceding period of three tax years (ending with a tax year that ends after December 31, 2021). The new corporate alternative minimum tax applies for tax years beginning after December 31, 2022. Interest on tax-exempt bonds, such as interest on the Series 2025C Bonds, is included (a) in average annual adjusted financial statement income for the purpose of determining whether a corporation is an "applicable corporation" and (b) in the calculation of an applicable corporation's "adjusted financial statement income" for purposes of calculating the alternative minimum tax imposed on corporations, regardless of the issue date of such tax-exempt bonds.

Original Issue Discount

Any Series 2025C Bonds that have an original yield above their interest rate, as set forth herein under "MATURITY SCHEDULE," if applicable (for purposes of this section, the "OID Bonds"), are being initially offered and sold to the public at an original issue discount ("OID") from the amounts payable at maturity thereon. OID is the excess of the stated redemption price of a bond at maturity (the face amount) over the "issue price" of such bond. The issue price is the initial offering price to the public (other than to bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of bonds of the same maturity are sold pursuant to that initial offering. For federal income tax purposes, OID on each bond will accrue over the term of the bond. The amount accrued will be based on a single rate of interest, compounded semiannually (the "yield to maturity") and, during each semi-annual period, the amount will accrue ratably on a daily basis. The OID accrued during the period that an initial purchaser of a OID Bond at its issue price owns it is added to the purchaser's tax basis for purposes of determining gain or loss at the maturity, redemption, sale or other disposition of that OID Bond. In practical effect, accrued OID is treated as stated interest, that is, excludible from gross income for federal income tax purposes.

In addition, original issue discount that accrues in each year to an owner of an OID Bond is included in the calculation of the distribution requirements of certain regulated investment companies and may result in some of the collateral federal income tax consequences discussed above. Consequently, owners of any OID Bond should be aware that the accrual of original issue discount in each year may result in an alternative minimum tax liability, additional distribution requirements or other collateral federal income tax consequences although the owner of such OID Bond has not received cash attributable to such original issue discount in such year.

Holders of OID Bonds should consult their own tax advisors as to the treatment of OID and the tax consequences of the purchase of such OID Bonds other than at the issue price during the initial public offering and as to the treatment of OID for state tax purposes.

Premium

"Acquisition Premium" is the excess of the cost of a bond over the stated redemption price of such bond. Any Series 2025C Bonds that are being sold at original yield below their interest rate, as set forth herein under "MATURITY SCHEDULES," if applicable (for purposes of this section, the "Premium Bonds"), are being initially offered and sold to the public with Acquisition Premium. For federal income tax purposes, the amount of Acquisition Premium on the Premium Bonds must be amortized and will reduce the Holder's adjusted basis in that bond. However, no amount of amortized Acquisition Premium on the Premium Bonds may be deducted in determining Holder's taxable income for federal income tax purposes. The amount of any Acquisition Premium paid on the Premium Bonds that must be amortized during any period will be based on the "constant yield" method, using the original Holder's basis in such Premium Bonds and compounding semiannually. This amount is amortized ratably over that semiannual period on a daily basis.

Please note that with respect to any Premium Bonds which are callable prior to their stated maturity, the required amortization period for the Acquisition Premium will depend on which call dates produce the greater diminution in the yield to the holder. With respect to any Premium Bonds which are not callable prior to their stated maturity date, the respective final maturity dates will determine the amortization period of the Acquisition Premium of each such Premium Bond.

Holders of any Premium Bonds, both original purchasers and any subsequent purchasers, should consult their own tax advisors as to the actual effect of any Acquisition Premium with respect to their own federal income tax situation and as to the treatment of the Acquisition Premium for state tax purposes.

LEGAL MATTERS

Certain legal matters incident to the issuance of the Series 2025C Bonds and the tax status of the interest on the Series 2025C Bonds (see "TAX MATTERS") are subject to the opinion of McDonald Hopkins LLC, Bond Counsel to the University. The legal opinion, dated and premised on law in effect as of the date of original delivery of the Series 2025C Bonds, will be delivered to the Underwriter at the time of original delivery of the Series 2025C Bonds.

The proposed text of such opinion is attached as ***Appendix C*** hereto. The legal opinion to be delivered to the Underwriter at the time of original delivery of the Series 2025C Bonds may vary from that text if necessary to reflect facts and law on that date of delivery. The opinion will speak only as of the Date of Issuance, and subsequent distribution of the form of such Opinion by recirculation of the Official Statement or otherwise shall create no implication that Bond Counsel has reviewed or expressed any opinion concerning any of the matters referred to in its respective opinion subsequent to its date.

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

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

Certain legal matters will be passed upon for the University by Sonali B. Wilson, its General Counsel, and for the Underwriter by Dinsmore & Shohl LLP.

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

LITIGATION

To the best of the knowledge, information and belief of the appropriate officials of the University and Board of Trustees, there is no litigation or administrative action or proceeding pending or threatened to restrain or enjoin, or seeking to restrain or enjoin, the issuance and delivery of the Series 2025C Bonds, or to contest or question the proceedings and authority under which the Series 2025C Bonds are authorized and are to be issued, sold, executed or delivered, or the validity of the Series 2025C Bonds. A no-litigation certificate to that effect will be delivered by the University at the time of original delivery of the Series 2025C Bonds. The University will deliver to the Underwriter a certificate to that effect at the time of original delivery of the Series 2025C Bonds to the Underwriter.

The University is a party to various legal proceedings seeking damages or injunctive relief and generally incidental to its operations. Those proceedings are unrelated to the General Receipts Bonds, including the Series 2025C Bonds, or the security for the General Receipts Bonds, or the permanent improvements being financed. The ultimate disposition of those proceedings is not presently determinable, but will not, in the opinion of the appropriate University officials, have a material adverse effect on the General Receipts Bonds or the security for the General Receipts Bonds or those improvements.

RATINGS

The Series 2025C Bonds have been rated "A2" (Negative Outlook) by Moody's Ratings ("Moody's"). The Series 2025C Bonds will be insured by the Policy provided by BAM. BAM's financial strength is rated "AA" (Stable Outlook) by S&P Global Ratings ("S&P"). See ***Appendix G*** - "BOND INSURANCE" for a discussion of such rating of BAM's financial strength. In addition, the University has applied for an underlying municipal bond rating from S&P. No application was made to any other rating agency for the purpose of obtaining an additional rating on the Series 2025C Bonds.

The ratings reflect only the views of the rating services, and any explanation of the meaning or significance of the ratings may only be obtained from the respective rating service. The University furnished to each rating service certain information and materials, some of which may not have been included in this Official Statement, relating to the Series 2025C Bonds and the University. Generally, rating services base their ratings on such information and materials and on their own investigation, studies and assumptions.

There can be no assurance that a rating when assigned will continue for any given period of time or that it will not be lowered or withdrawn entirely by a rating service if in its judgment circumstances so warrant. Any lowering or withdrawal of a rating may have an adverse effect on the marketability or market price of the Series 2025C Bonds.

The University expects to furnish the rating services with information and materials that may be requested. However, the University assumes no obligation to furnish requested information and materials, and may issue debt for which a rating is not requested. Failure to furnish requested information and materials, or the issuance of debt for which a rating is not requested, may result in the suspension or withdrawal of a rating on the Series 2025C Bonds.

TRANSCRIPT AND CLOSING DOCUMENTS

A complete transcript of proceedings and a certificate (described under "LITIGATION") relating to litigation will be delivered by the University when the Series 2025C Bonds are delivered by the University to the Underwriter. The University at that time will also provide to the Underwriter a certificate, signed by the University officials who sign this Official Statement and addressed to the Underwriter, relating to the accuracy and completeness of the Official Statement and to its being a "final official statement" in the judgment of the University for purposes of SEC Rule l5c2-12(b)(3).

CONTINUING DISCLOSURE

Continuing Disclosure Certificate

In accordance with the Securities and Exchange Commission Rule 15c2-12 (the "Rule") the University, as the Obligated Person (as defined therein) will covenant pursuant to a Continuing Disclosure Certificate to be dated the Date of Issuance of the Series 2025C Bonds, to provide certain financial information and operating data (the "Annual Financial Information and Operating Data"), notices of certain Events (as defined in the Rule), and any other information necessary to comply with the requirements of the Rule, and to transmit the same to the MSRB through EMMA, so long as the Series 2025C Bonds are outstanding. The specific nature of the Annual Financial Information and Operating Data and a listing of Events for which notices shall be provided are set forth in ***Appendix D*** – "FORM OF CONTINUING DISCLOSURE CERTIFICATE."

The Continuing Disclosure Certificate will be solely for the benefit of the owners and Beneficial Owners of the Series 2025C Bonds. The exclusive remedy for any breach of the Continuing Disclosure Certificate by the University is a right of the owners or Beneficial Owners to enforce to the extent permitted by law (by mandamus, or other suit, action or proceedings at law or in equity) the obligations and duties under it.

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

University Compliance with Prior Undertakings

General. During the past five years, the University was subject to the continuing disclosure undertakings entered into in connection with the Series 2012 Bonds (which are no longer outstanding) and the Series 2016A Bonds (together, the "Prior Undertakings"). In accordance with the Rule, the Prior Undertakings require the submission to the MSRB through EMMA of certain annual financial information and operating data and notices upon the occurrence of any of the Events described therein. Such annual financial information and operating data consists of (i) the audited financial statements of the University for each Fiscal Year (the "Annual Financial Information") and (ii) updates to the operating data described in the Prior Undertakings (the "Operating Data").

The University is currently in substantial compliance in all material respects with the Prior Undertakings during the past five years. Within that period of time there have been certain instances of noncompliance that have now been corrected, as set forth below. The following description of instances of noncompliance by the University with the Prior Undertakings should not be construed as an acknowledgment that any such instance was material. By providing this information, the University does not intend to make, and is not making, any statement or suggestion regarding the materiality thereof to any investor.

Corrective Actions. On May 5, 2025, the University submitted a "Supplemental Statement of Annual Information for the Fiscal Years Ending June 30, 2020 through June 30, 2024" (the "2025 Supplemental Filing") and a "Notice of Failure to Provide Annual Financial Information" related thereto (the "2025 Disclosure Notice") to the MSRB through EMMA, in connection with the following instances of noncompliance:

(a) *Audited Financial Statements.* The University failed to submit its Audited Financial Statements for FY 2021 and FY 2023 in a timely manner. Additionally, the preliminary version of the FY 2020 Audited Financial Statements was submitted to the MSRB through EMMA on January 4, 2021 (as modified on March 5, 2021), rather than the official version released by the Ohio Auditor of State. The Audited Financial Statements for FY 2021 and FY 2023 and the FY 2020 Audited Financial Statements as officially released by the Ohio Auditor of State were submitted to the MSRB through EMMA on May 5, 2025 (collectively, the "Prior Audit Filings")[15] and the Prior Audit Filings were referenced in the 2025 Disclosure Notice.

(b) *Operating Data.* The University failed to submit updates to the following Operating Data in a timely manner:

(i) for FY 2020, certain data regarding student fees and room and board at Ohio public universities and State capital appropriations, which was required pursuant to the Prior Undertaking related to the Series 2012 Bonds, which are no longer outstanding;

(ii) for FY 2020 through FY 2024, data regarding the estimated average undergraduate cost of attendance (the "Average Cost of Attendance Data"); and

(iii) for FY 2023 and FY 2024, data regarding the distribution of students, by FTE, among day and evening/weekend classes (the "Student Distribution FTE Data").

Additionally, the University failed to submit an Operating Data filing for FY 2023 in a timely manner. The FY 2023 Operating Data filing for the University was inadvertently submitted under the CUSIP prefix for EADC on January 2, 2024, but not under the applicable CUSIP prefix for the University. This error was corrected on May 5, 2025. The FY 2023 Operating Data was also included as historical information in the FY 2024 Operating Data filing (which was submitted in a timely manner on December 31, 2024), with the exception of the Average Cost of Attendance Data, the Student Distribution FTE Data, and information regarding the outstanding obligations of the University as of December 31, 2023.

The Average Cost of Attendance Data and a modified version of the Student Distribution FTE Data were included in the 2025 Supplemental Filing. The 2025 Supplemental Filing was referenced in the 2025 Disclosure Notice.

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[15] The Audited Financial Statements for each Fiscal Year were available publicly, and without charge, upon official release by the Ohio Auditor of State on its website (prior to the Prior Audit Filings).

EADC Compliance with Prior EADC Undertakings

General. During the past five years, EADC was subject to the continuing disclosure undertakings entered into in connection with the EADC Series 2014 Bonds, EADC 2019 Bonds, and EADC Series 2022 Bonds (collectively, the "Prior EADC Undertakings"). In accordance with the Rule, the Prior EADC Undertakings require the submission to the MSRB through EMMA of certain annual financial information and operating data and notices upon the occurrence of any of the Events described therein. Such annual financial information and operating data consists of (i) the audited financial statements of EADC for each Fiscal Year (the "EADC Annual Financial Information") and (ii) updates to the operating data described in the Prior EADC Undertakings (the "EADC Operating Data").

EADC is currently in substantial compliance in all material respects with the Prior EADC Undertakings during the past five years. Within that period of time there have been certain instances of noncompliance that have now been corrected, as set forth below. The following description of instances of noncompliance with respect to the Prior EADC Undertakings should not be construed as an acknowledgment that any such instance was material. By providing this information, the University does not intend to make, and is not making, any statement or suggestion regarding the materiality thereof to any investor.

Corrective Actions. EADC submitted a "Supplemental Informational Filing for the Fiscal Year Ending June 30, 2021" (the "FY 2021 EADC Supplemental Filing") and a "Notice of Failure to Provide Annual Financial Information" related thereto (the "2022 EADC Disclosure Notice") to the MSRB through EMMA on June 16, 2022. Such FY 2021 EADC Supplemental Filing provided certain updates and corrections to the FY 2021 EADC Operating Data, which was posted on December 29, 2021 (the "Original FY 2021 EADC Filing"), including data related to historical financial information, the historical Fixed Charges Coverage Ratio, freshmen applications, and State Appropriations. Additionally, the 2022 EADC Disclosure Notice noted some corrections to prior submissions of EADC Annual Financial Information and EADC Operating Data which were submitted on a timely basis, but were not properly matched with all required CUSIP numbers and/or not submitted in the correct filing category through EMMA.

On May 5, 2025, EADC submitted a "Supplemental Informational Filing for the Fiscal Year Ending June 30, 2020 through June 30, 2024" (the "2025 EADC Supplemental Filing") and a "Notice of Failure to Provide Annual Financial Information" related thereto (the "2025 EADC Disclosure Notice") to the MSRB through EMMA, in connection with the following instances of noncompliance:

(a) *Audited Financial Statements.* EADC failed to submit its Audited Financial Statements (the "EADC Audited Financial Statements") for FY 2023 and FY 2024 in a timely manner.[16] Additionally, the preliminary version of the FY 2020 EADC Audited Financial Statements was submitted to the MSRB through EMMA on December 21, 2020, rather than the official version released by the Ohio Auditor of State. The FY 2024 EADC

[16] The FY 2023 Audited Financial Statements were submitted two days late. The FY 2024 Audited Financial Statements for the University were inadvertently submitted in connection with the CUSIP numbers for the outstanding EADC Bonds.

Audited Financial Statements and the FY 2020 EADC Audited Financial Statements as officially released by the Ohio Auditor of State were submitted to the MSRB through EMMA on May 5, 2025 (collectively, the "Prior EADC Audit Filings")[17] and the Prior EADC Audit Filings and the late filing of the FY 2023 EADC Audited Financial Statements were referenced in the 2025 EADC Disclosure Notice.

(b) *Operating Data.* For FY 2024, EADC failed to submit updates to the following EADC Operating Data: (i) data regarding the Historical Fixed Charges Coverage Ratio (table) (the "FCC Ratio Data") and (ii) the Student Distribution FTE Data. Additionally, EADC submitted the FY 2023 EADC Operating Data two days late. The FCC Ratio Data and a modified version of the Student Distribution FTE Data were included in the 2025 EADC Supplemental Filing. The 2025 EADC Supplemental Filing and the late filing of the FY 2023 EADC Operating Data were referenced in the 2025 EADC Disclosure Notice.

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The information in this section is included in this Official Statement out of an abundance of caution in light of the uncertainty that exists in the municipal market concerning what constitutes a failure to comply with a prior continuing disclosure undertaking and whether a particular instance of noncompliance constitutes material noncompliance, and also in keeping with the spirit of the Rule to improve disclosure in the municipal securities market.

UNDERWRITING

General

Stifel, Nicolaus & Company, Incorporated ("Stifel" or the "Underwriter") has agreed to purchase all of the Series 2025C Bonds, subject to certain conditions precedent, at a purchase price of $__________, representing the par amount of $__________, [plus [net] original issue premium] [less [net] original issue discount] in the amount of $__________, and less underwriter's discount in the amount of $_________.

Additional Information Regarding the Underwriter

The Underwriter may offer the Series 2025C Bonds to certain dealers (including dealers depositing the Series 2025C Bonds into unit investment trusts, certain of which may be sponsored or managed by the Underwriter) and others at a price lower than that offered to the public. The initial public offering prices may be changed from time to time by the Underwriter. See also "REGARDING USE OF THIS OFFICIAL STATEMENT – Matters Related to the Underwriter" herein.

[17] The Audited Financial Statements for each Fiscal Year were available publicly, and without charge, upon official release by the Ohio Auditor of State on its website (prior to the Prior EADC Audit Filings).

The Underwriter and its affiliates comprise a full service financial institution engaged in activities which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The Underwriter and its affiliates may have provided, and may in the future provide, a variety of these services to the University and to persons and entities with relationships with the University, for which they received or will receive customary fees and expenses.

In the ordinary course of these business activities, the Underwriter and its affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the University (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the University.

The Underwriter and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire such assets, securities and instruments. Such investment and securities activities may involve securities and instruments of the University.

MUNICIPAL ADVISOR

The University has retained PFM Financial Advisors LLC (the "Municipal Advisor") in connection with the preparation of certain matters relating to the issuance of the Series 2025C Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading, or distributing municipal securities or other public securities.

ELIGIBILITY FOR INVESTMENT AND AS PUBLIC MONEYS SECURITY

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

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

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

FINANCIAL STATEMENTS

The FY 2024 Audited Financial Statements of the University have been audited by RSM US LLP, independent auditors (the "Independent Auditors"), as stated in their report attached to those financial statements, at the direction of the Ohio Auditor of State, and are included in the FY 2024 Audit Reports attached hereto as ***Appendix B***. The FY 2024 Audited Financial Statements are public records, no consent to their inclusion is required, and no bring-down procedures have been undertaken by the Independent Auditors or the Ohio Auditor of State since the dated date thereof.

- The Ohio Auditor of State has issued a Finding for Recovery against an assistant professor (now terminated) in favor of the University, in the amount of $85,258.27, for public monies illegally expended, related to the improper use of a payment card (see acceptance letter of the Ohio Auditor of State in ***Appendix B***).

- In the *Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards* (numbered pgs. 56-57 of ***Appendix B***), the Independent Auditors stated that they identified certain deficiencies in internal control that they consider to be material weaknesses and significant deficiencies, which are described in the Schedule of Findings and Questioned Costs (numbered pgs. 61-68 of ***Appendix B***, the "Schedule of Findings").

- In *the Report on Compliance for each Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance* (numbered pgs. 58-60 of ***Appendix B***), the Independent Auditors stated that they did not identify any deficiencies in internal control over compliance that they consider to be material weaknesses, however, they did identify certain deficiencies in internal control over compliance that they consider to be significant deficiencies, which are described in the Schedule of Findings.

- The Corrective Action Plan of the University is included on numbered pgs. 69-71 of ***Appendix B***.

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CONCLUDING STATEMENT

Quotations in this Official Statement from, and summaries and explanations of, the provisions of the Ohio Constitution, the Revised Code and other laws, the General Bond Resolution, the Series 2025C Resolutions, the Trust Agreement, and the Fourteenth Supplemental Trust Agreement, do not purport to be complete, and reference is made to the pertinent provisions thereof for all complete statements of their respective provisions. The General Bond Resolution, the Series 2025C Resolutions, the Trust Agreement, and the Fourteenth Supplemental Trust Agreement are available for review at the University during regular business hours at the office of the Chief Financial Officer.

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

This Official Statement is not to be construed as or as part of a contract or agreement with the original purchasers or holders of the Series 2025C Bonds.

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

CLEVELAND STATE UNIVERSITY

By: ________________________________
Title: President

By: ________________________________
Title: Chief Financial Officer

Dated: __________, 2025

APPENDIX A
THE UNIVERSITY

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Please note the following: (i) references to the University's "Academic Year" refer to the period from the first day of the fall semester to the last day of the summer semester and (ii) references to the University's "Fiscal Year" or "FY" refer to the period from July 1 to the following June 30. Academic Years are typically identified by the calendar years in which they begin and end and Fiscal Years are identified by the calendar year in which they end. For example, Academic Year 2024-2025 would be part of Fiscal Year 2025.

INTRODUCTION

Cleveland State University (the "University") is one of 14 State-supported four-year institutions of higher education and an instrumentality of the State, organized and governed by Chapter 3344 of the Ohio Administrative Code.

The University is an urban university, located in downtown Cleveland, Ohio, and in Cuyahoga County, the second most populated of Ohio's 88 counties. As of July 1, 2024, the Cleveland – Akron – Canton Combined Statistical Area ("CSA") has an estimated population of 3,750,887 and is the 18th most populous CSA in the United States.[1]

The University is a school of preference for over 14,000 students from 40+ states and 100+ countries. More than 40 percent of University undergraduates are the first in their families to attend college. A majority of the University's students commute from the surrounding seven county region, with approximately 1,740 students residing on campus as of the fall 2024 semester. The University's campus includes over 40 principal buildings on approximately 100 acres. For the fall 2024 semester, the University's headcount enrollment included 14,037 full and part-time students. The University currently employs approximately 1,600 people, consisting of full and part-time faculty, administrators and support staff.

The University was established in 1964 by action of the Ohio General Assembly, adopting Chapter 3344 of the Ohio Administrative Code. In 1965, the Board of Trustees of Fenn College, a non-profit institution of higher education, transferred its assets, including its 4.5-acre campus and three buildings, to the University. At its inception, the University was comprised of three undergraduate colleges – Arts and Sciences, Business Administration, and Engineering – with 3,416 full-time students and 142 full-time faculty. Since then, the University has added the College of Education (1966), College of Law (1969), College of Graduate Studies (1972), and College of Urban Affairs (1977). The School of Nursing was formed in 2011 and the Honors College was established in 2015. The University's program structure was realigned into eight colleges as of July 1, 2022 (see "PROGRAMS" herein).

[1] Source: U.S. Census Bureau, Population Division (Release Date: March 2025). Annual Estimates of the Resident Population for Combined Statistical Areas in the United States and Puerto Rico: April 1, 2020 to July 1, 2024 (CSA-EST2024-POP) (as accessed on May 6, 2025 via Census.gov).

GOVERNANCE AND ADMINISTRATION

Board of Trustees

The University's Board of Trustees consists of eleven trustees, appointed by the Governor with the advice and consent of the Ohio Senate. Nine trustees are voting members of the Board of Trustees and two trustees are current students of the University who are nonvoting members of the Board of Trustees. Under Ohio law the Board of Trustees is directed to do all things necessary for the proper maintenance and successful and continuous operation of the University.

For trustees appointed prior to July 1, 2025, except for the student members, terms of office shall be for nine years, commencing on the second day of May and ending on the first day of May. For trustees appointed on or after July 1, 2025, except for the student members, terms of office shall be for six years, commencing on the second day of May and ending on the first day of May. The term of office of the two student trustees is two years or, if appointed to fill a vacancy, the remaining term of such student trustee.

The Bylaws of the Board of Trustees provide for two faculty representatives to serve as advisors to the Board of Trustees. The Bylaws designate that the president of the faculty senate is one of the two faculty representatives to the Board of Trustees. The second faculty representative is elected each year by the faculty senate.

The person serving as Chair of the Cleveland State University Foundation serves as an ex officio member of the Board of Trustees for the duration of their term of office.

A total of two (2) community members may be appointed to a two-year term as an advisor to the full Board of Trustees upon recommendation of the governance committee and approval of the full Board of Trustees.

The Board of Trustees appointed Sonali B. Wilson, J.D., Vice President and General Counsel to the University as Secretary to the Board of Trustees in 2020, after previously serving in the position from 2000-2011.

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

Name	Occupation	Initial Term Began	Expiration of Term (May 1)
Timothy J. Cosgrove, Chair	Partner, Cosgrove Jonhenry LLC	2019	2028
Vanessa L. Whiting, Vice Chair	President, A.E.S. Management Corp	2020	2029
Alan G. Starkoff, Treasurer	Retired, Senior Counsel, Ice Miller LLP	2017	2026
Paul J. Dolan, Executive Committee Member	Owner, Chairman, and CEO, Cleveland Guardians	2021	2030
Nikki C. Byrd	Founder and Owner, Byrd Acquisition Management	2023	2032
Diane M. Downing	Retired Executive Director, Say Yes Cleveland	2024	2033
Ronald V. Johnson, Jr.	Sr. VP, Chief Risk Officer, and General Counsel, Federal Reserve Bank of Cleveland.	2022	2031
Taras Szmagala, Jr.	Retired, Executive VP & Chief Legal Officer, Eaton	2025	2034
D. Geoffrey Vince	Chair of Biomedical Engineering and Chief of Innovations, Cleveland Clinic	2018	2027

The current student trustees (non-voting) are as follows:

Name	Occupation	Initial Term Began	Expiration of Term (May 1)
Abigail Blackburn	Student Trustee	2025	2027
Skye A. Carlson	Student Trustee	2024	2026

The current community and ex officio members of the Board of Trustees are:

Name	Occupation	Initial Term Began	Expiration of Term
Community Board Members			
Lisa K. Kunkle	Owner and Chief Legal Officer, Kemo Sabe	2024	05/01/2026
David M. Reynolds	Managing Director, JP Morgan	2025	06/30/2027
Ex Officio Member			
Michael B. Klein Chair of the CSU Foundation	Partner in Audit & Accounting services, Ciuni & Panichi, Inc.	2025	05/01/2027

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The current faculty representatives who serve as non-voting advisors to the Board of Trustees are:

Name	Occupation	Initial Term Began	Expiration of Term (June 30)
Carol Olszewski, Ph.D., LPMT, MT-BC	Associate Professor, Music Therapy	2024	2026
Linda M. Quinn, Ph.D.	Professor of Practice and Statistical Consultant	2024	2026

Administrative Officers

The University's Board of Trustees has delegated the operations and administrative oversight of the University to the President and administrative staff. The Board of Trustees selects and appoints the President who appoints the senior administrative staff after consultation with the Board of Trustees. The current senior administrative officers and a brief description of their backgrounds are as follows:

Laura J. Bloomberg, Ph.D. Dr. Laura J. Bloomberg was appointed as President of the University in April, 2022. She had previously served as Provost and Senior Vice President for Academic Affairs since September, 2021. Prior to her service with the University, Dr. Bloomberg served for 24 years at the University of Minnesota, including eight years as Associate Dean and Dean of the Humphrey School of Public Affairs. Her academic research focuses on community-based leadership, program evaluation, creation of public value and P-20 educational policy. Dr. Bloomberg was the 2020-21 President of the International Network of Schools of Public Policy, Affairs and Administration (NASPAA). She holds a doctoral degree in educational policy and administration from the University of Minnesota, master's degrees in psychometrics and educational psychology from Cornell University, and a bachelor's degree in special education from St. Cloud State University.

Nigamanth Sridhar, Ph.D. Dr. Nigamanth Sridhar was appointed as Provost and Senior Vice President for Academic Affairs in January 2023, after serving in the position on an interim basis since May 2022. Dr. Sridhar has been on the University faculty since 2004, but he had been on leave from the University since April 2020, serving with the National Science Foundation as Program Director in the Directorate for Education and Human Resources. He has worked on the CyberCorps® Scholarship for Service program, which is the federal government's primary program to train the future cybersecurity workforce for the nation. From 2017-2020, Dr. Sridhar served as Dean of the University's College of Graduate Studies, and prior to that, he served as a professor of computer science in the University's Washkewicz College of Engineering. Dr. Sridhar holds doctoral and master's degrees in computer science from The Ohio State University and a bachelor's degree in information systems from the Birla Institute of Technology and Science, Pilani (India).

Nicole Addington, C.P.A. Ms. Nicole Addington was appointed as Chief Financial Officer in August 2024. Ms. Addington previously served as the University's Associate Vice President Finance and Controller, beginning in 2021. She oversees many aspects of the University's business operations, including payroll, accounts payable, and purchasing. Prior to joining the University, Ms. Addington served as the Associate Vice President for Finance and Controller at Oberlin College and Conservatory and as Assistant Dean for Finance and Planning at Case Western Reserve University, School of Medicine. She holds a Certified Public Accountant certification and a B.S. in Accounting from the University of Dayton.

Tachelle Banks, Ph.D. Dr. Tachelle Banks was appointed the University's first Vice President of Student Belonging and Success in August, 2023. As leader in this newly formed division, Dr. Banks oversees student support services and other offices critical to the student experience, including Campus Engagement, Dean of Students Office, living-learning communities, and Inclusion and Multicultural Engagement. Prior to being named vice president Dr. Banks served as a professor of Special Education and over many years has served CSU as Associate Chief Diversity Office, Chair of the Department of Teacher Education and Associate Dean of Faculty in the former College of Education and Human Services. She earned her Bachelor of Arts in African American Studies from Ohio University, her Master of Education from Kent State University and her Doctor of Philosophy in Special Education from Kent State University.

Randall Deike, Ph.D. Dr. Deike was appointed Vice President of Enrollment Management in September of 2024. Dr. Deike served as Senior Vice President of Enrollment Management and Student Success at Cleveland State in 2019-2020 and has had 45-year career in higher education. He has served across a broad set of areas in higher education at Juniata College, The Pennsylvania State University, Case Western Reserve University, New York University and Drexel University. Dr. Deike is responsible for the enrollment management functions of Cleveland State. He holds a master's degree and doctoral degree in psychometrics and statistics from The Pennsylvania State University, a bachelor's degree in psychology from Juniata College and an associate degree in surveying and civil engineering from The Pennsylvania State University.

Douglas Dykes, EMBA. Douglas Dykes was appointed Chief Human Resources Officer in August, 2024. Mr. Dykes initially joined CSU in December, 2020, as Associate Vice President of Human Resources. Over the past four years, Mr. Dykes has led the University's reimagining of human resources and related services and policies. Mr. Dykes is a CSU alumnus, with both a Bachelor's in Business/Human Resources and an Executive MBA in Business Administration and Management.

Patricia L. Franklin, J.D. Patricia Franklin serves as Chief Administrative Officer and Chief of Staff to President Laura Bloomberg. In her role, Ms. Franklin oversees campus operations (including the Cleveland State University Police Department, hospitality services and facilities) as well as advises President Bloomberg and manages the operations of the President's Office. Ms. Franklin has held roles in higher education institutions previously, having served in the Offices of the President and Human Resources at the University of Minnesota and as Associate Vice President for HR Operations at Penn State

University. Ms. Franklin also gained experience in public health as the Director of Health Law for the Minnesota Medical Association and as Executive Secretary to the Board of Directors for the Agape Home for Babies and Children with HIV/AIDS in Thailand. She earned her J.D. from Cleveland State University College of Law and her bachelor's degree in political science from Miami University.

Julie Rehm, Ph.D. Dr. Julie Rehm was appointed Vice President of Advancement and Executive Director of the Cleveland State University Foundation in 2019. Dr. Rehm manages the Advancement Division which is responsible for all fundraising including alumni relations and communications. As Executive Director for the Cleveland State University Foundation, she manages the 50-person Board of Directors, which includes multiple committees, and the Endowment Fund. Dr. Rehm previously served as the Vice President of Government and Foundation Relations at Case Western Reserve University. She also worked at the Cleveland Clinic and Battelle Memorial Institute. Dr. Rehm holds master's and doctoral degrees in chemistry from the University of Rochester, a bachelor's degree in chemistry from the Rochester Institute of Technology, and two associate degrees from the Niagara County Community College. Dr. Rehm recently announced that she will retire at the end of calendar year 2025. The University is working on transition plans.

Brenda Wendt, C.P.A. Brenda Wendt was appointed as Controller in February 2025. Her responsibilities include strategic direction and oversight of General Accounting, Accounts Payable, Purchasing, Property Control, and Payroll. Prior to joining Cleveland State University, Ms. Wendt held positions as Controller at Baldwin Wallace University, Executive Director - Controller at the Cleveland Metropolitan School District, Finance Director for the City of South Euclid, and Chief Financial Officer for Step Forward Today (formerly known as the Council for Economic Opportunities). Ms. Wendt is a licensed Certified Public Accountant in the State of Ohio and has earned a Bachelor of Science (B.S.) degree from Case Western Reserve University and a Master of Business Administration from Cleveland State University. She is also a member of the American Institute of Certified Public Accountants and the Ohio Society of Certified Public Accountants.

Sonali B. Wilson, J.D. Sonali B. Wilson, initially appointed as General Counsel of Cleveland State University in 2004, now serves as Vice President of Legal Affairs and Compliance as well as General Counsel and Board Secretary. She provides counsel to the Board of Trustees and the President on a wide variety of matters, including procurement and management contracts, educational partnership agreements, employment matters, student privacy issues, as well as real property and construction matters. She joined the University in 1996 as a lecturer in the College of Law and in 1997 became assistant university legal counsel. She currently serves as Secretary to the Board of Trustees, having been reappointed to this position in 2020 after initially serving in such position from 2000-2011. She holds a J.D. from Georgetown University Law Center, a master's degree in Government Studies from Harvard University, and a bachelor's degree in history (with a minor in political science) from Boston University.

Ohio Department of Higher Education

Public higher education institutions in Ohio include the University and 13 other State universities[2] (with a total of 24 branches), 22 community colleges, and more than 70 adult workforce education and training centers statewide (collectively, the “State Institutions”).[3] As set forth in Section 3333 of the Ohio Revised Code, the Ohio Department of Higher Education (“ODHE”) is a cabinet-level agency for the Governor of the State which oversees the State Institutions. The Chancellor of ODHE (the “Chancellor”) is appointed by the Governor, with the advice and consent of the State Senate. Mike Duffey was appointed as the eleventh Chancellor of ODHE in January 2024.

The powers and duties of the Chancellor include: the formulation of a State master plan for higher education and reporting annually to the Governor and the State General Assembly in connection therewith; review of appropriation requests of the State Institutions and proposal of recommendations to the General Assembly concerning the biennial higher education appropriation for the State; making recommendations to the Governor and General Assembly concerning the nature of programs to be offered by the State Institutions, the development of State-financed capital plans for higher education, the establishment of new State Institutions and new programs at the current State Institutions, and the design and funding of student financial aid programs; and approval or disapproval of all new degree programs at the State Institutions.

In addition, the General Assembly has for many decades included in its biennial budget legislation a provision requiring State Institutions to obtain the Chancellor’s approval prior to pledging fees to secure bonds or notes to be issued by the institution.

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[2] Total includes NEOMED.

[3] Source: Ohio Department of Higher Education (website): “About – Ohio’s Campuses,” as accessed on January 10, 2025.

PROGRAMS

Academic Programs

The University is recognized as a Doctoral/Research Intensive institution in the Carnegie Classification System. The University's academic year commences on the first day of the fall semester and ends on the last day of the summer semester (each an "Academic Year").

In fall 2024, the University offered over 3,100 sections of 1,800 courses. The University currently offers over 80 undergraduate degree programs, over 55 master's level programs, two advanced degrees in law, over 20 doctoral degree programs, and several dual degree graduate programs with law, including environmental studies, public administration, and urban planning and development. As of fall 2024, the degrees offered by the University include the following:

Bachelor's Degrees

Arts (majors in 42 fields)
Business Administration (majors in 9 fields)
Biomedical Engineering
Chemical Engineering
Civil Engineering
Computer Engineering
Computer Science
Data Science
Education
Electrical Engineering
Electronics Engineering Technology
Fine Arts
Industrial Engineering
Mechanical Engineering
Mechanical Engineering Technology
Music
Nursing
Science (majors in 18 fields)
Social Work

Master's Degrees

Accountancy
Applied Communication Theory and Methodology
Arts (majors in 8 fields)
Business Administration (specializations in 15 fields)
Civil Engineering
Computer Science
Education (majors in 16 fields)
Electrical Engineering
Engineering Mechanics
Environmental Engineering
Environmental Science
Fine Arts in Creative Writing

Master's Degrees (continued)

Health Sciences
Healthcare Management
Information Systems
Labor Relations and Human Resources
Law
Legal Studies
Mechanical Engineering
Music
Nonprofit Management
Nursing
Psychology Specialist
Public Administration
Public Health
Science (majors in 8 fields)
Software Engineering
Social Work
Sport and Entertainment Management
Urban Planning and Development

Doctorate Degrees

Adult Development and Aging
Business Administration (programs in 6 fields)
Clinical-Bioanalytical-Chemistry (with Cleveland Clinic)
Computer Science
Engineering (programs in 6 fields)
Juris Doctor
Nursing Practice
Occupational Therapy
Physical Therapy
Regulatory Biology with Cleveland Clinic
Urban Education (programs in 6 fields)
Urban Studies and Public Affairs

In addition to degree-granting academic programs, the University, through the Office of Continuing Education, offers non-credit, continuing education programs for adults who wish to further their knowledge and skills within professional and career categories, or simply to explore their academic interests. Many of the courses, seminars and conferences are developed at the request of governmental agencies, business and industry or professional and community organizations. Enrollments are not reflected in University enrollment figures, including enrollment for State subsidy purposes, set forth elsewhere in this Official Statement.

Recent Program Initiatives

Realignment of Program Structure. Effective July 1, 2022, as part of its strategic planning initiatives, the University realigned its program structure to better reflect unique strengths, create recruiting and investment opportunities, streamline administrative support, and reduce administrative costs where possible. Following the realignment, the University consists of eight colleges:

(a) the College of Arts and Sciences, the College of Education and Public Affairs, and the College of Health, each newly formed in 2022; and

(b) five existing colleges (the Monte Ahuja College of Business, the Washkewicz College of Engineering, the Jack, Joseph and Morton Mandel Honors College, the College of Graduate Studies, and the College of Law).

The six academic colleges of the University include over 40 instructional departments.[4]

Integrated Degree Programs. Effective for the fall 2024 semester, the University established 11 new innovative integrated degree pathways. These programs offer one degree which combines two interdisciplinary majors or focus areas. The programs are designed to prepare students to work in either field or at the intersection of two fields, provide students with skills focused on future employment, including adaptability, critical thinking, and versatility, and provide more opportunities for real world experience through internships and cooperative education. The following programs have been approved as of fall 2024:

- Computer Science + Design B.S.
- Computer Science + Music B.S.
- Design + Psychology B.A.
- Electrical Engineering + Computer Science B.S.
- English + Computer Science B.A.
- Ethics + Computer Science B.S.
- Journalism + Criminology B.A.
- Journalism + Sociology B.A.
- Mathematics/Statistics + Economics B.A.
- Mechanical Engineering + Electrical Engineering B.S.
- Physics + Computer Science B.S.
- Psychology + Criminology B.S.

[4] The Jack, Joseph and Morton Mandel Honors College and the College of Graduate Studies do not house any academic departments.

Inquiry Core Curriculum. Effective for the fall 2025 semester, the University is also introducing a new Inquiry Core Curriculum to enable students to learn how to explore probing questions, examine their own ideas and focus on specific interests from day one of their college career. The Inquiry Core Curriculum was designed by the faculty and approved in February 2024, to be effective in fall 2025, replacing the University's current general education curriculum.

Student Experience Project. The Student Experience Project (SEP) is an initiative of the Coalition of Urban Serving Universities (a partner of the Association of Public and Land-Grant Universities) which brings universities together that are committed to creating more equitable learning environments. The goal of the SEP is to instill, broaden, and/or deepen a growth mindset among faculty regarding the academic capabilities of their students as well as creating an inclusive classroom environment where all feel a sense of belonging.

The University believes the pedagogical impact of participation in the SEP will contribute significantly to student success and will also provide the University with student behavior data that will support actionable retention strategies at the student level.

Accreditations

The University's undergraduate and graduate degree programs are fully accredited by the Higher Learning Commission (HLC). The most recent comprehensive evaluation was completed in 2020-21 and a ten-year accreditation was granted in January 2022. The University is currently in good standing with HLC and the next review will be in 2031, with an interim check-in visit in 2025.

In addition, the following programs of the University enjoy the specific programmatic accreditations and approvals as indicated:

University Program	**Accrediting Agency**	**Status/Next Review**
University		
Counseling Center	International Accreditation of Counseling Services	Good Standing/2027
Monte Ahuja College of Business		
BBA, MBA, and DBA Programs	Association to Advance Collegiate Schools of Business	Good Standing/2026
Accounting Programs	Association to Advance Collegiate Schools of Business	Good Standing/2026
College of Education and Human Services	Council for the Accreditation of Educator Preparation	Good Standing/2025
Community Agency Counseling Program	American Psychological Association	Good Standing/2025
Washkewicz College of Engineering		
Bachelor of Chemical, Civil, Computer, Electrical, and Mechanical Engineering	Engineering Accreditation Commission of the Accreditation Board for Engineering and Technology (ABET)	Good Standing/2028
Bachelor of Science in Computer Science	Computing Accreditation Commission of ABET	Good Standing/2028
Bachelor of Science in Electronics Engineering Technology and Bachelor of Science in Mechanical Engineering Technology	Engineering Technology Accreditation Commission of ABET	Good Standing/2026

University Program	Accrediting Agency	Status/Next Review
College of Liberal Arts and Social Sciences		
Music	National Association of Schools of Music	Approval pending, temporary accreditation in the interim
	American Music Therapy Association	Good Standing/2031
Social Work (Bachelor of Social Work and Master of Social Work)	Council on Social Work Education	Good Standing/2027
	Ohio Chemical Dependency Professionals Board	Good Standing/2034
School of Nursing		
Undergraduate	Commission on Collegiate Nursing Education	Good Standing/2025
	Prelicensure BSN State Approval - Ohio Board of Nursing	Good Standing/2025
Graduate	Commission on Collegiate Nursing Education	Good Standing/2025
College of Science and Health Professions		
Chemistry	American Chemical Society	Good Standing/2026
Clinical Chemistry Ph.D.	Commission on Accreditation in Clinical Chemistry	Good Standing/2025
Occupational Therapy (Master of)	Accreditation Council for Occupational Therapy Education	Good Standing/2027
Occupational Therapy (Doctor of)	Accreditation Council for Occupational Therapy Education	Good Standing/2036
Physical Therapy (Doctor of)	Commission on Accreditation in Physical Therapy Education	Good Standing/2027
Public Health (Master of)	Council on Education for Public Health	Good Standing/2025
Psychology Specialists (School Psychology)	Council for the Accreditation of Educator Preparation	Good Standing/2028
	National Association of School Psychologists	Good Standing/2028
Speech-Language Pathology	Council on Academic Accreditation in Audiology and Speech-Language Pathology of the American Speech-Language-Hearing Association Council on Academic Accreditation	Good Standing/2026
Maxine Goodman Levin College of Urban Affairs		
Public Administration	National Association of Schools of Public Affairs and Administration	Good Standing/2030
Master of Urban Planning, Design and Development	Planning Accreditation Board	Good Standing/2029
College of Law	American Bar Association	Good Standing/2031

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University Research Centers

A University Research Center is an organizational unit within the University that is formed to: promote research, take advantage of funding initiatives and opportunities, target audiences external to the University, foster interdisciplinary studies, projects or initiatives, or engage in public service or community outreach. The University's Research Centers include the following:

Bernie Moreno Center for Sales Excellence
Center for Advanced Control Technologies (CACT)
Center for Advancements in Renewable Energy (CARE)
Center for Applied Data Analysis and Modeling
Center for Behavioral Health Sciences
Center for Community Planning and Development
Center for Economic Development
Center for Emergency Preparedness
Center for Excellence and Innovation in Education
Center for Gene Regulation in Health and Disease
Center for Healing Across Cultures
Center for Health Law and Policy
Center for Human-Machine Systems (CHMS)
Center for Innovation and Entrepreneurship
Center for Leadership Development
Center for Nonprofit Policy and Practice
Center for Population Dynamics
Center for Public and Nonprofit Management
Center for Public History and Digital Humanities
Center for Refugee and Immigrant Success (CRIS)
Center for Research in Electronics and Aerospace Technology (CREATE)
Center for Rotating Machinery Dynamics and Control (RoMaDyC)
Center for Urban Education (CUE)
Communication Research Center
Criminology Research Center
CSU T.E.C.H. Hub
Energy Policy Center
Entrepreneurial Manufacturer Digitization Support Center of Excellence
Global Business Center
Maxine Goodman Levin College of Urban Affairs: Research Centers
Northern Ohio Data and Information Service (NODIS)
NRP & Millennia Center for Property Management
Paul J. Everson Center for the Study of Real Estate Brokerage/Agency and Markets
Poetry Center
STEMM Education Center
The Diversity Institute
The Ohio Center for the Advancement of Women in Public Service
The Urban Center
University Transportation Center

See also "FINANCIAL OPERATIONS AND RESULTS – Grants and Research Contracts" with respect to funding.

Medical Education Partnership

The University's Pathways to Practice Program (the "P2P Program") provides four unique pathways to medical school for students with an interest in urban health, who are considered underrepresented in medicine based on race/ethnicity and/or socioeconomic status, and/or first-generation college attendees. The P2P Program began with a partnership between the University and Northeast Ohio Medical University (NEOMED). The University has subsequently entered into additional partnerships with Duquesne College of Medicine and Lake Erie College of Medicine, with student matriculation scheduled to begin in 2026.[5] Students in the P2P Program complete medical school prerequisites while also participating in or having access to earning an Urban Health certificate (18-20 credit hours), mentoring from physicians, advisors and program

[5] NEOMED, Duquesne College of Medicine, and Lake Erie College of Medicine are referred to collectively herein as the "Partnering Institutions."

tutors, MCAT preparation resources, and job shadowing opportunities. Upon acceptance into the Early Assurance Undergraduate Pathway for sophomore students or the Post-Baccalaureate Pathway of one of the Partnering Institutions and subsequent completion of the select curriculum at the University (while meeting all academic and MCAT score requirements), students will begin their medical school education at the campus of the applicable Partnering Institution. Currently, a total of up to 20 seats at NEOMED's College of Medicine are available to University students and 17 students entered the NEOMED Early Assurance Undergraduate Pathway in fall 2024. The University also offers the Berkman/Jackson fellowship program, with a special focus on students from Northeast Ohio on nontraditional paths to medical school. Additionally, in fall 2022, the University began offering a new pre-med track for recent high school graduates and incoming freshmen. The new "Fresh Pathway" provides comprehensive wraparound services to students including success coaching, tutoring, academic planning and advising. Participants are eligible to apply to the NEOMED Early Assurance Undergraduate Pathway program during their sophomore year.

Students from the P2P Program have matriculated to NEOMED, as well as Ohio University Heritage College of Osteopathic Medicine, Case Western Reserve University School of Medicine, University of Toledo College of Medicine & Life Sciences, Wright State University, and others. The University and NEOMED collaboration connects the high-quality medical education, patient care, and employment institutions in the City of Cleveland, including the Cleveland Clinic, MetroHealth, and St. Vincent Charity Medical Center, to the education, research, community outreach and workforce development programs of the University.

Community Partnerships

Overview. The University is actively involved in mutually beneficial partnerships with local businesses, community colleges, community organizations, health care institutions, and the Cleveland Metropolitan School District. Some highlights of these efforts are described below:

- In January 2021, JobsOhio[6] designated the University as the lead public higher education partner in a five-member consortium established for the purpose of launching an innovation district in Cleveland (the "Cleveland Innovation District"). The consortium, which includes the Cleveland Clinic, Case Western Reserve University, MetroHealth Medical Center, and University Hospitals, seeks to make Northeast Ohio and the State more attractive to business and more competitive in the health care and information technology sectors, with a $565 million effort focused on research, training and talent development in post-pandemic urban health care, emerging technologies, life sciences, data-intensive fields, emerging biological threats and epidemiology. As part of the collaboration, CSU received a 10-year grant of $20 million to create a higher education pathway initiative to double the number of graduates in 16 STEM fields. An interim report provided to the State in April 2024 noted several milestones including:

[6] Refers to the private non-profit corporation established by the State in 2011 to promote job creation and new capital investment in the State through business attraction, retention and expansion efforts.

  - Awarding a total of 2,031 degrees in STEM/CS programs in the first three years of the project and the completion of 3,270 certificate programs in workforce development fields;
  - A 27% increase in number of students enrolled in the 16 degree programs targeted by JobsOhio over the 2019 academic year baseline;
  - 200 organizations employing students in co-op/internships from JobsOhio-targeted programs for Year 2; and
  - Hosting 778 middle school and high school students in STEM-related summer camps over two years.

- The University's Living Learning Communities ("LLCs") were established to supplement the Say Yes Cleveland initiative, which provides full tuition scholarships at public universities for all Cleveland Metropolitan School District (CMSD) graduates. The LLCs provide students with a residential experience that integrates academic support, leadership training, mentorship, and experiential learning, in an effort to increase the likelihood of graduation from the University. The initial LLC was established in 2019 with a $5 million gift from the Parker Hannifin Foundation (the "PH LLC"). In 2021, the University received a $5 million gift from the Gund Foundation. The University has received funding for additional LLCs from The Howley Foundation and the Samuel H. and Maria Miller Foundation. Currently the four programs are supporting 200 University students, including CMSD graduates, graduates of select private high schools in Cleveland who are eligible for Pell Grants, and engineering students who demonstrate financial need.

- CSU Global is a partnership between Shorelight Education and the University to recruit and support international students. The partnership leverages Shorelight's extensive network of channel partners in country to attract international students for the University and assist applicants to navigate the visa process to prepare for arrival in the United States. An on-site team provides support uniquely tailored to international student needs with the goal of maximizing the students' potential for success. The University initially sought to grow the international student population enrollment to 1,500 international students. As of Fall 2024 a total of 1,560 students are enrolled through the CSU Global partnership.[7]

- Campus International School and MC2STEM High School (a collaboration among the University, the CMSD, and the Great Lakes Science Center) provide pathways to college for young people, as part of the "Education Park" that the University has created in collaboration with the CMSD. The "Education Park" refers to the concept of creating a centralized location for engaged learning and community engagement activities.

[7] See "RISK FACTORS – Uncertainties of Federal Legislation and Policy" in the body of this Official Statement with respect to recent developments in the legal and political environment that could impact international students attending the University.

- The University has teamed up with Case Western Reserve University in the Internet of Things Collaborative (IOTC). Internet of Things (IoT) solutions use data to create value for businesses, industries, communities and governments. The IOTC shares ideas and assets, conducts groundbreaking research, and educates future leaders to integrate IoT applications in the manufacturing and health care sectors as well as the public sector, and broadly technology in the public interest throughout Cleveland and Northeast Ohio.

- See "ENROLLMENT - Graduate and Law School Enrollment" with respect to a partnership with Keypath Education to offer certain online degrees.

Arts Campus. The University collaborated with the Cleveland Play House, which moved from Mid-Town, and the Playhouse Square Foundation ("PSF" and, collectively with the University and the Cleveland Play House, the "Power of Three"), and through joint fund-raising and other means, developed the unique and extraordinary Allen Theatre Complex. The Allen Theater Complex, home of the Cleveland Play House, offers students unique experiential theater and dance opportunities with three state-of-the-art performance venues. This Power of Three partnership has drawn the attention of performing arts students nationwide.

In 2010, PSF acquired the historic Middough Building, which was built in 1912 as the Wigmore Coliseum and the Euclid Square Garage. The Middough Building is situated in Playhouse Square, near the Allen Theatre Complex, and adjacent to the University campus. PSF leased the Middough Building to the University in 2011 and the University acquired the Middough Building in 2023. Since 2012, the Middough Building has been home to the University's Arts Campus and includes more than 120,000 square feet of classrooms, rehearsal halls, dance studios, performance spaces, art and photography studios, offices, meeting rooms, and production shops for sets and costumes. It is one of the most extensive undergraduate theater and dance facilities in the nation.

Community College Partnerships. The University has partnered with Cuyahoga Community College (Future Vikings), Lakeland Community College (CSU Bound), and Lorain County Community College (UP Express CSU) to establish dual admissions programs which provide students with the opportunity to seamlessly continue their education from an associate's to a bachelor's degree. The benefits of these partnership programs include the following:

- Automatic transfer of credits between the applicable community college and the University
- Ability to take courses at the applicable community college and the University simultaneously
- Access to program advisors at the applicable community college and the University to chart educational goals
- Ability to use student services and participate in student activities at both the University and the applicable community college (including equal opportunity for registration, financial aid, scholarships, advising, University library access, recreation center privileges, and participation in career fairs and attendance at sporting events)

Recent Achievements

Recent achievements of the University and its students include the following:

- Phi Theta Kappa, the national honor society for transfer students, named CSU to its Transfer Honor Roll for 2024. The honor recognizes four-year institutions who strive to create dynamic pathways to support incoming transfer students.

- Forbes ranked the University as the fourth best employer in the state of Ohio, according to their America's Best Employers by State rankings for 2024. the University earned this high rank in Ohio partially based on surveys of employees, who were asked to provide feedback on their experience and whether they would recommend the University as a workplace to others.

- Forbes also ranked the University as the top midsize employer in Ohio and #14 in the nation. These rankings, similar to Forbes' Best Employers by State, specifically looked at employers with 1,000-5,000 employees.

- In their 2023-24 season, University student-athletes achieved a 3.47 department-wide cumulative GPA, continuing a streak of academic success for 35 straight semesters. 72% of student-athletes achieved a 3.25 or better.

- As determined by the ALL IN Campus Democracy Challenge, the University was one of only 471 colleges and universities recognized for outstanding civic engagement amongst students. the University contributes this success to its Office of Civic Engagement and their nonpartisan programs on campus to educate students on their civic responsibilities and provide resources for voter registration.

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STRATEGIC PLANNING

Cleveland State United

In summer 2020, the University initiated a review of its "Statement of Strategic Priorities" issued in 2018. This review resulted in a new roadmap, "Emerging from Pandemic: A Blueprint for CSU 2.0," presented in March 2021 ("CSU 2.0 Plan"), which built on the 2018 framework with adaptions to the changing environment, including lessons learned in managing the impact of the COVID-19 Pandemic. This plan was intended to guide the University from 2020 until 2025. In preparation for the end of the CSU 2.0 Plan, in summer 2024, University leadership and the Board of Trustees initiated a new strategic planning process.

On November 20, 2024, the Board of Trustees endorsed the University's new strategic plan for FY 2025 – FY 2030, known as Cleveland State United (the "2025 Strategic Plan"). The 2025 Strategic Plan established a new mission statement for the University:

Mission — Cleveland's University. Infinite Opportunity.

We are in and of the city of Cleveland. We leverage our unique location and strategic partnerships to equip learners with knowledge and future-ready skills. Through innovative research, dedicated service, and exceptional talent, we address the evolving needs of our community.

The 2025 Strategic Plan also established new vision and value statements:

Vision 2030 — "Where Everyone Thrives"

CSU aspires to be a national leader in social and economic mobility. We will be a great place to learn and work.

Values — "CSU"

Collaborating with Community
Serving Students
Unleashing Creativity

During this six-year period the University will focus on three primary priorities, with associated objectives:

- **Advance Academic Offerings, Delivery, and Scholarship to Foster Success**
  - Expand experiential and work-based learning
  - Integrate undergraduate, graduate, exploratory and continuing education for lifelong learning
  - Improve the student experience and enhance a culture of student success

- **Reimagine Community Partnerships to Increase Opportunities**
  - Enhance relationships with community partners to expand opportunities for prospective and current students/learners

- Build a corporate/community partnership structure that leverages and coordinates all that the University offers
- Serve as a convenor and thought-partner to help address Cleveland's most pressing social and economic challenges

- **Restructure Operational and Financial Model to Enable our Mission-focused Work**
  - Initiate a comprehensive multi-year stakeholder informed technology digital transformation
  - Develop and implement a sustainable financial model and process
  - Cultivate a campus wide culture of transformation and continuous improvement

Fundraising to Support University Initiatives

With a majority of students relying on financial assistance to pay for their education, the University is a true catalyst in helping students graduate and launch successful careers. Fundraising efforts at the University have enjoyed great success over the last five years climbing more than 200% from $10 million in 2020 to over $30 million in 2024. Looking ahead, in conjunction with the new strategic plan, comprehensive, dynamic fundraising efforts will be aimed at mobilizing the University's entire community of supporters, including alumni, friends, corporations, and foundations in support of the initiatives in the new strategic plan. Key themes will continue to include: student belonging and success initiatives, faculty support, innovative programming, facility upgrades, and research.

Campus Master Plan

The CSU 2.0 Plan included the development of a 10-year campus master plan (the "Campus Master Plan"), which was presented to and adopted by the Board of Trustees on January 26, 2023 as the guide for planning and development to realize the vision for the University as a 21st century urban research university, with the understanding that capital projects coming from the Campus Master Plan would be brought to the Board of Trustees for approval according to University policies and procedures. A significant feature of the Campus Master Plan helped to envision the campus organized into zones of activity, e.g., a core devoted to teaching, research, and campus life. Initial projects also emerged, including a comprehensive facilities assessment and utilization study, consideration of the viability of a multi-use arena that would be sized to accommodate athletics, academics and performing arts uses, and a comprehensive review and needs assessment of the University's aging wet lab and research spaces. While a decision was ultimately made to postpone consideration of a multi-use arena, the lab and research space assessments ultimately served as the foundation for the University's current Biomedical Discovery Complex project, which includes renovating existing spaces in Fenn Hall, the University's science and research building, to create state of the art laboratory spaces, and much needed collaborative and seminar and meeting space (see CAMPUS FACILITIES - University Facilities – *Biomedical Discovery Complex*.")

CSU United continues to emphasize the University's place and importance in the City of Cleveland as its only public research university. It is expected that the Campus Master Plan will serve as a reliable template when measured against the strategic elements of the CSU United mission, vision, values and priorities related to the ongoing planning for the University's campus facilities. See also "CAMPUS FACILITIES – Capital Plan" herein.

ENROLLMENT

General

National and State Trends. With significant declines in the number of high school graduates in Ohio and the decline in the college-bound rate, the University, like other colleges and universities, has experienced a decline in undergraduate enrollments. Based solely on birth rates, there has been a 3% decline in the number of high school graduates in Ohio since 2019, and another 9% decline is projected through 2037. In addition, the college bound rate of Ohio high school graduates declined by 6 percentage points, 72% to 66%, between 2010 and 2022.

Discussion of University Enrollment Trends. The University's undergraduate headcount enrollment declined by 16% between fall 2020 and fall 2024 (from 11,245 students to 9,450 students). The University's overall headcount enrollment declined by 8.4% over the same period (from 15,331 students to 14,037 students). See "Historical Enrollment" below.

Given the negative demographic future and potential students questioning whether a college degree is worth the investment, colleges and universities must consider enrollments from other potential students. The University's management philosophy regarding enrollment is to serve as a lifelong education partner for its students, and as such, the University is considering how to best meet potential students where they are in their educational path. New opportunities have emerged with online enrollment, which has increased significantly since 2023.[8] The University expects this trend to continue, particularly in graduate enrollments. See "Graduate and Law School Enrollment" below.

FY 2025 University Enrollment. The University's overall enrollment at census for fall 2024 was ahead of budget expectation by 3.6%. Enrollment for domestic new freshmen at census increased by 1.2% for fall 2024 as compared to fall 2023. Additionally, undergraduate online enrollment more than doubled in spring 2025 as compared to spring 2024 (from 68 to 162 students).

FY 2026 University Enrollment. The University anticipates a modest decline in fall 2025 enrollment, primarily due to anticipated challenges related to international student enrollment.[9] These challenges are driven by recent changes in federal policy and increased difficulty in obtaining student visas. However, this anticipated decline is expected to be mitigated by projected growth in online program enrollment.

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[8] The University offers online undergraduate degree completion programs in nursing, business, social work, and organizational leadership, along with other certificate programs.

[9] See "RISK FACTORS – Uncertainties of Federal Legislation and Policy" in the body of this Official Statement with respect to recent developments in the legal and political environment regarding international students.

Historical Enrollment

Headcount enrollment in fall 2024 was 14,037. Historical trends in headcount enrollments among undergraduate, graduate and law students for the fall terms for the last five Academic Years are as follows:

Headcount Enrollment

	Fall 2020	Fall 2021	Fall 2022	Fall 2023	Fall 2024
Undergraduate	11,245	10,607	9,944	9,505	9,450
Graduate	3,603	4,344	4,153	4,173	4,066
Law	483	483	472	482	521
Total	15,331	15,434	14,569	14,160	14,037

A comparison of headcount enrollment in spring 2024 and spring 2025 is set forth below:

	Spring 2024	Spring 2025
Undergraduate	8,864	8,817
Graduate	3,994	4,011
Law	450	492
Total	13,308	13,320

A comparison of enrollment as measured by headcount and FTE† for the fall terms for the last five Academic Years is set forth below:

Comparison of Historical Headcount and FTE Enrollment

	Fall 2020	Fall 2021	Fall 2022	Fall 2023	Fall 2024
Headcount	15,331	15,434	14,569	14,160	14,037
FTE	15,673	15,361	14,645	14,304	14,421

† The University calculates full-time equivalency ("FTE") by dividing total student credit hours for the applicable term by 12 credit hours for undergraduate students, 9 credit hours for graduate students and 13 credit hours for Law students. A high percentage of Cleveland State University students take more than the number of credits defining full-time.

In annual disclosure filings related to the University and EADC, which were submitted to the MSRB through EMMA prior to the 2025 Supplemental Filing (see "CONTINUING DISCLOSURE – University Compliance with Prior Undertakings – *Corrective Actions*" in the body of this Official Statement), the FTE figures reported were calculated by dividing total student credit hours by 15, with credit hours based on registration as of the end of the fourteenth day of the fall term.

Graduate and Law School Enrollment

The University has focused on increasing graduate and law school enrollment, providing in-person and online options for students. In 2023, in partnership with Keypath Education, the University rolled out a comprehensive online degree portfolio across its School of Health Sciences and a part-time online Juris Doctor (J.D.) degree offering with the College of Law (the "Keypath Programs"). Between fall 2020 and fall 2024, the University's overall graduate student enrollment increased by 463, or 12.9% and overall law school enrollments increased by 38 students, or 8%, primarily attributable to the Keypath Programs and CSU Global[10].

Graduate online enrollment increased significantly to 1,242 students in spring 2025 as compared to 35 students in spring 2023. Online enrollment in the College of Law more than doubled in spring 2025 as compared to spring 2024 (from 47 to 113 students).

Student Admissions

Freshman Applicants. Freshman applicants consist of students applying to attend the University directly from high school and adults applying to enter an institution of higher education for the first time. The following table shows, for the indicated years, the total number of freshman applications received by the University for the fall semester, the number and percentage of the freshman applicants accepted for admission, and the number and percentage of accepted freshman applicants who became enrollees.

		Applicants Accepted		Applicants Enrolled	
Fall Semester	**Applications Received**	**Number**	**Percent of Completed Applications Received**	**Number**	**Percent of Applicants Accepted**
2020	9,120	7,831	86%	1,782	23%
2021	11,486	10,505	91%	1,869	18%
2022	12,088	11,914	99%	1,687	14%
2023	11,084	9,663	88%	1,460	15%
2024	11,154	9,430	85%	1,492	16%

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10 See "PROGRAMS - Community Partnerships – Overview" herein for information regarding CSU Global. See also "RISK FACTORS - Uncertainties of Federal Legislation and Policy" and "-Other Risk Factors" in the body of this Official Statement with respect to recent developments in the legal and political environment that could impact international student enrollment.

Transfer Applications. The following table shows, for the indicated years, the total number of transfer applications received by the University for the fall semester, the number and percentage of transfer applicants accepted for admission, and the number and percentage of accepted transfer applicants who became enrollees.

		Applicants Accepted		Applicants Enrolled	
Fall Semester	**Applications Received**	**Number**	**Percent of Completed Applications Received**	**Number**	**Percent of Applicants Accepted**
2020	2,286	2,202	96%	923	42%
2021	2,299	1,539	67%	879	57%
2022	1,654	1,547	94%	835	54%
2023	1,809	1,381	76%	791	57%
2024	1,929	1,564	81%	887	57%

Degrees Granted

In the past five Academic Years, the University has awarded the following degrees:

Academic Year	Bachelor	Masters	Doctorate	First Professional	Total
2019-2020	2,535	1,121	42	133	3,831
2020-2021	2,694	1,133	42	163	4,032
2021-2022	2,371	1,250	35	170	3,826
2022-2023	2,301	1,391	27	200	3,919
2023-2024	2,168	1,397	47	183	3,795

Retention Rates

Historical Retention Rates. Prior to the COVID-19 Pandemic, the first-year retention rate (the "Retention Rate") had risen steadily to a high of 76.6% for the fall 2019 cohort. Following the onset of the COVID-19 Pandemic, the Retention Rate for the fall 2021 cohort decreased to 68.7%. The Retention Rate improved to 70.6% for the fall 2023 cohort.

Retention Efforts. The University is focusing on student success which has substantially improved results in both retention and graduation rates. First-year retention rates for freshman cohorts declined during the pandemic, but CSU is now experiencing an upward trend. The University's goal is to reach "80 by 30," or an 80% first-year retention rate by 2030. The University has continued to enhance the student experience with a focus on retention initiatives, including the creation of a Division of Student Belonging and Success.

Graduation Rates

The University's 6-year graduation rate had increased to 51% for the fall 2015 freshman cohort, but declined to approximately 49% during the COVID-19 Pandemic. However, as the University has emerged from the COVID-19 Pandemic, the 6-year graduation rate for the fall 2018 cohort increased to 51%.

STUDENT FEES AND CHARGES

Tuition Guarantee Program

Participation in the University's tuition guarantee program (the "CSU Tuition Guarantee Program") has been required for all first-time degree-seeking undergraduates and new undergraduate transfer students since the summer 2018 semester. Tuition charges will not increase for eligible first-time undergraduate students for the four-year period following initial enrollment as a degree-seeking student (the "CSU Guarantee"). Tuition charges under the CSU Tuition Guarantee Program include instructional fees, the general fee, the intercollegiate athletics fee, the career services fee, and the technology fee. The CSU Guarantee ends after four years, regardless of whether a student is enrolled full-time or part-time.

Historical Fees and Charges

The University's total instructional and general fees (and tuition surcharges for non-residents) per full-time student for the most recent five academic years are shown below:

	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
Ohio Resident					
Undergraduate[a]	$11,185	$11,613	$12,144	$12,503	$12,872[b]
Graduate-Masters	14,755	15,050	15,350	15,657	16,075
Graduate-Doctoral	14,755	15,050	15,350	15,657	16,075
Law	28,309	28,876	29,452	30,042	30,648
Non-Resident (Domestic)					
Undergraduate[a]	$15,952	$16,573	$17,359	$17,863	$18,394[b]
Graduate-Masters	25,272	25,776	26,291	26,784	16,101[c]
Graduate-Doctoral	21,328	21,754	22,188	22,612	23,160
Law	28,409	28,976	29,553	30,142	30,748
Non-Resident (International)					
Undergraduate[a]	$16,904	$17,565	$18,402	$18,935	$19,498
Graduate-Masters	27,901	28,458	29,026	29,566	30,245
Graduate-Doctoral	21,328	21,754	22,188	22,612	23,160
Law	28,409	28,976	29,553	30,142	30,748

Source: Records of the University

[a] Undergraduate rates listed above reflect the applicable CSU Guarantee rates.

[b] Amounts provided by the University for fees and charges in 2024-2025 for resident and non-resident undergraduate students differ from amounts listed for the University for such year herein under "ENROLLMENT- Comparative Costs" due to the inclusion of an annualized $115.00 transportation fee in the ODHE data.

[c] The University reduced the non-resident (domestic) surcharge from $427.95 to $1 for the 2024-2025 academic year as an enrollment incentive.

Part-time students pay roughly proportionate amounts of instructional and general fees. Residence in Ohio for a period of 12 months prior to the registration date is required to be considered a resident. The burden of establishing the proper residency status is placed upon the student.

Student Cost of Attendance

The following table presents the University's estimated average undergraduate student cost of attendance for a full-time, in-state undergraduate living in a residence hall for the regular 2024-2025 academic year, as prepared by the University's Office of Student Financial Aid:

Type of Cost	Estimated Amount
Tuition and fees	$12,878
Room and board	15,060†
Books and supplies	1,200
Personal expenses (including transportation)	2,200
Transportation	1,500
TOTAL	$32,838

† The room and board charge represents the average costs for a double occupancy room and the average board contract (12 meals per week).

Payment of Student Fees

Each student at the University must pay all fees prior to the start of classes each semester or enroll in the Budget Payment Plan. The Budget Payment Plan requires an initial payment of 20% of the total fees and four payments of 20% prior to the end of each academic semester. This payment plan is managed by the University's Bursar's Office. All fees, including instructional, general and dormitory, are subject to change by action of the Board of Trustees at any time. Students withdrawing from class in accordance with regulations are eligible for refunds or fee adjustments.

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See "SECURITY AND SOURCES OF PAYMENT - General Receipts Pledged to the Series 2025 Bonds" with respect to the authority of the Board of Trustees and the Ohio General Assembly in the determination of student fees and surcharges and the Rate Covenant with respect to the payment of Bond Service Charges in connection with the University's General Receipts Bonds.

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Comparative Costs

The following table provides a comparison of annualized full-time, in-state and out-of-state undergraduate tuition and fees for students (under the respective Tuition Guarantee Programs[11]) at the main campuses of the State universities (excluding NEOMED) for the 2024-2025 academic year.

Tuition Guarantee Program Full-Time Undergraduate Fees
State University Main Campuses
2024-2025 Academic Year

	A	B
University (Main Campus)	**In-State Fees**	**In-State Fees plus Out-of-State Surcharge**
Bowling Green State University	$14,356	$22,344
Central State University	8,058	10,058
Cleveland State University†	***12,987***	***18,509***
Kent State University	13,231	23,081
Miami University	18,161	41,221
Ohio State University	13,244	40,022
Ohio University	14,158	24,838
Shawnee State University	9,898	16,630
University of Akron	13,136	20,816
University of Cincinnati	13,976	29,310
University of Toledo	12,717	22,077
Wright State University	11,522	21,222
Youngstown State University	11,113	11,473

Source: Ohio Department of Higher Education (ODHE) – Annual Survey of Student Charges (Fall 2024) (the "ODHE Survey"), as accessed on April 11, 2025. Amounts listed in Column A were provided in the ODHE Survey, amounts listed in Column B were calculated based on amounts provided therein.

NOTE TO TABLE: A note in the ODHE Survey stated that in-state fees include the general fee as well as all other mandatory fees uniformly assessed to all full-time students which meet each of the following: they are in fact mandatory, are not included in the general fee, and are charged each term. The latter may include facility fees, technology fees, parking fees, or other mandatory fees.

† Amounts listed for the University based on the ODHE Survey differ from amounts provided by the University herein under "ENROLLMENT - Student Fees and Charges" due to the inclusion of an annualized $110.00 transportation fee in the ODHE data.

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[11] Refers to the respective guaranteed undergraduate tuition programs adopted by the State universities pursuant to Section 3345.48 of the Ohio Revised Code, such as the CSU Tuition Guarantee Program.

Student Financial Aid

The total amount of financial aid received by the University's students in FY 2024 was $150,250,006. Approximately 68.7% of students benefited from some type of financial assistance. Students may benefit from more than one federal or State program. Additional information regarding the primary sources of financial aid in FY 2024 is provided below:

Source	Approximate Number of Student Recipients	Total Amount Provided
Federal grant programs	4,238	$22,510,959
Federal loan programs[12]	7,181	78,828,364
State grant and scholarship programs	3,402	10,281,895
Institutional grants and scholarships	3,328	21,393,505
TOTAL		$133,014,723

The remaining financial aid in the amount of $17,235,283 received by the University's students in FY 2024 was provided by other sources.

All financial aid offered by the federal government and the State is subject to appropriation of funds. There can be no assurance that the amounts of federal and State financial aid will remain constant or will increase with rising costs. Such factors may contribute to changes in enrollment.

The University recently received a gift of approximately $15 million, which is expected to be primarily allocated to the establishment of the Katherine F. McCombs and Walter Lee McCombs Transformative Impact Fund, to provide assistance to students in need with the costs of tuition and room and board, and other expenses (see "FINANCIAL OPERATIONS AND RESULTS – The Foundation and the Endowment Fund" herein).

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[12] The FY 2021 cohort default rate ("CDR") for the nation and the University on certain Federal Family Education Loan (FFEL) Program or William D. Ford Federal Direct Loan (Direct Loan) Program loans is currently 0%, based on data released by the U.S. Department of Education as of November 30, 2024. Federal student loan payments were paused from March 13, 2020 to September 30, 2023. The CDR measures the percentage of borrowers at an institution who have defaulted on their federal student loans over a three-year period. An institution may lose access to federal financial aid if its CDR hits 30 percent for three consecutive years or 40 percent in one year.

FACULTY AND EMPLOYEES

General

The number of full-time employees of the University as of the fall term 2024:

Category	Number
Faculty (includes Administrative Faculty)	531
Professional Staff (includes Administrators)	682
Support Staff	199
Total	1,412

Of the 531 full-time faculty, 402 (76%) hold tenured appointments, and 413 hold the highest degree in their respective fields. Full-time faculty are distributed by rank as follows.

Category	Number
Professor	118
Associate Professor	142
Assistant Professor	80
Instructor	116
Administrator Faculty	75
Total	531

In addition to its full-time faculty, the University employs approximately 1,023 part-time faculty. For the fall 2024 semester, the University had a student-to-faculty ratio of 16 to l.

Labor Relations

The University is a party to collective bargaining agreements with the following:

Bargaining Agent	Employees Represented	Termination Date of Current Contract
American Association of University Professors, CSU Chapter	Tenured, tenure-track and non-tenure track full-time faculty members (lecturers and professors of practice, except in the College of Law)	08/15/2025 Negotiations are ongoing.
American Association of University Professors, CSU Chapter – College of Law	Faculty members whose primary appointment is with the College of Law, with the rank of Assistant Professor, Associate Professor, Professor, Legal Writing Professor, and Clinical Professor, with certain exceptions	08/15/2025 Negotiations are ongoing.
Communication Workers of America	Full-time classified civil services support staff (including clerical, maintenance and custodial staff)	10/31/2027
Fraternal Order of Police-Ohio Labor Council	University law enforcement officers in the University Police Department	12/31/2024 Negotiations are ongoing.

Bargaining Agent	Employees Represented	Termination Date of Current Contract
International Alliance of Theatrical Stage Employees	Staff members at the Wolstein Center who work in areas including house sound and light and loading and unloading equipment	06/30/2025 Negotiations are ongoing.
International Alliance of Theatrical Stage Employees, Treasurers, and Ticket Sellers	Staff members at the Wolstein Center who work in the area of ticket sales and related duties	06/30/2025 Negotiations are ongoing.
Service Employees International Union 925	Accounting, architectural and information technology staff	10/31/2027

CAMPUS FACILITIES

University Facilities

General. The University has over 40 facilities for staff and student activities, located on over 100 acres in downtown Cleveland (the "University Facilities"). These facilities contain classrooms and laboratories for educational purposes, offices for University faculty and staff, student housing,[13] and spaces for student activities such as student clubs, career services dining, and athletics. The Office of Facilities Management performs most elements of maintaining campus grounds, facilities, and equipment in-house. The Office of Facilities Management consists of ten departments under the Associate Vice President (AVP) of Facilities Services: Mechanical Electric and Plumbing, Building Maintenance, Custodial, Mailroom Services, Grounds Maintenance, Motor Pool, Access Control and Life Safety, Environmental Health and Safety, Fiscal Administration and Operations, and Capital Planning and Project Management.

Capital Plan. Most major construction activity is funded by current and anticipated State capital appropriations, totaling approximately $15 million per biennium, primarily to improve existing space and address deferred facility maintenance. These projects are part of a capital plan for the campus, with oversight from a senior leader group which helps prioritize and sequence projects for consideration. The following projects are scheduled to be completed within the next two to six years:

- Emergency system generator upgrades
- Life and safety repairs and replacements
- Elevator safety repairs and replacements
- Upgrade of HVAC and plumbing systems
- Improvement of distribution, safety, and consumption of electricity
- Facade improvements
- Demolition of aged buildings

[13] As of the Date of Issuance, the University Facilities include Fenn Tower and Euclid Commons. Prior to the Date of Issuance, Fenn Tower and Euclid Commons were part of the EADC Facilities. EADC will continue to manage and operate the student housing facilities at Euclid Commons on behalf of the University. See "PLAN OF FINANCING" in the body of this Official Statement.

The University has engaged a consultant to provide an assessment of all University facilities in order to address infrastructure needs. See also "STRATEGIC PLANNING – Campus Master Plan" herein.

Biomedical Discovery Complex. The University is currently renovating the fourth floor of Fenn Hall as part of a project to create a Biomedical Discovery Complex. The estimated $31.5 million project to support the integration of new research laboratories and associated support space will be funded primarily from State capital appropriations and reappropriations, pursuant to State legislation adopted in 2024 (House Bill 2 of the 135th Ohio General Assembly).

EADC Facilities

As of the Date of Issuance, the EADC Facilities[14] include, but are not limited to, the following:

(a) Facilities known as The Edge and The Langston, portions of which are used for student housing (together, the "EADC Housing Facilities") and retail purposes (together, the "EADC Retail Facilities"); and

(b) Parking Facilities which were developed by EADC and are subleased to and operated by the University, consisting of the South Garage (approximately 612 spaces) and the Prospect Garage (part of the Euclid Commons facilities) (approximately 292 spaces), (together , the "EADC Parking Facilities").

See also "FINANCIAL OPERATIONS AND RESULTS - Outstanding Debt and Other Obligations – Lease Obligations - *University Direct Support Agreements*" and "-*University Contingent Support*" with respect to the financial obligations of the University in connection with the EADC Facilities.

Other EADC Facilities. In 2016, EADC purchased a home for the use of the University's president, which is referred to as the University House. EADC entered into a lease agreement with the University for use of the home. The Board of Trustees has voted to terminate the lease as of September 4, 2025. It is anticipated that EADC will offer the home for sale in August 2025.

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[14] See "PLAN OF FINANCING – Series 2025C Project" in the body of this Official Statement for additional information regarding EADC. The University Facilities and the EADC Facilities are referred to together herein as the "Campus Facilities."

Housing Facilities

General. The portions of the Campus Facilities which are used for student housing are referred to herein as the "Housing Facilities" and include the following:

(a) The portion of Fenn Tower which was used for student housing prior to the closure in May 2024 and will be used for student housing again upon substantial completion of the Series 2025C Project and the portion of Euclid Commons which is used for student housing[15]; and

(b) The EADC Housing Facilities.

Capacity. The respective capacities of the Housing Facilities which are currently operational are set forth below:

Housing Facility	Capacity
Euclid Commons	601
The Edge	564
The Langston	603
	1,768

Fenn Tower (student housing capacity of 438) was closed in May 2024 after a comprehensive facade assessment commissioned by EADC identified critical structural and safety issues requiring immediate action.[16] The Improvement Portion of the proceeds of the Series 2025C Bonds will be used to complete the Series 2025C Project at Fenn Tower. The University currently anticipates that the Series 2025 Project schedule will provide for the use of Fenn Tower to resume in Fall 2026. See "PLAN OF FINANCING – Series 2025C Project."

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[15] See "PLAN OF FINANCING" in the body of this Official Statement for additional information regarding the Series 2025C Project to be completed at Fenn Tower and the refunding of the Refunded EADC Series 2014 Bonds, the proceeds of which were used to refinance the EADC Series 2005 Facilities (Fenn Tower) and the EADC Series 2009-A Facilities (Euclid Commons).

[16] See "RISK FACTORS – Acceleration" in the body of this Official Statement with respect to the effect of the closure under the governing documents related to the EADC Series 2014 Bonds, a portion of the proceeds of which was issued to refinance Fenn Tower.

Occupancy Rates. As of fall 2024, the University houses approximately 1,740 students. Occupancy rates for the Housing Facilities for the last six years appear in the following table (data for fall 2019 is included for reference as to the occupancy rates prior to the COVID-19 Pandemic):

Housing Facilities - Historical Occupancy

	Occupancy Rates			
Fall Semester	**Euclid Commons**	**Fenn Tower[a]**	**The Edge[b]**	**The Langston[b]**
2019	99%	100%	N/A	N/A
2020[c]	71%	46%	N/A	N/A
2021	93%	92%	N/A	N/A
2022	92%	91%	N/A	N/A
2023	90%	85%	92%	84%
2024	93%	0%	95%	93%

[a] Fenn Tower was closed in May 2024, as described above.
[b] The Edge and The Langston facilities were acquired by EADC in 2022 and transitioned to student housing in fall 2023.
[c] Occupancy data for fall 2020 reflects the impact of the COVID-19 Pandemic and related mitigation measures.

FINANCIAL OPERATIONS AND RESULTS

Recent Financial Planning Initiatives

In response to budgetary challenges and a projected budget deficit for FY 2024, an Organizational Resilience and Financial Stability planning group was appointed in summer 2023, comprised of faculty and staff, which developed strategies to reduce the projected budget deficit, to be covered by the University's unrestricted reserves. The Board of Trustees directed the University administration to further explore strategic initiatives to support increased enrollment, revenue generation, and cost containment, that could be implemented across several fiscal years. In December 2023, the University entered into an agreement with Ernst and Young LLP to assist a steering committee, comprised of administrative leadership, staff, faculty, and trustees (the "Steering Committee"), in identifying, prioritizing, and implementing near-term actions that would address the operational deficit and ongoing budget challenges, and identifying long-term priorities.

In April 2024, the Board of Trustees directed the University administration to implement a Voluntary Separation Incentive Plan (the "VSIP") for faculty and staff who had attained 10 years of service or more at the University. During FY 2024 and FY 2025, VSIP payments in the total amount of $15,790,495 were charged against the University's unrestricted reserves, related to 55 faculty positions and 110 staff positions. The University also eliminated 14 staff positions through layoffs. The run rate savings related to the VSIP and the staff reductions are fully realized in the FY 2026 budget.

In May 2024, the Board of Trustees accepted the Consolidated Analysis and Findings compiled by the Steering Committee (the "Transformation Plan") and directed the University administration to present a proposed implementation plan to assess the options provided in the Transformation Plan and provide for progress reports and planned milestones and targets (the "Implementation Plan"). The Implementation Plan, which was approved by the Executive Committee of the Board of Trustees on June 24, 2024, set forth cost reduction targets and proposed investments to strengthen the quality of the University experience to retain current students and increase enrollment. The restructuring of the University's operational and financial model is included as one of the three priorities in the University's current strategic plan, Cleveland State United, which was launched in January 2025 (see "STRATEGIC PLANNING - Cleveland State United").

Current Financial Overview

In FY 2024, the University's operating deficit was $14,691,781, which was offset by investment gains of $20,400,050, for an increase in net position of $5,708,268. The University used $8,577,000 from its unrestricted reserves to cover VSIP expenses in FY 2024. An operating deficit of $11,502,684 was estimated in the FY 2024 budget. The actual FY 2024 net operating deficit (less the VSIP expenses) was $6,134,781.

The FY 2025 budget estimated an operating deficit of $9,953,000, to be covered by the University's unrestricted reserves, if necessary. Based on current FY 2025 budget projections, the University anticipates that the operating deficit may be lower than $9,000,000. Enrollment exceeded FY 2025 budget assumptions, resulting in an increase in projected revenues. Projected savings for FY 2025 have resulted from the VSIP and staff reductions, academic and athletic program changes, and other normal attrition and cost saving opportunities.

The Board of Trustees approved a balanced FY 2026 budget in July 2025, following approval by the General Assembly of the State of its operating budget for the FY 2026-2027 biennium.

Financial Records

Financial records of the University are maintained in accordance with the standards prescribed by the Governmental Accounting Standards Board, American Institute of Certified Public Accountants, and the National Association of College and University Business Officers. These standards require that financial transactions be recorded within separate funds and that similar funds be grouped into fund groups for purposes of accounting and financial reporting. The University accounts for its financial resources in accordance with accepted practice for educational institutions through the use of five separately balanced fund groups: Current Funds, Loan Funds, Endowment Funds and similar funds, Plant Funds, and Agency Funds.

Financial Operations – Budgeting Procedures

The University's All Funds Budget is comprised of the Operating Budget, the General Fee Budget, and the Auxiliary Enterprises Budget (Dining Services, Parking Services, University Bookstore, and the Wolstein Center Arena).

The University develops an Operating Budget for each fiscal year based on:

- Strategic themes developed by the President and the senior staff[17];
- An estimate of revenue: tuition (enrollment driven), state appropriations, and other miscellaneous sources of revenue;
- The prior years' actual expenditure levels and alignment of resources with the implementation of strategic priorities;
- Budget guidelines and calendar reviewed with the University's Planning & Finance Advisory Committee (PFAC)[18]; and
- Strategic initiative requests supporting the strategic themes are submitted by each of the University's Deans and Vice Presidents.

The requests are consolidated by the Office of Budgets and Financial Planning. Deans and Vice Presidents present an executive summary of existing budget accomplishments and planned strategic initiative budget request to the Provost and Chief Financial Officer. Prioritized budget requests are presented to the President's Senior Leadership team. With this counsel, the President and senior staff direct the funding priorities and present a proposed budget to the Board of Trustees for approval. The Board of Trustees considers approval of the Operating Budget, the General Fee Budget, and the Auxiliary Enterprises Budget, each prepared on an annual basis.

The University prepares an annual budget. The approved expenditures in the Fiscal Year 2026 All Funds Budget are allocated as follows:

Budget	Fiscal Year 2026 Budget Expenditures
Operating	$251,467,932
General Fee	17,925,802
Auxiliary Enterprises	14,599,000
TOTAL	$283,992,734

The approved Fiscal Year 2026 Operating Budget is funded by the following revenue sources:

Revenue Source	Percent of Operating Budget
Student Instructional & Other Fees	59.1%
State Share of Instruction (SSI) Subsidy	28.5
Other Revenue	12.4
TOTAL	100.0%

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17 See "STRATEGIC PLANNING" herein.

18 The PFAC is a joint committee of administrators and faculty senate members that advises the President and senior staff as to overall University priorities and its review provides a link between the University's strategic initiatives and the University's operating budgets.

The Board of Trustees considers the expected amount of State appropriations along with the University's budget requirements and other revenue sources in establishing student tuition and other fees for each academic year. The University has been operating under State-mandated tuition caps for in-state undergraduate tuition since 2019. The State's approved biennial budget for FY 2026/2027 prohibits each state university from charging a guaranteed amount of tuition and fees to the cohort entering in the 2025-2026 or 2026-2027 academic year that is more than 3% above what was charged to the prior academic year's cohort. The Board of Trustees has approved a tuition increase of up to 3% for incoming undergraduates, graduate students, and law students, effective for the fall 2025 semester.

The University Budget Office is responsible for the monthly budget monitoring procedure to ensure units spending plans track with the approved budget. At mid-year, the Board of Trustees reviews expenditures and revenues for all budgets and, if appropriate, modifies the budgets to reflect revised expenditure and/or revenue projections for the fiscal year.

The Board of Trustees also receives a quarterly report on the status of the unrestricted budgets, as well as the status of gifts and grants, thereby maintaining governance of the restricted fund budget of the University.

Financial Operations – Statement of Revenues, Expenses, & Changes in Net Assets and Summary of Net Position

The tables on the following pages, prepared by the University based on its Audited Financial Statements for FY 2020-FY 2024, set forth the University's revenues, expenses and changes in net assets and summary of net position for such Fiscal Years.[19] Unqualified opinions were expressed with respect to the Audited Financial Statements for FY 2020-FY 2024.

The University's FY 2024 Audit Reports are attached hereto as ***Appendix B*** and the University's Audit Reports for prior Fiscal Years may be obtained from the website of the Ohio Auditor of State: www.auditor.state.oh.us.

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[19] RSM US LLP audited the financial statements for FY 2020-2024.

Cleveland State University
Statement of Revenues, Expenses, and Changes in Net Position
Fiscal Years 2020 - 2024
(In Thousands)

	2020	2021	2022	2023	2024
Revenues					
Operating Revenues:					
Student Tuition and Fees	$ 177,339	$ 182,366	$ 193,386	$ 193,066	$ 193,184
Less Scholarship Allowances	34,339	32,803	32,001	38,054	39,824
Net Student Tuition and Fees	143,000	149,563	161,385	155,012	153,360
Federal Grants and Contracts	8,361	11,324	11,915	17,557	17,848
State Grants and Contracts	3,321	6,205	5,151	3,259	5,740
Local Grants and Contracts	536	429	501	292	173
Private Grants and Contracts	2,868	2,065	2,599	2,576	14,078
Sales and Services	6,227	9,825	4,652	4,453	7,397
Auxiliary Enterprises	17,272	10,294	18,705	20,583	19,883
Other Sources	3,840	5,143	4,729	3,668	5,284
Total Operating Revenues	185,425	194,848	209,637	207,400	223,763
Expenses					
Operating Expenses:					
Instruction	107,048	110,887	125,287	133,773	129,305
Research	9,165	10,757	12,052	16,505	22,132
Public Service	5,416	8,846	5,603	5,429	7,492
Academic Support	26,173	24,228	24,740	27,158	28,659
Student Services	17,729	18,556	22,057	23,685	24,789
Institutional Support	34,199	36,351	43,175	29,177	41,405
Operation and Maintenance of Plant	27,025	23,056	22,366	21,718	18,398
Scholarships and Fellowships	21,870	27,656	41,815	19,379	21,788
Auxiliary Enterprises	29,400	24,779	34,643	36,318	43,335
Pension Expense (Revenue)	6,999	(7,759)	(27,687)	9,650	(3,168)
OPEB Expense (Revenue)	1,530	(38,910)	(11,463)	(8,546)	(965)
Depreciation and Amortization	29,488	27,949	29,067	32,541	35,272
Total Operating Expenses	316,042	266,396	321,655	346,787	368,442
Operating Loss	(130,617)	(71,548)	(112,018)	(139,387)	(144,679)
Nonoperating Revenues (Expenses)					
State Appropriations	76,837	78,910	79,357	79,930	80,354
Federal Grants and Contracts	29,786	56,392	52,220	20,833	22,507
State Grants and Contracts	6,565	5,923	6,253	7,376	10,119
Gifts	11,242	7,221	12,698	13,715	15,119
Investment Income	(2,274)	3,032	(16,936)	15,153	21,395
Interest on Debt	(8,569)	(8,046)	(7,515)	(7,080)	(4,942)
Net Nonoperating Revenues	113,587	143,432	126,077	129,927	144,552
Gain (Loss) Before Other Changes	(17,030)	71,884	14,059	(9,460)	(127)
Other Changes					
State Capital Appropriations	6,752	8,791	3,765	2,002	736
Increase in Net Assets	(10,278)	80,675	17,824	(7,458)	609
Net Assets					
Net Assets at Beginning of Year	222,958	212,680	293,355	318,434	310,976
Adjustment for Change in Accounting Principle			7,255		
Net Assets at Beginning of Year - as restated	222,958	212,680	300,610	318,434	310,976
Net Assets at End of Year	$ 212,680	$ 293,355	$ 318,434	$ 310,976	$ 311,585

Summary of Net Position
Fiscal Years 2020-2024
(in thousands)

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Invested in capital assets, net of related debt	$270,141	$266,906	$262,787	$250,420	$249,764
Restricted - expendable	32,270	31,896	34,824	32,641	45,086
Restricted - nonexpendable	1,385	1,707	1,395	1,468	1,568
Unrestricted	(91,116)	(7,153)	19,428	26,447	15,167
Total Net Assets	212,680	293,356	318,434	310,976	$311,585

State Appropriations

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

The following table shows unrestricted State operating appropriations for the University compared with other unrestricted revenues for the most recent five Fiscal Years for which Audited Financial Statements are available.

Fiscal Year	State Operating Appropriations	Other Unrestricted Revenues	Total
2020	$76,836,813	$202,544,338	$279,381,171
2021	78,910,196	212,643,045	291,553,241
2022	79,356,658	209,088,497	288,445,155
2023	79,929,944	218,819,662	298,749,606
2024	80,353,668	229,481,261	309,834,929

For FY 2025, the University received $81.4 million in State operating appropriations. The recently approved State Budget for FY 2026/2027 provides a 1% year-over-year increase in State operating appropriations for the State's public universities, to be distributed according to the State Share of Instruction (SSI) formula.

The University also receives State capital appropriations, which are used primarily for the construction and maintenance of academic and academic support facilities. Capital appropriations awarded for the July 1, 2024 through June 30, 2026 biennium total approximately $15 million. These capital appropriations are dedicated to renovation and modernization of existing buildings.

There can be no assurance that State appropriated funds for operating or capital improvement purposes will be made available in the amounts requested or required by the University. The General Assembly has the responsibility of determining such appropriations biennially. State income and budget constraints may at some point compel a stabilization or reduction in the level of State assistance and support for higher education in general, and the University in particular. In addition, subsidy appropriations are subject to subsequent limitation in accordance with State law. As set forth in Revised Code Section 126.05, if the governor ascertains that the available revenue receipts and balances for the current fiscal year will in all probability be less than the appropriations for the year, he/she shall issue such orders to the State agencies as will prevent their expenditures and incurred obligations from exceeding such revenue receipts and balances.

Grants and Research Contracts

The University's faculty and staff are active in pursuing funding for scholarly activities and research in their respective fields.[20] The following table reflects the dollar amount of grants and research contracts awarded to the University in the past five Fiscal Years (in thousands), identified by source.

Source	2020	2021	2022	2023	2024
Federal	$ 7,836	$17,164	$17,439	$22,506	$21,484
Ohio	4,603	5,032	3,112	2,989	11,891
Local	253	429	685	915	321
Private	6,051	3,279	22,023	6,171	4,006
Total	$18,743	$25,904	$43,259	$32,581	$37,702

NOTE: Historical data provided for FY 2021 – FY 2024 is limited to amounts received by the University through the Office of Sponsored Programs & Research Services.

See also "PROGRAMS - Community Partnerships – *Overview*" with respect to a 10-year, $20 million grant received in connection with the Cleveland Innovation District.

The Foundation and the Endowment Fund

The Foundation. The Cleveland State University Foundation (the "Foundation"), a not-for-profit foundation as described in Section 501(c)(3) of the Code, is organized primarily to engage in activities and programs to provide support and service to the University. As authorized by the Board of Trustees, beginning in fiscal year 1998, the University placed endowment and quasi-endowment funds on deposit with the Foundation for investment. The Foundation is treated as a component unit of the University for accounting purposes and a separate annual audit is prepared.[21] The Foundation Board is self-perpetuating and consists of business leaders and friends of the University.

The Foundation's primary sources of revenue are endowment income and public support through donations from individuals, foundations and trusts located primarily in northeastern Ohio. The Foundation's endowments consist of approximately 460 individual funds, established for a variety of purposes and consisting of both donor-restricted endowment funds and funds designated by the Board of Directors of the Foundation (the "Foundation Board") to function as endowment (collectively, the "Endowment Fund"). Although the University does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon that the

[20] See "RISK FACTORS – Uncertainties of Federal Legislation and Policy" in the body of this Official Statement with respect to recent developments in the legal and political environment that could impact federal funding for research.
[21] The annual audits of the Foundation are available from the website of the Ohio Auditor of State at: https://ohioauditor.gov/auditsearch/search.aspx.

Foundation holds and invests are restricted to the activities of the University by donors. During FY 2024, the Foundation received support totaling approximately $32,244,655 from 6,252 donors.[22]

Included in the Foundation's investments are assets held for the University and the Cleveland State University Alumni Association (commonly referred to as "Funds Held"). The assets held for these entities are maintained as separate funds in the financial system of the Foundation and receive a proportional share of the investment income.

In May 2025, the University announced receipt of the largest gift in its history from an individual donor, consisting of approximately $15 million to be allocated primarily to the establishment of Katherine F. McCombs and Walter Lee McCombs Transformative Impact Fund, which will enable CSU to provide assistance to students in need with the costs of tuition and room and board, and other expenses, with another portion to be allocated to the existing Walter Lee McCombs Endowed Scholarship Fund in the College of Law.

Endowment Fund. The market value of the Endowment Fund, as of June 30 for each of the last five Fiscal Years was:

Fiscal Year	Market Value†
2020	$ 84,616,714
2021	106,645,349
2022	91,107,899
2023	99,915,549
2024	110,733,064

† Amounts exclude Funds Held

Over the past five Fiscal Years, the market value of the Endowment Fund has grown approximately 31%.

The market value of the Endowment Fund as of May 31, 2025 was $153,201,852 and the investment allocation therefor as of such date, along with policy targets, is set forth below:

Asset Classification	Allocation†	Policy
Domestic Equity	39.9%	40.00%
International Equity	19.4%	20.00%
Alternative Assets	20.3%	20.00%
Fixed Income	19.2%	20.00%
Cash	1.2%	0.00%
Total Investments	**100.0%**	**100.00%**

† Amounts have been rounded.

22 See also "STRATEGIC PLANNING - Fundraising to Support University Initiatives."

Federal Pandemic Assistance

Information provided in the FY 2024 Audit Reports. The FY 2024 Audit Reports, which are attached to this Official Statement as ***Appendix B***, provided information regarding the Federal Pandemic Assistance received by the University as of the date thereof, including, but not limited to, information available in the sections listed on the header page included therewith.

Federal Pandemic Assistance received by the University. The University was awarded a total of approximately $79.5 million in federal assistance related to the COVID-19 Pandemic ("Federal Pandemic Assistance"), beginning in 2020. The University obligated and expended such Federal Pandemic Assistance in accordance with the deadlines established by the U.S. Department of Education, for purposes including, but not limited to, providing student grants and other student support, replacing lost revenues, improving campus safety and operations, acquiring equipment and software to facilitate online instruction, and providing for faculty training and other institutional expenses

Insurance Coverage

General. The University is a member of the Inter-University Council-Insurance Consortium ("IUC-IC") of Ohio, a collaboration of 13 Ohio public universities. The IUC-IC collectively pools a core group of casualty and property risks, retains a portion of the risks in a formalized self-insurance program and purchases insurance to protect the members from the consequences associated with a large loss. The University has property and liability insurance policies provided through such IUC-IC self-insurance pools (the "Property Self-Insurance Pool" and the "Casualty Self-Insurance Pool," as applicable), other supplemental group policies offered by various carriers to the members of the IUC-IC (the "Group Property Program," the "Group Casualty Program," and the "Other Group Coverage," as applicable), and individual policies with various carriers which are specific to the University (the "University Policies").

Property Insurance. The University is insured for damage to real and business personal property at replacement cost, as well as loss of revenue resulting from covered causes of loss. There is a $100,000 deductible applicable to each claim for loss or damage. Losses between $100,000 and $1,000,000 are covered by the Property Self-Insurance Pool. Losses in excess of $1,000,000 are paid by the carrier under the Group Property Program, with a shared limit of $1 billion. Property coverage includes all risks of direct physical loss or damage including flood, earthquake, and convective storm subject to the terms and sublimits of the policy.

The Group Property Program also includes a terrorism policy with shared per occurrence limits of $600 million, including coverage for Active Assailant and Strikes, Riots and Civil Commotion, and a fine arts policy, including library values, with limits for various categories ranging from $20 million to $350 million.

Liability Insurance. The University's liability insurance coverage includes General Liability, Auto Liability and Educators Legal Liability through the Casualty Self-Insurance Pool. A $100,000 deductible is applicable to each claim. Losses between $100,000 and $2,500,000 are covered by the Casualty Self-Insurance Pool. Covered losses in excess of $2.5 million are paid by the carrier under the Group Casualty Program. Each member of the IUC-IC has a dedicated excess limit of $10 million under the Casualty Self-Insurance Pool. The Group Casualty Program also includes shared excess limits of $25 million for General and Auto Liability and Educators Legal Liability.

With respect to the State and its agencies, such as the University, Ohio law provides for a waiver of immunity from liability and consent to be sued and have liability determined in the Ohio Court of Claims. Judgments rendered by the Court of Claims are payable from (and in the following order) (i) unencumbered appropriated funds of the agency against which the determination of liability has been made, (ii) certain emergency purpose appropriations, or (iii) special additional appropriations that may be made by the General Assembly pursuant to a request by the agency.

Other Insurance. The Other Group Coverage also includes policies for crime, excess social engineering, fiduciary liability, foreign package liability, international travel assistance services, medical malpractice, pollution, and special accident.

The University is also insured for Cyber Liability and Breach Response as part of the Other Group Coverage, which includes information security and privacy liability, including associated privacy breach response services for the release of private information. Also included is coverage for the University in the event of a security breach, system failure or cyber extortion, including associated data recovery costs.

The University Policies include inland marine, and intercollegiate sports excess accident medical. The University maintains a self-insured medical plan for its employees. The University's risk exposure is limited to claims incurred and there is a $300,000 specific stop loss for any given individual. The University also provides basic life insurance for benefits-eligible employees. The basic life insurance is self-insured and is capped at $150,000. The University participates in a State pool of agencies and universities that pays workers' compensation premiums into the State Insurance Fund on a pay-as-you-go basis, which pays workers' compensation benefits to beneficiaries who have been injured on the job.

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Outstanding Obligations of the University*

Outstanding General Receipts Obligations. As of the Date of Issuance, the University will have outstanding General Receipts Obligations in the aggregate principal amount of $208,355,000*, consisting of the following:

Date of Original Issue	Series	Interest Rate (Remaining Maturities)	Final Maturity	Original Amount Issued	Amount Outstanding
09/23/2011	Series 2011 Bonds (R-1)[(1)]	5.320%	04/01/2042	$ 2,775,000	$ 2,070,000
09/23/2011	Series 2011 Bonds (R-2)[(1)]	5.320%	04/01/2042	3,000,000	2,295,000
02/09/2016	Series 2016A Bonds[(2)]	3.125-5.000%	06/01/2036	32,475,000	21,910,000
12/13/2021	Series 2021 Bonds[(3)]	2.090%	06/01/2037	110,855,000	86,785,000
06/09/2025	Series 2025A Bonds[(4)]	5.000%	06/01/2039	5,870,000	5,870,000
06/09/2025	Series 2025B Bonds[(5)]	5.450-5.850%	06/01/2039	21,935,000	21,935,000
07/31/2025	Series 2025C Bonds	[______]	[______]	67,490,000*	67,490,000*
TOTAL					$208,355,000*

(1) Refers to the University's Taxable General Receipts Bonds, Series 2011. The Series 2011 Bonds were issued in the original aggregate principal amount of $5,775,000 and were privately placed with two purchasers in the respective principal amounts of $2,775,000 and $3,000,000 listed above.
(2) Refers to the University's General Receipts Refunding Bonds, Series 2016A.
(3) Refers to the University's General Receipts Refunding Bonds, Series 2021, which were privately placed.
(4) Refers to the University's General Receipts Refunding Bonds, Series 2025A (Tax-Exempt).
(5) Refers to the University's General Receipts Refunding Bonds, Series 2025B (Federally Taxable).

Subordinate Obligations[23]. Payments with respect to the following obligations of the University are subject to appropriation by the Board of Trustees and subordinate to current and future pledges of the General Receipts.

See "CAMPUS FACILITIES – EADC Facilities" herein for additional information regarding the EADC Facilities referenced below.

Lease Obligations. As of the Date of Issuance, with the adoption of GASB Statement No. 87, the University has a liability for lease obligations in the approximate aggregate outstanding principal amount of $49,494,548.43 (the "Outstanding Lease Obligations").

(a) University Direct Support Agreements. The lease obligations of the University under the leases with respect to the EADC Parking Facilities (together, the "University Direct Support Agreements") represent approximately $16,082,973.81 of such total as of the Date of Issuance. The lease payments under such University Direct Support Agreements provide direct support from the University in the form of rental payments in an amount equal to the amount required to be paid by EADC under the respective loan agreements to provide for the payment of bond service charges in connection with the related series of bonds issued to finance the applicable EADC Parking Facilities. The lease

* Preliminary; subject to change.
23 As defined in the Trust Agreement.

payments related to the EADC Parking Facilities are currently being paid from parking revenues related to the respective facilities.

(b) Other Lease Obligations. The University has other outstanding lease obligations related to office and classroom space and office equipment in the approximate aggregate principal amount of $33,411,574.62 as of the Date of Issuance.

University Contingent Support. The University Direct Support Agreements and certain leases related to the projects financed with the proceeds of the EADC Series 2022 Bonds, provide for the maintenance of a Fixed Charges Coverage Ratio of at least 1.2:1.0, with respect to the outstanding EADC Bonds under the EADC Trust Indenture.[24] If such Fixed Charges Coverage Ratio is not satisfied in any Fiscal Year, based upon the financial statements of EADC, the University has covenanted and agreed to make payments to EADC in the amount required to satisfy such Ratio (an "FCC Payment") from the applicable Project Revenues on a pro rata basis and/or the University's General Receipts, as needed, subject to appropriation and subordinate to current and future pledges thereof.

In FY 2020 and FY 2021, due to the impact of the COVID-19 Pandemic on occupancy in the EADC Housing Facilities, the University made FCC Payments from its General Receipts in the amounts of $936,905 and $1,950,000, respectively. In FY 2024, due to the impact of the closure of Fenn Tower, the University made an FCC Payment from its General Receipts in the amount of $1,000,000. The University anticipates that an FCC Payment in the estimated amount of $3.6 million will be made with respect to FY 2025.[25]

Other Obligations. The University also has a liability of $260,534 as of the Date of Issuance for its subscription-based information technology arrangements, with the adoption of GASB Statement No. 96.

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The University has never failed to pay punctually, and in full, all amounts due for principal of and interest on any indebtedness, or to establish and maintain reserves required by any bond proceedings, or to make lease payments in full when due.

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[24] Such agreements will be amended or further amended (as applicable) to provide additional clarification regarding the historical calculation of the Fixed Charges Coverage Ratio by the University and EADC. The projects financed with the proceeds of the EADC Series 2022 Bonds consist of the EADC Housing Facilities and the EADC Retail Facilities (see "CAMPUS FACILITIES – EADC Facilities" herein).

[25] Prior to the Date of Issuance, the EADC Facilities also included the EADC Series 2005 Facilities (Fenn Tower) and the EADC Series 2009-A Facilities (Euclid Commons) and the Refunded EADC Series 2014 Bonds were included in the calculation of the Fixed Charges Coverage Ratio.

Future Financings

At this time, the University does not anticipate any additional financings in FY 2026. However, the university continues to assess other financing needs related to projects that will support the strategic initiatives noted as part of the updated strategic plan (see "STRATEGIC PLANNING" herein) and other significant expenditures for projects related to deferred maintenance.

Retirement Plans

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

For the fiscal year ended June 30, 2024, OPERS provided coverage for 924 University employees, and STRS provided coverage for 791 University employees. Alternative retirement plans were elected by 384 University employees, as described below. Currently employees (other than law enforcement personnel) contribute at statutory rates of 10.00% (OPERS) and 14.00% (STRS) of earnable salary or compensation; as the employer, the University contribution rate was 14.00% (OPERS) and 14.00% (STRS) of the same base. For law enforcement personnel covered by OPERS, employees contribute at a statutory rate of 13% of earnable salary or compensation, and the University, as the employer, contributes at the rate of 18.10% of the same base. These employee and employer contribution rates are the maximums currently permitted under State law.

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

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

OPERS and STRS are two of five statewide public employee retirement systems created by and operating pursuant to Ohio law, all of which currently have unfunded actuarial accrued liabilities. The General Assembly has the power to amend the format of those systems and to revise rates and methods of contributions to be made by public employers and their employees and eligibility criteria, benefits or benefit levels for employee members. In 2012, the General Assembly passed five separate pension reform bills intended to assist each of the five retirement systems in addressing its unfunded actuarial accrued liabilities which became effective in January 2013.

For further information on OPERS and STRS, see the Notes to the University's Audited Financial Statements included in ***Appendix B***. Financial and other information for OPERS and STRS can also be found on the respective website for each retirement system including their respective Annual Comprehensive Financial Reports.

Ohio law requires public institutions of higher education to offer an alternative retirement program ("ARP") to certain employees. The University offers an ARP as an option for full-time faculty and staff. The ARP is a Defined Contribution 401(a) Plan. If selected, this election is a one-time, irrevocable election while continuously employed at the University. Participants in the ARP do not retain membership with OPERS/STRS for the period of time that they contribute to the ARP and are not eligible to use service time under the ARP towards OPERS/STRS retirement plans. Contribution rates for the ARP are based on the State Retirement Plan for which the position would have participated.

The University also has a qualified retirement plan and related section 415(m) plan for those employees whose contributions to STRS, OPERS, or ARP are limited by Internal Revenue Code limitations. Contributions are funded from both employer and employee contributions. In addition, several optional supplemental retirement programs (403(b) and 457 plans) are available to employees.

The Revised Code provides statutory authority for employee and employer contributions. The University's contributions each year are equal to its required contributions. University contributions for the five preceding Fiscal Years are summarized below.

Employer Contributions
(*dollars in thousands*)

Fiscal Year	STRS	OPERS	ARP
2020	$8,002,180	$7,588,682	$2,611,468
2021	8,077,403	7,122,043	2,463,566
2022	8,428,943	7,522,915	2,533,921
2023	8,423,402	8,462,497	2,883,379
2024	8,426,665	9,043,848	2,949,044

Federal law requires University employees hired after March 31, 1986, to participate in the federal Medicare program, which requires matching employer and employee contributions, currently 1.45% of the employees' compensation. Otherwise, University employees do not currently contribute to the federal Social Security system.

[END OF APPENDIX A]

APPENDIX B
FY 2024 AUDIT REPORTS

Please note that the FY 2024 Audit Reports provided detailed information regarding the impact of the COVID-19 Pandemic on the University as of the date thereof, including, but not limited to, information available in the following sections:

- Management's Discussion and Analysis - Statement of Revenue, Expenses, and Changes in Net Position (pgs. 7-8)
- Schedule of Expenditures of Federal Awards (pgs. 49-53)

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[SEE ATTACHED]

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Cleveland State University

(A Component Unit of the State of Ohio)

Financial Report
June 30, 2024

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OHIO AUDITOR OF STATE
KEITH FABER

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

Board of Trustees
Cleveland State University
2300 Euclid Avenue
Cleveland, Ohio 44115

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

FINDING FOR RECOVERY – IMPROPER USE OF PAYMENT CARD

Dr. Junior Gonzales was hired by Cleveland State University (the University) in February 2023 as an Assistant Professor in the Chemistry Department. Dr. Gonzales had received a federal award from the National Institutes of Health while at his previous employer and said the award transferred to the University upon his employment there. The University provided Dr. Gonzales with a payment card in February 2023 to make business related purchases. On January 8, 2024, when University management was made aware of some concerns with Dr. Gonzales' payment card purchases, they shut down his payment card access and opened an internal audit review of all his payment card purchases.

The internal audit review identified $85,258.27 in payment card purchases made by Dr. Gonzales from March 23, 2023 through January 8, 2024 for which the business purpose could not be validated due to a lack of supporting documentation. Further, Dr. Gonzales admitted the payment card was used for personal use and his employment with the University was terminated. The University identified $79,771.53 of these payment card transactions/expenditures were charged to the federal award and subsequently refunded the amount to the National Institute of Health via an adjustment to a subsequent federal funds draw/request.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code §§ 117.24 and 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Dr. Junior Gonzales in the amount of $85,258.27 and in favor of the Cleveland State University's Chemistry Department, Fund 0010-0255-01.

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

Keith Faber
Auditor of State
Columbus, Ohio

March 18, 2025

Contents

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RSM US LLP

Independent Auditor's Report

President and Board of Trustees
Cleveland State University

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the University, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with 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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 11 to the financial statements, one of the discretely presented component units recognized an impairment loss related to certain property and equipment during the year ended June 30, 2024. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

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

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for a reasonable period of time.

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

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

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2024, on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

RSM US LLP

Cleveland, Ohio
November 14, 2024

Introduction

The following discussion and analysis provides an overview of the financial position and activities of Cleveland State University (the University or CSU) as of and for the year ended June 30, 2024. This discussion has been prepared by management and should be read in conjunction with the financial statements and the notes thereto, which follow this section.

The University was established in 1964 by action of the Ohio General Assembly and is part of the state of Ohio's (the State) system of State-supported and State-assisted institutions of higher education. It is one of the 13 State universities in Ohio. By statute, it is a body politic and corporate and an instrumentality of the State. Located in the city of Cleveland, the University is an urban institution. A majority of the University's students commute daily from their homes in the Cleveland metropolitan area.

Using the Annual Financial Report

The University's financial report includes financial statements prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 35, *Basic Financial Statements—and Management's Discussion and Analysis—or Public Colleges and Universities*. These principles require that financial statements be presented on a basis to focus on the financial condition, the changes in financial condition and the cash flows of the University as a whole. Many other nonfinancial factors also must be considered in assessing the overall health of the University, such as enrollment trends, student retention, strength of the faculty, condition of the buildings, and the safety of the campus.

The financial statements prescribed by GASB Statement No. 35 (the statement of net position, the statement of revenue, expenses and changes in net position, and the statement of cash flows) present financial information in a form similar to that used by corporations. They are prepared under the accrual basis of accounting, whereby revenue and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged.

Under the provisions of GASB Statement No. 61, *Determining Whether Certain Organizations are Component Units*, the Cleveland State University Foundation, Inc. (the Foundation) and the Euclid Avenue Development Corporation (the Corporation) are treated as component units of the University. Accordingly, the Foundation and the Corporation are discretely presented in the University's financial statements. The Foundation and the Corporation are excluded from the management's discussion and analysis. Financial statements for the Foundation can be obtained from the Office of the Executive Director at 2121 Euclid Avenue, Union Building Room 501, Cleveland, OH 44115-2214; financial statements for the Corporation can be obtained from the Office of the Chief Financial Officer at 2300 Euclid Avenue, Administration Center Room 210, Cleveland, OH 44115-2214.

Financial Highlights

The University's financial position remained strong with assets of $734.3 million, deferred outflows of $54.5 million, liabilities of $449.7 million and deferred inflows of $27.5 million at June 30, 2024. Net position, which represents the residual interest in the University's assets and deferred outflows of resources after liabilities and deferred inflows of resources are deducted, totaled $311.6 million.

Statement of Net Position

The statement of net position presents the financial position of the University at the end of the fiscal year and includes all assets and liabilities. The difference between assets and deferred outflows and liabilities and deferred inflows – net position – is one indicator of the current financial condition of the University, while the change in net position is an indicator of whether the overall financial condition has improved or worsened during the year. Assets, deferred outflows, liabilities and deferred inflows are generally measured using current values. One notable exception is capital assets, which are stated at historical cost less an allowance for depreciation. A summary of the University's assets, liabilities and net position at June 30, is as follows:

	2024	2023
Current assets	$ 245,919,273	$ 231,635,459
Noncurrent assets:		
Capital assets, net	471,690,714	496,281,186
Other	16,699,125	18,415,199
Deferred outflows of resources	54,478,001	79,968,158
Total assets and deferred outflows of resources	788,787,113	826,300,002
Current liabilities	76,196,698	42,719,551
Noncurrent liabilities	373,493,491	439,924,889
Deferred inflows of resources	27,511,428	32,679,079
Total liabilities and deferred inflows of resources	477,201,617	515,323,519
Net position	$ 311,585,496	$ 310,976,483

Current assets consist primarily of cash, short-term investments, accounts and notes receivable, prepaid expenses and inventories. Current liabilities consist primarily of accounts payable, accrued payroll and other liabilities, unearned revenue and the current portion of long-term debt.

Current assets increased in 2024 from 2023 primarily due to an increase in cash and investments and accounts receivable balances.

Capital assets, net decreased in 2024 from 2023 by $24.6 million, or 5%. The decrease in 2024 is primarily due to depreciation.

Deferred outflows of resources is defined as the consumption of net assets applicable to a future reporting period. The deferred outflows have a positive effect on net position similar to assets. The University's deferred outflows in 2024 decreased $25.5 million, or 31.9%, primarily due to changes in assumptions and differences related to the OPERS and STRS Pension and OPEB Plans (see Required Supplementary Information (RSI) and notes to the RSI).

Other assets decreased in 2024 from 2023 by $1.7 million, or 9.32%, due to a decrease in the net OPEB asset balance as a result of GASB Statement No. 75.

Deferred inflows of resources is defined as the current acquisition of net assets that is applicable to a future period. The deferred inflows have a negative effect on net position similar to liabilities. The University's deferred inflows in 2024 decreased from 2023 by $5.2 million, or 15.8%, primarily due to the difference between projected and actual earnings, changes in assumptions and changes in proportionate share on the OPERS and STRS Pension and OPEB Plans (see RSI and notes to the RSI).

Statement of Net Position (Continued)

Current and non-current liabilities decreased in 2024 from 2023 by $33 million, or 6.8%, due to the net decrease in net pension liabilities as a result of GASB Statement No. 68.

Capital and Debt Activities

One critical factor affecting the quality of the University's programs is the development and renewal of its capital assets. Capital additions totaled $10.7 million in 2024. Capital additions and retirements for 2024 exclude transfers from construction in progress to buildings in the amount of $934 thousand in 2024. Capital retirements totaled $4.1 million in 2024. Capital additions include construction of new facilities, repair and renovation of existing facilities, and acquisition of equipment and library books. Capital asset additions are funded, in part, by capital appropriations from the State. These appropriations amounted to $736 thousand in 2024. Refer to the Note 6 for additional information. At June 30, 2024 the University had construction commitments of approximately $1,180,000

In August 2010, the University entered into a right to use leased asset, with the Corporation in the amount of $7.07 million. The lease covers a parking garage that was constructed by the Corporation on the University's campus. The lease requires the University to operate and maintain the garage, and to make payments to the Corporation equal to its required debt service payments.

In August 2009, the University entered into a right to use leased asset with the Corporation in the amount of $14.5 million. The lease covers a parking garage that was constructed by the Corporation on the University's campus. The lease requires the University to operate and maintain the garage, and to make periodic payments to the Corporation equal to its required debt service payments.

In October 2021, the University issued Series 2021 Limited Available Receipts Bonds, which was a direct purchase by a bank, in the principal amount of $27,700,000. The Series 2021 Limited Available Receipts Bonds were issued as fixed rate bonds with interest payable semi-annually at the rates of 1.45% to 1.85%. The transaction was a Direct Purchase by a bank. The proceeds of the bonds were used to finance a lease balloon payment. The original maturity date on the bonds was October 7, 2024. On October 7, 2024 the University amended the Series 2021 Bonds which extended the maturity date to February 28, 2025 and changed the interest rate on the bonds. In addition, the tax-status of the Series 2021A Bonds became federally taxable.

In December 2021, the University issued General Receipts Refunding Bonds, Series 2021, which were purchased by Truist Bank of $110,855,000. Interest is payable at the fixed rate of 2.09% with maturities beginning June 1, 2022 through June 1, 2037. The proceeds of the bonds were used to refund the outstanding Series 2012 Bonds.

In February 2016, the University issued $32,475,000 of general receipts bonds, Series 2016A. The bonds bear interest rates ranging from 3.0% to 5.0% and mature beginning June 1, 2016 through June 1, 2036. The proceeds of the issuance were used to decrease a portion of the Series 2007A bonds and pay issuance costs. The purpose of this transaction was to refund future callable maturities to achieve debt service savings of approximately $3,900,000 over the life of the bonds.

Capital and Debt Activities (Continued)

In September 2011, the University issued taxable general receipts bonds in the principal amount of $5.77 million. The General Receipts Series 2011 Bonds were issued as fixed rate bonds with monthly maturities beginning October 1, 2013 through April 1, 2042. Interest is payable monthly at the annual rate of 5.32%. The proceeds of the bonds were used to finance a portion of the costs of public improvements identified as the North Campus Neighborhood – Project Phase I.

As disclosed in Note 6, management performed an analysis and identified an error in the beginning balance presentation of capital assets and accumulated depreciation categories of land, land improvements and buildings. As a result, approximately $12,298,500 of beginning balances between the cost basis line items were reclassified and additionally $5,197,812 was reclassified between the beginning accumulated depreciation balances. The reclassification of these individual line items had no impact on the capital asset subtotals, the accumulated depreciation total or capital assets, net total.

As noted in Note 11, the Corporation was required to close a building that serves as collateral on the Corporation's Series 2014 Bond. As a result of the closure an impairment loss was recognized. The closure of the building constitutes a non-monetary default under the terms of the bonds. Accordingly, bond holders have the option to accelerate the outstanding principal amount of the Series 2014 Bonds to be paid immediately. To date the Corporation has not received a notice of an event of default from the bond holders.

Net Position

The University's net position at June 30, is summarized as follows:

	2024	2023
Net investment in capital assets	$ 249,764,093	$ 263,436,787
Restricted—expendable	45,086,035	32,641,071
Restricted—nonexpendable	1,568,242	1,469,373
Unrestricted	15,167,126	13,429,252
Total net position	$ 311,585,496	$ 310,976,483

Net investment in capital assets represents the University's capital assets net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets. Changes in this category of net position are due to the net effect of additions to, disposals of and depreciation on capital assets.

Restricted expendable net position is subject to externally imposed restrictions governing their use. Changes in this category are customarily due to the timing of revenue and expenses in funds provided by donors and grantors. Restricted nonexpendable net position consists primarily of endowment funds held by the University. Changes in this category are driven primarily by investment performance.

Unrestricted net position is not subject to externally imposed stipulations. This category includes funds functioning as endowment (quasi-endowment) of $5.3 million at June 30, 2024.

Management performed an analysis and identified an error in the presentation of the net investment in capital assets and unrestricted net position. As a result, a reclassification of $13,017,286 was made to the June 30, 2023 presentation between those two categories in the net position caption on the statement of net position. There was no impact to the overall net position of the University.

For the year ended June 30, 2024, the University had an increase in total net position of $0.6 million, or 0.2%. Net investment in capital assets, net of the noted reclassification, decreased by $13.7 million, or 5.2%, primarily due to depreciation. Unrestricted net position increased by $1.7 million, or 12.9%, primarily because of investment gains.

Statement of Revenue, Expenses and Changes in Net Position

The statement of revenue, expenses and changes in net position presents the revenue earned and expenses incurred during the year. Activities are reported as either operating or nonoperating. As a public institution, the University is heavily dependent on State assistance. The University is required to present State appropriations as nonoperating revenue, which as a result increases the operating loss for all years presented. The utilization of capital assets is reflected in the financial statements as depreciation, which amortizes the cost of an asset over its expected useful life. Condensed revenue, expenses and changes in net positions for the years ended June 30, are as follows:

	2024	2023
Operating revenues	$ 223,763,275	$ 207,400,656
Nonoperating revenues	149,493,687	137,007,511
Other revenues	736,265	2,001,993
Total revenues	373,993,227	346,410,160
Expenses:		
Educational and general	289,835,167	277,927,969
Auxiliary enterprises	43,335,429	36,317,976
Depreciation and amortization	35,272,078	32,541,270
Interest on debt	4,941,540	7,079,926
Total expenses	373,384,214	353,867,141
Change in net position	$ 609,013	$ (7,456,981)

Total revenue and other changes, net of interest on debt, in fiscal 2024 was $369.1 million. The most significant sources of 2024 operating revenue for the University, as reflected in the statement of revenues, expenses and changes in net position, was student tuition and fees of $153.4 million, grants and contracts of $37.8 million and auxiliary services of $19.9 million.

Revenue from tuition and fees (net of scholarship allowances) decreased $1.7 million, or 1.1%, in 2024 compared to 2023. Total headcount enrollment decreased by 2.7%, while full-time equivalent enrollment decreased by 9.2% over the prior year and graduate headcount decreased 2.5%.

Total expenses in 2024 were $373.4 million. Operating expenses include the costs of instruction, research, public service, general administration, utilities, libraries and auxiliary services. Operating expenses also include depreciation and amortization. Operating expenses increased by $21.7 million, or 6.2%, in 2024. The changes in 2024 are primarily related to changes in the discount of tuition offset by increase in research spending. Interest on debt decreased $2.1 million or 29.7%.

Sources of nonoperating revenue for the 2024 include State appropriations of $80.4 million grants, and contracts of $32.6 million and contributions of $15.1 million. It also reflects an investment gain of $21.4 million in 2024.

Net nonoperating revenue increased in 2024 from 2023 by $12.5 million, or 9.1%, primarily due to investment gains offset by reductions in funding from the federal government for COVID-19. Other changes consist primarily of State capital appropriations of $0.7 million in 2024.

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

Credit Rating

The University's bonds are rated "A+" stable by Standard & Poor's, with the most recent rating published on November 8, 2023. An "A" rating indicates a strong capacity to meet financial commitments, but somewhat susceptible to adverse economic conditions and changes in circumstances. This rating is consistent with the year ended June 30, 2022. The highest achievable rating is "AAA." The University's capacity to meet its financial obligations is considered strong. On September 25, 2024, Moody's affirmed the University's A1 rating but downgraded the outlook from stable to negative. Obligations rated "A" by Moody's are judged to be upper-medium grade and are subject to low credit risk. The highest achievable rating is "AAA."

Looking Ahead

Celebrating its 60th anniversary this year, Cleveland State University remains committed to serving as the public research university for Northeast Ohio and a pillar of the Greater Cleveland community. Like other colleges and university across the United States, the University is addressing the changing landscape of higher education and the needs of today's students. University leadership continues the process it began last fiscal year to identify and implement plans for cost reductions and strategic investments. In addition, the entire CSU community is actively engaged in the development of a new strategic plan.

At CSU, enrollment serves as the primary driver of revenue, yet enrollment is declining on a national scale due to lower high school graduation rates linked to demographic shifts, rising inflation, and stagnant state funding. In response to these challenges, the University invested in comprehensive marketing and branding campaigns in 2024 and significantly upgrading its website (www.csuohio.edu) to improve the overall experience for prospective students and their families. As a result, Fall 2024 enrollment has exceeded initial projections and shows a modest increase compared to Fall 2023. Enrollment in online degree programs remains robust; however, international student enrollment has seen a decline, primarily due to difficulties in obtaining visas.

As personnel costs account for the majority of expenses, the University has taken measures to reduce this substantial portion of the budget. The Board of Trustees approved a voluntary separation plan for faculty and staff to address operating deficits, and beginning in the summer of 2024, some faculty and staff members opted to leave the University. This plan has garnered positive feedback and will lead to a significant workforce reduction.

In the summer of 2024, the Board of Trustees, Senior Leadership Team, and the University's college deans began outlining CSU's next five-year plan. This emerging plan will succeed CSU 2.0, which was planned to conclude in 2025. The new plan will identify initiatives and priorities for 2025 through 2030 and is being developed with input and suggestions from many constituent groups, including CSU students, alumni, and community partners.

The Division of Academic Affairs is assessing the University's current course offerings. Some academic programs have been phased out due to low student enrollment, while new programs are being introduced. The University recently announced the launch of 11 integrated undergraduate programs, positioning itself as the first institution of higher education in Ohio to offer programs that bring together two distinct academic disciplines into a single major. These programs have been designed for students whose professional interests include careers that require diverse skill sets and knowledge bases.

In the coming months, we will commemorate the date legislation was passed to establish Cleveland State University as the public university for the city of Cleveland. Our ongoing investments in infrastructure and operational performance will ensure that we continue to provide excellent education and opportunities for our students while serving the Greater Cleveland community for generations to come.

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

Statement of Net Position
June 30, 2024

Assets		
Current assets:		
Cash and cash equivalents	$	9,292,883
Investments		196,296,577
Accounts receivable, net		36,648,002
Notes receivable, net		431,604
Prepaid expenses and inventories		3,250,207
Total current assets		245,919,273
Noncurrent assets:		
Long-term and endowment investments		4,185,446
Notes receivable, net		704,524
Net OPEB asset		11,809,155
Nondepreciable capital assets		77,103,076
Depreciable capital assets, net		394,587,638
Total noncurrent assets		488,389,839
Total assets		734,309,112
Deferred outflows of resources:		
Pension		49,485,598
OPEB		4,115,984
Deferred loss on bond refunding		876,419
Total deferred outflows of resources		54,478,001
Total assets and deferred outflows of resources	$	788,787,113
Liabilities		
Current liabilities:		
Accounts payable	$	3,712,718
Accrued liabilities		24,075,076
Unearned revenue		7,663,326
Compensated absences		790,201
Lease liability—current portion		2,326,104
Subscription based information technology liability—current portion		1,874,273
Long-term debt—current portion		35,755,000
Total current liabilities		76,196,698
Noncurrent liabilities:		
Accrued liabilities		3,709,809
Unearned revenue		1,332,817
Compensated absences		9,961,519
Net pension liability		183,756,534
Lease liability		58,346,014
Subscription based information technology liability		617,679
Long-term debt		115,769,119
Total noncurrent liabilities		373,493,491
Total liabilities		449,690,189
Deferred inflows of resources:		
Pension		10,363,937
OPEB		9,090,091
Deferred gain on bond refunding		8,057,400
Total deferred inflows of resources		27,511,428
Net Position		
Net investment in capital assets		249,764,093
Restricted:		
Expendable—gifts, grants and student loans		45,086,035
Nonexpendable—endowments		1,568,242
Unrestricted		15,167,126
Total net position		311,585,496
Total liabilities, deferred inflows and net position	$	788,787,113

See notes to financial statements.

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

Statement of Revenue, Expenses and Changes in Net Position
Year Ended June 30, 2024

Revenue:	
Operating revenue:	
Student tuition and fees	$ 193,183,649
Less scholarship allowances	(39,823,354)
Net student tuition and fees	153,360,295
Federal grants and contracts	17,847,867
State grants and contracts	5,740,139
Local grants and contracts	173,277
Private grants and contracts	14,077,521
Sales and services	7,397,084
Auxiliary enterprises	19,883,065
Other	5,284,027
Total operating revenue	223,763,275
Expenses:	
Operating expenses:	
Instruction	129,304,764
Research	22,131,779
Public service	7,491,731
Academic support	28,659,063
Student services	24,789,627
Institutional support	41,404,742
Operation and maintenance of plant	18,398,028
Scholarships and fellowships	21,788,309
Auxiliary enterprises	43,335,429
Pension (reduction)	(3,167,888)
OPEB (reduction)	(964,988)
Depreciation and amortization	35,272,078
Total operating expenses	368,442,674
Operating loss	(144,679,399)
Nonoperating revenue (expenses):	
State appropriations	80,353,668
Federal grants and contracts	22,507,422
State grants and contracts	10,118,760
Contributions	15,118,539
Investment gain	21,395,298
Interest on debt	(4,941,540)
Net nonoperating revenue	144,552,147
Increase before other changes	(127,252)
Other revenue:	
State capital appropriations	736,265
Increase in net position	609,013
Total net position at beginning of year	310,976,483
Total net position at end of year	$ 311,585,496

See notes to financial statements.

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

Statement of Cash Flows
Year Ended June 30, 2024

Cash flows from operating activities:	
Tuition and fees	$ 159,089,569
Grants and contracts	25,302,508
Payments to or on behalf of employees	(208,996,438)
Payments to vendors	(125,560,070)
Auxiliary enterprises	20,056,510
Loans returned to government	(660,516)
Collection of loans from students	2,311,431
Other receipts	12,681,111
Net cash flows used in operating activities	(115,775,895)
Cash flows from noncapital financing activities:	
State appropriations	80,353,668
Grants and contracts	32,626,182
Contributions	15,118,539
Net cash flows provided by noncapital financing activities	128,098,389
Cash flows from capital financing activities:	
Capital appropriations	736,265
Purchases of capital assets	(8,891,876)
Payments on outstanding debt	(7,922,346)
Payment on leases and SBITA's	(4,241,671)
Interest paid on outstanding debt and leases	(5,645,114)
Net cash flows used in capital financing activities	(25,964,742)
Cash flows from investing activities:	
Proceeds from sales and maturities of investments	42,797,868
Purchase of investments	(40,113,437)
Interest on investments	7,927,593
Net cash flows provided by investing activities	10,612,024
Net decrease in cash and cash equivalents	(3,030,224)
Cash and cash equivalents:	
Beginning	12,323,107
Ending	$ 9,292,883

(Continued)

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

Statement of Cash Flows (Continued)
Year Ended June 30, 2024

Reconciliation of operating loss to net cash flows used in operating activities:	
Operating loss	$ (144,679,399)
Adjustments to reconcile operating loss to net cash flows used in operating activities:	
Depreciation and amortization	35,272,078
Assignment of loans to federal government	(2,357,343)
Adjustments to reconcile change in net position to net cash used in operating activities:	
Accounts receivable, net	(7,109,784)
Notes receivable, net	2,311,431
Prepaid expenses and inventories	(200,186)
Net OPEB asset	(2,083,817)
Deferred outflows	25,416,611
Accounts payable	(4,263,624)
Accrued liabilities and compensated absences	8,913,008
Unearned revenue	471,390
Net pension liability	(22,918,411)
Deferred inflows	(4,547,849)
Net cash flows used in operating activities	$ (115,775,895)
Non-cash investing, capital and financing activities:	
Increase in fair value of investments	$ 13,585,607
Amortization of bond premiums and discounts	227,346
Subscription based information technology agreement	1,789,732
Deferred gain on bond refunding	546,254

See notes to financial statements.

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

Statement of Net Position—Discretely Presented Component Units
June 30, 2024

	Cleveland State University Foundation, Inc.	Euclid Avenue Development Corporation	Aggregate Total
Assets			
Current assets:			
Cash and cash equivalents	$ 1,504,689	$ 2,368,759	$ 3,873,448
Receivables, net:			
Contributions	18,606,951	-	18,606,951
Due from the University	-	414,247	414,247
Student	-	403,359	403,359
Investments	-	7,768,392	7,768,392
Other assets	318,261	59,824	378,085
Total current assets	20,429,901	11,014,581	31,444,482
Receivables, net:			
Contributions	9,823,708	-	9,823,708
Leases	-	18,220,000	18,220,000
Investments	129,080,922	15,455,845	144,536,767
Funds held on behalf of others	5,386,897	-	5,386,897
Property and equipment, net	-	176,567,627	176,567,627
	144,291,527	210,243,472	354,534,999
Total assets	$ 164,721,428	$ 221,258,053	$ 385,979,481
Liabilities and Net Position			
Current liabilities:			
Accounts payable	$ 91,080	$ 871,457	$ 962,537
Accrued expenses	-	4,648,679	4,648,679
Payable to the University	6,691,782	-	6,691,782
Bonds payable	-	4,520,000	4,520,000
Deferred revenue	-	70,282	70,282
Other	518,566	597,538	1,116,104
Total current liabilities	7,301,428	10,707,956	18,009,384
Long-Term Liabilities			
Bonds payable, net	-	225,350,893	225,350,893
Funds held on behalf of others	5,386,897	-	5,386,897
Deferred revenue	-	863,713	863,713
Interest payable	-	-	-
Total liabilities	12,688,325	236,922,562	249,610,887
Net Position			
Restricted:			
Expendable	57,693,494	-	57,693,494
Nonexpendable	91,866,766	-	91,866,766
Unrestricted	2,472,843	(15,664,509)	(13,191,666)
Total net position	152,033,103	(15,664,509)	136,368,594
Total liabilities and net position	$ 164,721,428	$ 221,258,053	$ 385,979,481

See notes to financial statements.

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

Statement of Revenues, Expenses and Changes in Net Position—
Discretely Presented Component Units
Year Ended June 30, 2024

	Cleveland State University Foundation, Inc.	Euclid Avenue Development Corporation	Aggregate Total
Revenues:			
Contributions	$ 32,244,656	$ -	$ 32,244,656
Management fees	47,851	-	47,851
Rental income	-	21,058,716	21,058,716
Maintenance fees	-	226,070	226,070
Other	-	923,748	923,748
Total revenues	32,292,507	22,208,534	54,501,041
Expenses:			
Program services	18,288,932	25,298,712	43,587,644
Supporting services:			
Management and general	725,621	753,329	1,478,950
Fundraising	179,179	-	179,179
Total expenses	19,193,732	26,052,041	45,245,773
Change in net position before non-operating activities	13,098,775	(3,843,507)	9,255,268
Non-operating activities:			
Investment gains and unrealized and realized gains, net	14,170,657	2,076,375	16,247,032
Impairment loss on property and equipment		(16,019,285)	(16,019,285)
Provision for uncollectible contributions	(376,359)	-	(376,359)
Change in net position	26,893,073	(17,786,417)	9,106,656
Net position—beginning of year	125,140,030	2,121,908	127,261,938
Net position—end of year	$ 152,033,103	$ (15,664,509)	$ 136,368,594

See notes to financial statements.

Note 1. Summary of Significant Accounting Policies

Organization and basis of presentation: Cleveland State University (the University) was established by the General Assembly of the state of Ohio (the State) in 1964 by statutory act under Chapter 3344 of the Ohio Revised Code. As such, the University is a component unit of the State. The University is exempt from federal income taxes under Section 115 of the Internal Revenue Code (IRC), except for unrelated business income.

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

Furthermore, in accordance with GASB Codification Section 2600: *Reporting Entity and Component Unit Presentation and Disclosure,* The Cleveland State University Foundation, Inc. (the Foundation) and the Euclid Avenue Development Corporation (the Corporation) are included as discretely presented component units in these financial statements. The Foundation and Corporation, which are separate not-for-profit organizations, meet the criteria set forth in the Codification Section 2600 due to significance of their operational and financial relationship with the University. The Foundation and Corporation issue reports using standards issued by the Financial Accounting Standards Board. Note 11 provides additional information on the Foundation and Corporation. Certain disclosures concerning the Foundation and Corporation are not included because they have been audited separately and reports have been issued under separate cover. Complete financial statements for the Foundation can be obtained from the Office of the Executive Director at 1836 Euclid Avenue, Union Building Room 501, Cleveland, Ohio 44115-2214. Complete financial statements for the Corporation can be obtained from its President at 2121 Euclid Avenue, AC 208, Cleveland, Ohio 44115.

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

Net investment in capital assets: Capital assets, right of use lease assets and subscription based information technology assets, net of accumulated depreciation and amortization and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.

Restricted, expendable: Net position whose use by the University is restricted due to enabling legislation or subject to externally imposed stipulations that can be fulfilled by actions of the University pursuant to those stipulations or that expire by the passage of time. Income generated from these funds may be restricted for student scholarships, loans, instruction, research and other specific university needs.

Restricted, nonexpendable: Net position subject to externally imposed stipulations that they be maintained permanently by the University. Income generated from these funds may be restricted for student scholarships, loans, instruction, research and other specific university needs.

Note 1. Summary of Significant Accounting Policies (Continued)

Unrestricted: Net position that is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the Board of Trustees.

During the year ended June 30, 2024, management performed an analysis and identified an error in the beginning balance presentation of the net investment in capital assets and unrestricted net position. As a result, a reclassification of $13,017,286 was made at the beginning of the current year between those two categories in the net position caption on the statement of net position. There was no impact to the overall net position of the University.

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

The accompanying financial statements have been prepared on the accrual basis. The University reports as a business-type activity, as defined by GASB Statement No. 35. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services.

Operating and nonoperating revenue and expenses: The University's policy for defining operating activities as reported on the statement of revenue, expenses and changes in net position are those that result from exchange transactions such as payments received for providing services and payments made for goods or services received. The principal operating revenue is student tuition and fees. Student tuition and fees revenue are presented net of scholarships and fellowships applied to student accounts. The University also classifies as operating revenue grants classified as exchange transactions and auxiliary activities. Certain significant revenue streams relied upon for operations are recorded as nonoperating revenue, including State appropriations and investment income. Operating expenses include educational resources, administrative expenses and depreciation on capital assets.

Cash and cash equivalents: The University considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Investments: Investments are recorded at fair value as established by the major securities markets. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Purchases and sales of investments are accounted for on the trade date basis. Investment income is recorded on the accrual basis. Realized and unrealized gains and losses are reported as investment income. The University classifies all investments that mature in less than one year as current investments.

Endowment investments are subject to the restrictions of gift instruments, requiring principal to be maintained in perpetuity with only the income from the investments available for expenditure. The Board of Trustees (Board) of the University may set aside other assets for the same purposes as endowment investments (quasi-endowment); the University may expend the principal of quasi-endowment at any time subject to a vote of the Board. At June 30, 2024, the quasi-endowment was approximately $5,260,000.

The University has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio). STAR Ohio is an investment pool managed by the State Treasurer's Office that allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the Securities and Exchange Commission (SEC) as an investment company, but has adopted GASB Statement No. 79, *Accounting and Financial Reporting for Certain External Investment Pools and Pool Participants*, which establishes accounting and financial reporting standards for qualifying external investment pools that elect to measure for financial reporting purposes all of their investments at amortized cost, which approximates fair value.

Note 1. Summary of Significant Accounting Policies (Continued)

Accounts receivable allowance: The allowance for bad debt is determined based on historical average and a reasonableness ratio of accounts receivable to bad debt. The objective is to increase the collectability of current receivables to assist the University's objectives regarding enrollment and retention. As such, the University enforces policies that prohibit registration with an unpaid balance over $1,000 and normally limits registrations for those students with a current unpaid balance between $200 to $1,000. The federal regulations regarding returns of funding under the Federal student aid programs of Title IV of the Higher Education Amendments of 1992 have continued to have an impact on outstanding accounts receivable.

Inventories: Inventories are reported at lower of cost or market. Cost is determined on the average cost basis.

Capital assets: Capital assets are stated at historical cost or at acquisition value at date of donation, if acquired by gift. It is the University's policy to capitalize equipment costing $5,000 or more and buildings and improvements costing $100,000 or more. Depreciation of capital assets is provided on a straight-line basis over the estimated useful lives (five to forty years) of the respective assets and is not allocated to the functional expenditure categories. The University capitalizes but does not depreciate works of art or historical treasures that are held for exhibition, education, research, and public service and are recorded as nondepreciable capital assets (see Note 6).

Right-of-use leased assets, net: The University is a lessee for leases of real estate and vehicles. The University recognizes a lease liability and an intangible right-of-use asset in the financial statements for leases based on the present value of the future lease payments. At the commencement of a lease, the University measures the lease liability at the present value of payments expected to be made during the lease term. The future lease payments are discounted using the interest rate the lessor charges the University, which may be the interest rate implicit in the lease. If the interest rate cannot be readily determined by the University, the University's estimated incremental borrowing rate is used. The lease assets are amortized over the shorter of the lease term or the underlying assets' useful life.

Subscription-based information technology arrangements: The University recognizes an intangible subscription asset and corresponding subscription liability for its subscription-based information technology agreements (SBITAs). The subscription asset is measured as the subscription liability plus direct costs incurred in implementing the subscription asset. At the subscription commencement, the University measures the subscription liability at the present value of subscription payments expected to be made during the subscription term. The future subscription payments are discounted using the interest rate the SBITA vendor charges the University, which may be the interest rate implicit in the SBITA. If the interest rate cannot be readily determined by the University, the University's estimated incremental borrowing rate is used. The subscription asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying subscription asset.

Compensated absences: Classified employees earn vacation at rates specified under State law. Full-time administrators and 12-month faculty earn vacation at a rate of 22 days per year. The maximum amount of vacation that an employee can carry over from one fiscal year to the next is 30 days.

All University employees are entitled to a sick leave credit equal to 10 hours for each month of service (earned on a pro rata basis for less than full-time employees). This sick leave will either be absorbed by time off due to illness or injury or, within certain limitations, be paid to the employee upon retirement. The amount paid to an employee, with 10 or more years of service upon retirement, is limited to one-quarter of the accumulated sick leave up to a maximum of 240 hours.

Note 1. Summary of Significant Accounting Policies (Continued)

The University has an accrued liability for all accumulated vacation hours, plus an estimate of the amount of sick leave that will be paid upon retirement. Salary-related fringe benefits have also been accrued.

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

Beginning balance	$ 10,448,579
Additions	1,166,776
Reductions	(863,635)
Ending balance	$ 10,751,720

The current portion of accrued compensated absences was $790,201 at June 30, 2024.

Unearned revenue: Unearned revenue consists primarily of amounts received in advance of an event occurring, or services being provided, such as student tuition and fees, and advance ticket sales related to the next fiscal year.

Summer term tuition and fees and corresponding expenses relating to the portion of the term that is within the current fiscal year are recognized as tuition revenue and operating expense. The portion of sessions falling into the next fiscal year are recorded as unearned revenue in the statement of net position and will be recognized in the following fiscal year.

Perkins Loan Program: Funds provided by the United States government under the Federal Perkins Loan program are loaned to qualified students and re-loaned after collection. The Department of Education (DOE) has made $3,709,809 in federal capital contributions, which are reflected as a non-current accrued liability on the University's statement of net position. The Federal Perkins Loan Program expired on September 30, 2017. Under current guidance issued by the DOE, at the time the University liquidates the loan portfolio and assigns the student loans to the DOE, the University will be forgoing its institutional capital contribution not yet received back through loan collections. During the year, the University returned $660,516 of excess liquid capital (cash on hand) to the DOE.

Auxiliary enterprises: Auxiliary enterprise revenue primarily represents revenue generated by parking, events, food service, bookstore, recreation center and intercollegiate athletics.

Scholarship allowances and student aid: Student tuition and fee revenues and certain other revenues from students are reported net of scholarship discounts and allowances in the statement of revenue, expenses, and changes in net position. 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 reduce revenue. The amount reported as operating expense represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to the student in the form of reduced tuition. The scholarship allowances are computed by allocating the cash payments to students, excluding payments for services, to the ratio of aid not considered to be third-party aid to total aid.

Use of estimates: The preparation of financial statements in conformity U.S. GAAP 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.

Note 1. Summary of Significant Accounting Policies (Continued)

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

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

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

Deferred outflows and inflows of resources: Deferred outflows of resources are a use of net position by the University that is applicable to a future reporting period. Deferred outflows of resources of the University consist of certain changes in the net pension asset/liability and net OPEB asset/liability not included in pension expense and OPEB expense, respectively, as well as losses from bond refunding. Employer contributions to the pension plan and OPEB plan subsequent to the measurement date of the net pension asset/liability and OPEB asset/liability, respectively, are also required to be reported as a deferred outflow of resources of the University. Deferred inflows of resources are an acquisition of net position by the University that is applicable to a future reporting period. Deferred inflows of resources consist of certain changes in net pension asset/liability not included in pension expense, net OPEB asset/liability not included in OPEB expense and gains from bond refunding.

Recent and pending accounting pronouncements: In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections-An Amendment of GASB No. 62*. This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for: (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency and comparability. This Statement also addresses corrections of errors in previously issued financial statements. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. There was no significant impact on the University's financial statements as a result of the adoption of this standard.

Note 1. Summary of Significant Accounting Policies (Continued)

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

GASB Statement No. 102, *Certain Risk Disclosures,* will be effective for the University beginning with its year ended June 30, 2025. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue or debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The University has not yet determined the impact this statement will have on the financial statements.

GASB Statement No. 103, *Financial Reporting Model Improvements*, will be effective for the University beginning with its year ended June 30, 2026. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues. The University has not yet determined the impact this statement will have on the financial statements.

Subsequent events: The University has evaluated subsequent events occurring between the end of the most recent fiscal year and through November 14, 2024, the date the financial statements were available to be issued.

Note 2. Deposits and Investments

Deposits: Custodial credit risk is the risk that in the event of the failure of a depository financial institution, the University will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. Protection of University cash and deposits is provided by the Federal Deposit Insurance Corporation (FDIC) as well as qualified securities pledged by the institution holding the assets. Under State law, financial institutions must collateralize all public deposits. The value of the pooled collateral must equal at least 102% of public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third-party trustees of the financial institution.

The bank balance at June 30, 2024, was $11,804,062, of which $428,505 was covered by FDIC, and $11,375,557 was covered by collateral held by the trust department of a bank other than the pledging bank in the name of the pledging bank.

Investments: In accordance with the Board's resolution, the types of investments that may be purchased by the University include United States Treasury securities, federal government agency securities, certificates of deposit, bank repurchase agreements, commercial paper, bonds and other obligations of the State or any of its political subdivisions, the STAR Ohio, bankers' acceptances, money market funds, common stocks and corporate bonds.

Note 2. Deposits and Investments (Continued)

The University had the following investments and maturities related to debt securities at June 30, 2024:

	Fair Value	Not applicable	Less than 1 Year	1-5 Years
Investment type:				
Cash and cash equivalents	$ 7,533,230	$ 7,533,230	$ -	$ -
Fixed income debt securities:				
U.S. Treasuries	7,652,795		-	7,652,795
Corporate bonds	22,709,574		331,253	22,378,321
Agency bonds	9,403,802		-	9,403,802
Equity mutual funds	94,803,945	94,803,945	-	-
Equity mutual fund – multi-strategy	17,868,036	17,868,036	-	-
STAR Ohio	35,203,375	35,203,375	-	-
Pooled investments – CSU Foundation	4,185,446		-	4,185,446
Asset-backed securities:				
Corporate bonds	653,039		-	653,039
Other investments	468,781		421,802	46,979
Total	$ 200,482,023	$ 155,408,586	$ 753,055	$ 44,320,382

Some of the U.S. agency securities are callable at various dates.

Interest rate risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The University investment policy does not address interest rate risk. Investments with interest rates that are fixed for longer periods are likely to be subject to more variability in their fair values as a result of future changes in interest rates.

Credit risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit quality information as commonly expressed in terms of the credit ratings issued by nationally recognized statistical rating organizations such as Moody's Investor Services, Standard & Poor's, or Fitch Ratings provides a current depiction of potential variable cash flows and credit risk. The credit risk ratings of the University's interest bearing fixed income investments at June 30, 2024, are as follows:

	2024				
Investment Type	Fair Value	Not Applicable	Aaa	Aa1, Aa2, Aa3 A1, A2, A3	Below Ba1
Cash and cash equivalents	$ 7,533,230	$ 7,533,230	$ -	$ -	$ -
U.S. Treasury bonds	7,652,795	-	7,652,795	-	-
Corporate bonds	22,709,574	-	159,654	3,845,282	18,704,638
Agency bonds	9,403,802	9,403,802	-	-	-
Equity mutual funds	94,803,945	94,803,945	-	-	-
Equity mutual funds - multi strategy	17,868,036	17,868,036	-	-	-
STAR Ohio	35,203,375	-	35,203,375	-	-
Pooled investments - CSU Foundation	4,185,446	4,185,446			
Asset backed securities	653,039	-	653,039	-	-
Other	468,781	468,781	-	-	-
Total investments	$ 200,482,023	$ 134,263,240	$ 43,668,863	$ 3,845,282	$ 18,704,638

Note 2. Deposits and Investments (Continued)

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

Concentration of credit risk: Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer. As of June 30, 2024, not more than 5% of the University's total investments were invested in any one issuer except those which are obligations of, or fully guaranteed as to both principal and interest by, the U.S. Government. The University's investment policy does not specifically address concentration of credit risk.

Foreign currency risk: Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. At June 30, 2024, there were no investments managed by international equity managers. Although the University's investment policy does not specifically address foreign currency risk, it does limit foreign investments to no more than 20% of the portfolio.

Note 3. Fair Value Measurements

The University categorizes its fair value measurements within the fair value hierarchy established by U.S. GAAP. 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 unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. Management utilizes valuation techniques that maximize the use of observable inputs (Levels 1 and 2) and minimize the use of unobservable inputs (Level 3) within the fair value hierarchy established by GASB. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

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

Note 3. Fair Value Measurements (Continued)

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

	Level 1	Level 2	Level 3	Total
Investment assets:				
Debt securities:				
U.S. Treasuries	$ -	$ 7,652,795	$ -	$ 7,652,795
Corporate bonds	-	22,709,574	-	22,709,574
Agency bonds	-	9,403,802	-	9,403,802
Mutual funds:				
Equities	94,803,945	-	-	94,803,945
Multi-strategy	17,868,036	-	-	17,868,036
Pooled investments—CSU Foundation	-	4,185,446	-	4,185,446
Asset backed securities:				
Corporate bonds	-	653,039	-	653,039
Other investments	-	468,781	-	468,781
Total investments at fair value	$ 112,671,981	$ 45,073,437	$ -	157,745,418
Cash and cash equivalents				7,533,230
STAR Ohio				35,203,375
Total investment assets				$ 200,482,023

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

The fair value of corporate bonds, agency bonds and asset-backed securities at June 30, 2024, was determined primarily based on Level 2 inputs. The University estimates the fair value of these investments using other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Investments and long-term and endowment investments on the statement of net position at June 30, 2024, include investments in STAR Ohio of $35,203,375. The investments in STAR Ohio are measured at amortized cost; therefore, they are not included in any of the levels in the table above. There are no limitations or restrictions on any STAR Ohio participant withdrawals due to redemption notice periods, liquidity fees or redemption gates. However, notice must be given to STAR Ohio 24 hours in advance of all deposits and withdrawals exceeding $25 million. STAR Ohio reserves the right to limit the transaction to $50 million, requiring the excess amount to be transacted the following business day(s), but only to the $50 million limit. All accounts of the STAR Ohio investors will be combined for these purposes.

Note 4. Receivables

The composition of accounts receivable at June 30, 2024, is as follows:

Student accounts	$ 13,367,587
Grants	17,449,524
University Foundation	6,686,931
Other	464,648
Total accounts receivable	37,968,690
Less allowance for uncollectible accounts	(1,320,688)
Accounts receivable, net	$ 36,648,002

Notes receivable consist primarily of loans to students under the Federal Perkins Loan Program. The composition of notes receivable at June 30, 2024, is summarized as follows:

Perkins loan program	$ 970,600
Other	223,764
Total notes receivable	1,194,364
Less allowance for uncollectible accounts	(58,236)
Notes receivable, net	1,136,128
Less current portion	(431,604)
Total noncurrent notes receivable	$ 704,524

Note 5. State Support

The University 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 Department of Higher Education (the ODHE).

In addition, the State provides the funds to construct or improve certain plant facilities on the University's campus. Upon completion, ODHE turns over control of the facility to the University and the University records a contribution. The facilities are not pledged as collateral for the revenue bonds. Instead, the bonds are supported by a pledge of monies in the Higher Education Bond Service Fund established in the custody of the Treasurer of 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. Capital Assets

Capital assets activity for the year ended June 30, 2024, is summarized as follows:

	Beginning Balance *	Additons/ Transfers	Retirements/ Transfers	Ending Balance
Capital assets:				
Nondepreciable:				
Land	$ 57,915,897	$ 2,506,851	$ -	$ 60,422,748
Construction in progress	7,699,248	1,878,925	-	9,578,173
Capitalized collections	7,102,155	-	-	7,102,155
Total nondepreciable capital assets	72,717,300	4,385,776	-	77,103,076
Depreciable:				
Land improvements	18,288,643	-	-	18,288,643
Buildings	821,397,691	1,649,271	-	823,046,962
Equipment	59,684,544	2,454,843	(1,758,288)	60,381,099
Library books	38,592,752	401,984	(275,809)	38,718,927
Right-of-use leased—equipment	2,600,616	-	(510,994)	2,089,622
Right-of-use leased—real estate	64,180,394	-	(190,124)	63,990,270
Software (SBITAs)	5,237,336	1,789,732	(1,446,621)	5,580,447
Total depreciable capital assets	1,009,981,976	6,295,830	(4,181,836)	1,012,095,970
Less accumulated depreciation:				
Land improvements	16,911,943	(5,390)		16,906,553
Buildings	473,745,753	22,855,977		496,601,730
Equipment	48,653,043	6,290,839	(1,758,288)	53,185,594
Library books	37,201,003	257,582	(275,809)	37,182,776
Right-of-use leased—equipment	1,606,421	524,835	(556,750)	1,574,506
Right-of-use leased—real estate	6,196,989	3,047,364	(144,368)	9,099,985
Software (SBITAs)	2,102,938	2,300,871	(1,446,621)	2,957,188
Total accumulated depreciation	586,418,090	35,272,078	(4,181,836)	617,508,332
Capital assets, net	$ 496,281,186	$ (24,590,472)	$ -	$ 471,690,714

The University had approximately $1,180,000 in commitments related to construction as of June 30, 2024. For the year ended June 30, 3024, depreciation expense on capital assets was $29,399,008 and amortization expense on leases and SBITAs was $5,873,070.

* During the year ended June 30, 2024 management performed an analysis and identified a misclassification error in the beginning balance presentation of capital assets and accumulated depreciation categories of land, land improvements and buildings in the above footnote. As a result, approximately $12,298,500 of beginning balances between the cost basis line items were reclassified and additionally $5,197,812 was reclassified between the beginning accumulated depreciation balances. The reclassification of these individual line items had no impact on the capital asset subtotals, the accumulated depreciation total or capital assets, net total.

Note 7. Debt

Debt consists of the following as of June 30, 2024:

	Maturity Dates	Interest Rates	Beginning Balance	Additions	Reductions	Ending Balance	Current
Bonds payable:							
Series 2011	2023-2042	5.32%	$ 4,605,000	$ -	$ (120,000)	$ 4,485,000	$ 120,000
Series 2016A	2023-2036	3.00-5.00%	24,810,000	-	(1,415,000)	23,395,000	1,485,000
Series 2021	2023-2037	2.09%	99,395,000	-	(6,160,000)	93,235,000	6,450,000
Series 2021A and B	2025	1.45-1.85%	27,700,000	-	-	27,700,000	27,700,000
Premiums			2,936,465	-	(227,346)	2,709,119	-
			$ 159,446,465	$ -	$ (7,922,346)	$ 151,524,119	$ 35,755,000

In December 2021, the University issued General Receipts Refunding Bonds, Series 2021, which were purchased by Truist Bank of $110,855,000. Interest is payable at the fixed rate of 2.09% with maturities beginning June 1, 2022 through June 1, 2037. The proceeds of the bonds were used to refund the outstanding Series 2012 Bonds. The purpose of this transaction was to refund future callable maturities to achieve debt service savings and resulted in an economic gain on a net present value basis of approximately $20,700,000 over the life of the bonds. As a result of the refunding, $9,606,900 was recorded in fiscal year 2022 as a gain on refunding within the deferred inflows section on the statement of net position. The unamortized amount of $8,057,4000 at June 30, 2024, remains which will be amortized into income through 2037. Amortization of the gain was netted against interest expense for the year ended June 30, 2024, in the amount of $619,800

In June 2019, the University issued Series 2019 Limited Available Receipts Bonds to PNC Bank, NA, in the principal amount of $27,700,000. The Series 2019 Limited Available Receipts Bonds were issued as fixed rate bonds maturing on June 21, 2022. Interest was payable semi-annually at the rates of 2.31% to 2.87%. The transaction was a Direct Purchase by the bank. The proceeds of the bonds were used to finance a lease balloon payment. On October 7, 2021, the University issued with PNC Bank, NA its Limited Available Receipts Refunding Bonds, Series 2021A (tax-exempt) and Series 2021B (federally taxable bonds) totaling $27,700,000. The Series 2021A and 2021B bonds paid off the Series 2019 Limited Available Receipts Bonds and bear interest at rates of 1.45% to 1.85% with interest payable semi-annually. The revised maturity date on the bonds was October 7, 2024. On October 7, 2024, the University amended the Series 2021 Bonds which extended the maturity date of the bonds to February 28, 2025 and changed the interest rate to the higher of the Prime Rate or the sum of the Overnight Bank Funding Rate plus 50 basis points. In addition, the tax-status of the Series 2021A Bonds became federally taxable.

In February 2016, the University issued $32,475,000 of general receipts bonds, Series 2016A. The bonds bear interest rates ranging from 3.0% to 5.0% and began maturing June 1, 2016 through June 1, 2036. The proceeds of the issuance refunded the Series 2007A bonds and paid issuance costs. The purpose of this transaction was to refund future callable maturities to achieve debt service savings of approximately $3,900,000 over the life of the bonds. As a result of the refunding, $1,493,588 was recorded in 2016 as a loss on refunding within the deferred outflows section on the statement of net position. The unamortized amount of $876,419 at June 30, 2024, which will be amortized into income through 2036. Amortization of the loss was netted against interest expense for the year ended June 30, 2024, in the amount of $73,546.

In September 2011, the University issued taxable general receipts bonds in the principal amount of $5,775,000. The General Receipts Series 2011 Bonds were issued as fixed rate bonds with maturities beginning October 1, 2013 through April 1, 2042. Interest is payable at the rate of 5.32%. The proceeds of the bonds were used to finance a portion of the costs of public improvements identified as the North Campus Neighborhood—Project Phase I.

Note 7. Debt (Continued)

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

Interest expense on indebtedness for the year ended June 30, 2024, was $3,183,332.

Principal and interest payable for the next five years and in subsequent five-year increments are as follows:

	Bonds Payable		Direct Placement Bonds	
	Principal	Interest	Principal	Interest
2025	$ 8,055,000	$ 3,244,469	$ 27,700,000	$ 488,600
2026	8,450,000	3,029,030		162,867
2027	8,925,000	2,802,355	-	-
2028	9,370,000	2,562,104	-	-
2029	9,855,000	2,309,607	-	-
2030-2034	54,850,000	7,386,702	-	-
2035-2039	20,590,000	1,353,134	-	-
2040-2042	1,020,000	79,135	-	-
	$ 121,115,000	$ 22,766,536	$ 27,700,000	$ 651,467

Note 8. Employment Benefit Plans

Retirement plans: Substantially all nonstudent University employees are covered by one of three retirement plans. University faculty are covered by State Teachers Retirement System (STRS). Nonfaculty employees are covered by Ohio Public Employees Retirement System (OPERS). Employees may opt out of STRS and OPERS and participate in the Alternative Retirement Plan (ARP).

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

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

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

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

Note 8. Employment Benefit Plans (Continued)

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

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

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

The University's required and actual contributions to the pension plan were $8,426,665 and $9,043,848 for STRS and OPERS, respectively. There were no required contributions for the OPEB plan.

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

Any member may retire who has: (1) five years of service credit and attained age 60, (2) 25 years of service credit and attained age 55, or (3) 30 years of service credit regardless of age. Beginning August 1, 2015, eligibility requirements for an unreduced benefit were changed. The maximum annual retirement allowance, payable for life, considers years of credited service, final average salary (three to five years) and multiplying by a factor ranging from 2.2% to 2.6% with 0.1% incremental increases for years greater than 30, depending on retirement age.

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

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

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

Note 8. Employment Benefit Plans (Continued)

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

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

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

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

Net pension asset/liability, deferred outflows of resources, deferred inflows of resources, and pension reduction: At June 30, 2024, the University reported a liability for its proportionate share of the net pension liability of STRS and OPERS. For the year ended June 30, 2024, the net pension liability was measured as of June 30, 2023, for the STRS plan, and December 31, 2023, for the OPERS plan. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of those dates, which was rolled forward to the measurement date. The University's proportion of the net pension liability was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating reporting units, actuarially determined.

Plan	Measurement Date	Net Pension Liability 2024	Proportionate Share 2024	2023	Change
STRS	6/30	$ 95,966,074	0.4456%	0.4632%	0.0176%
OPERS	12/31	87,790,460	0.3399%	0.3544%	0.0145%

Note 8. Employment Benefit Plans (Continued)

For the year ended June 30, 2024, the University recognized pension expense of $17,397,387. At June 30, 2024, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	STRS	OPERS	Total
Deferred outflows of resources:			
Differences between expected and actual experience	$ 3,498,721	$ 1,600,730	$ 5,099,451
Changes of assumptions	7,903,326	43,913	7,947,239
Net difference between projected and actual earnings on pension plan investments	-	17,865,438	17,865,438
Changes in proportion and differences between University Contributions and proportionate share of contributions	-	5,663,214	5,663,214
University contributions subsequent to the measurement date	8,353,032	4,557,224	12,910,256
Total	$ 19,755,079	$ 29,730,519	$ 49,485,598
Deferred inflows of resources:			
Differences between expected and actual experience	$ 212,953	$ 112,736	$ 325,689
Changes of assumptions	5,948,933	-	5,948,933
Changes in proportion and differences between University Contributions and proportionate share of contributions	3,987,868	101,447	4,089,315
Total	$ 10,149,754	$ 214,183	$ 10,363,937

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense, net of $12,910,256 of contributions subsequent to the measurement date as follows:

	STRS	OPERS	Total
Years ending June 30:			
2025	$ (2,081,359)	$ 8,926,529	$ 6,845,170
2026	(4,412,265)	7,145,718	2,733,453
2027	8,983,473	11,334,967	20,318,440
2028	(1,237,556)	(2,545,563)	(3,783,119)
2029	-	34,278	34,278
Thereafter	-	63,183	63,183
Total	$ 1,252,293	$ 24,959,112	$ 26,211,405

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

Note 8. Employment Benefit Plans (Continued)

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

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

Plan	Measurement Date	Net OPEB (Asset) Liability 2024	Proportionate Share 2024	Proportionate Share 2023	Change
STRS	6/30	$ (8,667,000)	0.4456%	0.4632%	0.0176%
OPERS	12/31	(3,142,155)	0.3482%	0.3597%	0.0115%

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

For plan year ended December 31, 2021, OPERS did not allocate employer contributions to the OPEB plan. Therefore, OPERS' calculation of the employers' proportionate share is based on total contributions to the plan for both pension and OPEB.

For the year ended June 30, 2024, the University recognized a reduction in OPEB expense of $964,988 due to the changes in actuarial assumptions. At June 30, 2024, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	STRS	OPERS	Total
Deferred outflows of resources:			
Differences between expected and actual experience	$ 14,000	$ -	$ 14,000
Changes of assumptions	1,277,000	808,949	2,085,949
Net difference between projected and actual earnings on pension plan investments	16,000	- 1,887,043	1,903,043
Changes in proportion and differences between University contributions and proportionate share of contributions	99,608	- 13,384	112,992
Total	$ 1,406,608	$ 2,709,376	$ 4,115,984
Deferred inflows of resources:			
Differences between expected and actual experience	$ 1,322,000	$ 447,219	$ 1,769,219
Changes of assumptions	5,718,000	1,350,719	7,068,719
Changes in proportion and differences between University contributions and proportionate share of contributions	57,158	194,995	252,153
Total	$ 7,097,158	$ 1,992,933	$ 9,090,091

Note 8. Employment Benefit Plans (Continued)

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

	STRS	OPERS	Total
Years ending June 30:			
2025	$ (2,567,047)	$ (191,692)	$ (2,758,739)
2026	(1,168,185)	76,427	(1,091,758)
2027	(431,663)	1,468,896	1,037,233
2028	(590,467)	(637,188)	(1,227,655)
2029	(538,942)	-	(538,942)
Thereafter	(394,246)	-	(394,246)
Total	$ (5,690,550)	$ 716,443	$ (4,974,107)

Actuarial assumptions: The net pension liability and OPEB (asset) liability is based on the results of an actuarial valuation and were determined using the following actuarial assumptions for the University's current year:

	STRS	OPERS
Valuation date-Pension	June 30, 2023	December 31, 2023
Valuation date—OPEB	June 30, 2023	December 31, 2022
Actuarial cost method	Entry age normal	Individual entry age
Costs of living	None	2.05% - 2.30%
Salary increases, including inflation	Varies by service from 2.5% to 8.5%	2.75% - 10.75%
Inflation	2.50%	2.75%
Investment rate of return-Pension	7.00%, net of investment expense, including inflation	6.90%, net of investment expense, including inflation
Investment rate of return—OPEB	7.00%, net of investment expense, including inflation	6.00%, net of investment expense, including inflation
Health care cost trend rates	-11.95% to 7.5% initial, 4.14% ultimate	5.50% initial, 3.50% ultimate in 2038
Experience study date	Period of 5 years ended June 30, 2021	Period of 5 years ended December 31, 2020
Mortality basis	Post-retirement 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. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.	Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub 2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement division. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

Note 8. Employment Benefit Plans (Continued)

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

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

The discount rate used to measure the net STRS OPEB (asset) was 7.00% for the plan year ended June 30, 2023. At June 30, 2023, the plan's fiduciary net position was projected to be available to make all projected future benefit payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB (asset).

The discount rates used to measure the net OPERS OPEB liability was 5.70% for the plan year ended December 31, 2023. At December 31, 2023, the fiduciary net position and future contributions were sufficient to finance health care costs through the year 2054. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2054, the duration of the projection period through which projected health care payments are fully funded.

Note 8. Employment Benefit Plans (Continued)

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

	STRS as of 06/30/23			OPERS as of 12/31/23			
				Defined Benefits Portfolio		Health Care Portfolio	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	26.00%	6.60%	Fixed Income	24.00%	2.85%	37.00%	2.82%
International Equity	22.00%	6.80%	Domestic Equities	21.00%	4.27%	25.00%	4.27%
Alternatives	19.00%	7.38%	Real Estate	13.00%	4.46%	5.00%	4.68%
Fixed Income	22.00%	1.75%	Alternatives/Private Equity	15.00%	7.52%		
Real Estate	10.00%	5.75%	International Equity	20.00%	5.16%	25.00%	5.15%
Other	1.00%	1.00%	REITs	2.00%	4.38%	3.00%	4.38%
			Other	5.00%	3.46%	5.00%	2.43%
	100.00%		Total	100.00%		100.00%	

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

2024						
Plan	1.00 % Decrease		Current Discount Rate		1.00 % Increase	
STRS	6.00%	$ 147,574,582	7.00%	$ 95,966,074	8.00%	$ 52,319,399
OPERS	5.90%	139,350,486	6.90%	87,790,460	7.90%	44,926,361
		$ 286,925,068		$ 183,756,534		$ 97,245,760

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

2024						
Plan	1.00 % Decrease		Current Discount Rate		1.00 % Increase	
STRS	6.00%	$ (7,335,381)	7.00%	$ (8,667,000)	8.00%	$ (9,826,478)
OPERS	4.22%	1,726,834	5.70%	(3,142,155)	6.22%	(7,175,413)
		$ (5,608,547)		$ (11,809,155)		$ (17,001,891)

Note 8. Employment Benefit Plans (Continued)

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

	2024		
Plan	1.00 % Decrease	Current Discount Rate	1.00 % Increase
STRS	$ (9,880,287)	$ (8,667,000)	$ (7,205,355)
OPERS	(3,272,629)	(3,142,155)	(2,994,107)
	$ (13,152,916)	$ (11,809,155)	$ (10,199,462)

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

Assumption changes: There were changes to several assumptions for STRS Pension Plan during the plan year ended June 30, 2023. The subsidy percentage for NME retirees was increased effective January 1, 2023 from 2.2% to 2.5%. The freeze on the Non-Medicare subsidy base premium was removed effective January 1, 2024. The 6% cap on the year over year increase in ME subsidy was removed effective January 1, 2024. In addition the cost of living assumption for the OPERS Pension Plan was narrowed from 2.05% to 3% to 2.05% to 2.3%.

There were changes to an assumption for STRS OPEB Plan during the plan year ended June 30, 2023. The health care cost trend rate was changed and increased the ultimate rate from 3.94% to 4.14%. In addition, the discount rate used in determining the OPERS OBEB liability was increased from 5.22% to 5.7% for the plan year ended December 31, 2023.

Benefit changes: There were no significant benefit terms changes for the pension or OPEB plans since the prior two measurement dates for OPERS. Effective for 2023, STRS implemented a one-time 3% cost of living adjustment effective on the anniversary of a benefits recipient's retirement date for those eligible during FY23 and eliminated the age 60 requirement (effective August 1, 2026).

Payable to the pension plan: At June 30, 2024, the University reported a payable of $3,022,190 for the outstanding amount of contributions to the pension plans. There were no amounts due to the OPEB plan at June 30, 2024.

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

Note 8. Employment Benefit Plans (Continued)

Eligible employees have 120 days from their date of hire to make an irrevocable election to participate in the ARP. Under this plan, employees who would have otherwise been required to be in STRS or OPERS, and who elect to participate in the ARP, must contribute the employee's share of retirement contributions to one of the private providers approved by the Ohio Department of Insurance. The legislation mandates that the employer must contribute an amount to the state retirement system to which the employee would have otherwise belonged, based on an independent actuarial study commissioned by the Ohio Retirement Study Council and submitted to the Ohio Board of Regents.

The University is required to contribute to STRS 4.50% of earned compensation for those employees participating in the ARP. The University's contribution for the year ended June 30, 2024, was $507,864, which equals 4.50% of earned compensation.

The University also contributes what would have been the employer's contribution under STRS or OPERS, less the aforementioned percentage, to the private provider selected by the employee. The University plan provides these employees with immediate plan vesting. The ARP does not provide disability benefits, survivor benefits or postretirement health care. Benefits are entirely dependent on the sum of contributions and investment returns earned by each participant's choice of investment options. STRS and OPERS also offer a defined contribution plan and a combined plan with features of both a defined contribution plan and a defined benefit plan. For the year ended June 30, 2024, the University recognized pension expense of $2,949,044, as determined by actuarial valuations.

Note 9. Risk Management

The University 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. On July 1, 1993, the University joined with 11 other State-assisted universities in Ohio to form an insurance-purchasing pool for the acquisition of commercial property and casualty insurance. The University pays annual premiums to the pool for its property and casualty insurance coverage based on its percentage of the total insurable value to the pool. Future contributions will be adjusted based upon each university's loss history. Each university has a base deductible of $100,000. The next $250,000 of any one claim is the responsibility of the pool, which has a total annual aggregate deductible limit of $700,000. The commercial property insurer is liable for the amount of any claim in excess of $350,000, or $100,000 in the event the pool has reached its annual limit. There were no significant reductions in coverage from the prior year.

The University maintains a self-insured medical plan for its employees. The University's risk exposure is limited to claims incurred. There is a $250,000 specific stop loss for any given individual. The changes in the total liability for actual and estimated medical claims is summarized below at June 30, 2024:

Liability at beginning of year	$ 2,390,065
Claims incurred	16,099,696
Claims paid	(16,910,716)
Change in estimated claims incurred but not reported	383,281
Liability at end of year	$ 1,962,326

Medical claims are based upon estimates of the claims liabilities. Estimates are based upon past experience, medical inflation trends and current claims outstanding, including year-end lag analysis. Differences between the estimated claims payable and actual claims paid are reported as an operating expense in the statement of revenue, expenses and changes in net position. The claim liability is included in accrued liabilities in the statement of net position. The current and noncurrent portion of the claim liability was $1,962,326 and $0, respectively at June 30, 2024.

Note 9. Risk Management (Continued)

The University participates in a State pool of agencies and universities that pays workers' compensation premiums into the State Insurance Fund on a pay-as-you-go basis (the Plan), which pays workers' compensation benefits to beneficiaries who have been injured on the job. Losses from asserted and unasserted claims for the participating state agencies and universities in the Plan are accrued by the Ohio Bureau of Workers' Compensation (the Bureau) based on estimates that incorporate past experience, as well as other considerations including the nature of each claim or incident and relevant trend factors. Participants in the Plan annually fund the workers' compensation liability based on rates set by the Bureau to collect cash needed in subsequent fiscal years to pay the workers' compensation claims of participating State agencies and universities. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

During the normal course of its operations, the University has become a defendant in various legal actions. It is not possible to estimate the outcome of these legal actions; however, in the opinion of legal counsel and the University administration, the disposition of these pending cases will not have a material adverse effect on the financial condition or operations of the University. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

Note 10. Grant Contingencies

The University receives significant financial assistance from numerous federal, state, and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the University. However, in the opinion of the University administration, any such disallowed claims will not have a significant effect on any of the financial statements of the University at June 30, 2024.

Note 11. Component Units

The Foundation and the Corporation are legally separate not-for-profit entities organized for the purpose of providing support to the University. Both the Foundation and the Corporation are exempt from federal income taxes under Section 501(c)(3) of the IRC.

The Foundation acts primarily as a fundraising organization to supplement the resources that are available to the University in support of its programs. The board of the Foundation is self-perpetuating and consists of business leaders and friends of the University. Although the University does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon that the Foundation holds and invests are restricted to the activities of the University by donors.

During the year ended June 30, 2024, the Foundation incurred expenditures of $18,288,932 to the University. At June 30, 2024, the University had receivables from the Foundation totaling $6,691,782.

As authorized by the Board, beginning in fiscal year 1998, the University placed endowment and quasi-endowment funds on deposit with the Foundation for investment. At June 30, 2024, the amount on deposit with the Foundation totaled $4,317,192.

Note 11. Component Units (Continued)

The Foundation had the following types of investments as of June 30, 2024:

Cash and cash equivalents	$ 3,440,055
Common stock—domestic	1,667,678
Mutual funds:	
Domestic	56,243,050
International	24,389,129
Balance fund	2,713,499
Fixed income securities	18,507,090
Fixed income—other	3,440
Investments at fair value	106,963,941
Alternative investments, at net asset value (NAV)	27,503,878
Total investments	$ 134,467,819

In accordance with *Fair Value Measurements* topic of the Financial Accounts Standards Board (FASB) Accounting Standards Codification (ASC), certain investments that were measured at net asset value (NAV) per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net position—discretely presented component units.

The financial assets of the Foundation measured at fair value on a recurring basis consisted of the following as of June 30, 2024:

	Level 1	Level 2	Level 3	Total
Common stock—domestic	$ 1,667,678	$ -	$ -	$ 1,667,678
Mutual funds:				
Domestic	56,243,050	-	-	56,243,050
International	24,389,129	-	-	24,389,129
Balanced fund	2,713,499	-	-	2,713,499
Fixed income securities	-	18,507,090	-	18,507,090
Fixed income—other	-	3,440	-	3,440
	$ 85,013,356	$ 18,510,530	$ -	103,523,886
Investments valued at NAV				27,503,878
Cash and cash equivalents				3,440,055
Total				$ 134,467,819

Property and equipment of the Corporation consist of the following at June 30, 2024:

Property and equipment:	
Land	$ 4,623,000
Buildings	191,235,741
Building improvements	2,356,543
Furniture, fixtures and equipment	3,807,358
	202,022,642
Less accumulated depreciation	(25,455,015)
Property and equipment, net	$ 176,567,627

Note 11. Component Units (Continued)

The restricted net position of the Foundation has been limited by the donors to a specific time period, purpose or are net positions held in perpetuity, for the following purposes as of June 30, 2024:

Instruction and academic support	$ 35,277,015
Research	2,281,244
Public service	5,266,313
Financial aid	101,612,298
Institutional support	3,743,452
Capital and other projects	1,379,938
Total	$ 149,560,260

The Corporation was organized primarily to further the educational mission of the University by developing, owning, and managing housing for the students, faculty, and staff of the University. The Board of the Corporation is self-perpetuating and the University does not control the Corporation.

As of June 30, 2024, the Corporation had the following types of investments which were all classified as Level 1 fair value measurements:

Government money market funds	$ 7,768,392
Money market funds	57,644
Exchange traded funds	7,078,662
Mutual funds	8,319,539
Total	$ 23,224,237

On December 9, 2014, the Corporation issued $88,945,000 of Cleveland-Cuyahoga County Port Authority Development Revenue Bonds (2014 bonds). The proceeds were used by the Corporation to refund bonds issued in 2005 through 2009. A portion of the 2014 bonds matured as of June 30, 2019. The remaining 2014 bonds mature at various dates from August 1, 2019 through August 1, 2044, with a fixed rate of interest of 5%. At the time of refunding, the Corporation chose to utilize funds held by the trustee to pay a portion of the outstanding principal on all existing bonds.

On August 8, 2019, the Corporation issued Development Refunding Revenue Bonds in the principal amount of $18,220,000. The Series 2019 Bonds were issued by the Cleveland-Cuyahoga County Port Authority as fixed rate bonds with a maturity of August 1, 2044, and a coupon rate of 4%. The proceeds of the bonds were issued to refund a portion of the outstanding principal amount of the Series 2014 Bonds; and to pay certain costs of issuance of the Series 2019 Bonds.

On July 6, 2022, the Cleveland-Cuyahoga County Port Authority issued $140,285,000 of tax-exempt Student Housing Facility Revenue Bonds, Series 2022A Bonds to finance the acquisition of student housing, parking facilities for student residents and certain issuance costs of the Series 2022A Bonds and $6,650,000 of Student Housing Facility Revenue Bonds, Series 2022B for the acquisition of retail space related to the student housing facilities and paying the costs of issuance of the Series 2023B Bonds on a federally taxable basis. The Series 2022A Bonds were issued with coupon rates ranging from 5% to 5.5% with an average of 5.4% over the life of the bonds and mature at various dates and amounts through August 1, 2052. The Series 2022B Bonds were issued with coupon rates ranging from 4.565% to 4.896% with an average coupon rate of 4.8% over the life of the bonds and mature annually at various amounts through August 2026.

Note 11. Component Units (Continued)

Principal and interest payable for the next five years and in subsequent five-year increments are as follows:

	Principal	Interest
2025	$ 4,520,000	$ 11,048,721
2026	4,740,000	10,824,856
2027	4,980,000	10,585,548
2028	5,235,000	10,331,200
2029	5,500,000	10,062,825
2030-2034	32,040,000	45,781,625
2035-2039	41,135,000	36,680,250
2040-2044	45,710,000	25,843,025
2045-2049	38,955,000	14,959,150
2050-2055	35,835,000	4,077,013
	218,650,000	$ 180,194,213
Unamortized bond premium	13,680,945	
Unamortized bond issuance costs	(2,460,052)	
Bonds payable, net	$ 229,870,893	

On July 26, 2022, the Corporation entered into an amended and restated 65-year lease with the University for the leasehold interest in the land upon which the Langston project is located. There is no rent payment due until July 1, 2039, at which time the rent payment will be $1,000 per year through June 30, 2087.

On December 18, 2009, the Corporation leased land, owned by the University and located on its campus, from the University. Annual rent is equal to the net available cash flows from the project.

On June 1, 2008, the Corporation leased land, owned by the University and located on its campus, from the University. On August 22, 2008, the Corporation entered into a design-build agreement to construct a 623-car parking garage on the site. On July 1, 2008, the Corporation entered into a lease agreement with the University to operate the garage on completion of construction.

On March 1, 2005, the Corporation leased the Fenn Tower building, located on the University's campus, from the University. Annual rent is equal to the net available cash flows from the Fenn Tower project. On March 1, 2005, the Corporation entered into a development agreement to plan, design and construct housing units in Fenn Tower. In addition, the Corporation entered into a management agreement with an unrelated party to manage Fenn Tower. The project was completed in August 2006. The facility has the capacity to house 430 residents.

During the year ended June 30, 2024, the Corporation paid rent on the land leases in the amount of $500,000 annually to the University.

Note 11. Component Units (Continued)

On July 1, 2008, the Corporation entered into a 30-year lease with the University for the East 21st Street parking garage facility. Under the terms of the lease, the University has been granted sole and exclusive charge of the operations of the parking garage facility during the lease term in exchange for making monthly rental payments in an amount equal to the required debt service payments on the Series 2014 and Series 2019 Bonds that refunded bonds issued in 2008 and 2014 (see Note 5), plus any other amount due to the Trustee under the Reimbursement Agreement. Upon termination of the lease, the Corporation will transfer title of the parking facility to the University. As such, the Corporation has recorded a lease receivable in the amount of $12,298,500 as of June 30, 2024 and 2023, which represents the amount outstanding on the Series 2019 and 2014 Bonds (attributable to the parking garage facility) that refunded bonds issued in 2008. Interest income is recognized based on the interest expense incurred on the Series 2019 and 2014 Bonds that refunded bonds issued in 2008 and 2014.

On July 1, 2011, the Corporation entered into a 30-year lease with the University for the parking garage facility attached to the Euclid Commons residence halls. Under the terms of the lease, the University has been granted sole and exclusive charge of the operations of the parking garage facility during the lease term in exchange for making monthly rental payments in the amount equal to the required debt service payments on the related bonds, plus any other amounts due to the Trustee under the Reimbursement Agreement. Upon termination of the lease, the Corporation will transfer title of the parking facility to the University. As such, the Corporation recorded a lease receivable in the amount of $5,921,500 as of June 30, 2024 and 20232, which represents the amount outstanding on the Series 2019 and 2014 Bonds (attributable to the parking garage facility) that refunded bonds issued in 2009. Interest income is recognized based on the interest expense incurred on the Series 2019 and 2014 Bonds that refunded bonds issued in 2009 and 2014.

Fenn Tower, historically known as the National Town and Country Club, was originally constructed in 1929, and is owned by the University and leased to the Corporation. Fenn Tower serves as a first-year residence hall for the University students and has approximately 430 beds.

A portion of the Series 2014 Bonds was issued to refinance certain bonds originally issued to finance the acquisition and improvement of Fenn Tower. Revenues generated from the operation of the Corporation as well as assets of the Corporation, including Fenn Tower, were pledged to the payment of principal and interest on the Series 2014 Bonds.

Fenn Tower is listed on the National Register of Historic Places. During the year ended June 30, 2024, the Corporation conducted a façade assessment of Fenn Tower, which identified several structural and safety issues. As a result, Fenn Tower lost its certification of occupancy and required immediate action to safeguard the property.

The Corporation determined that it is in the best interest for the safety of University students and visitors to close Fenn Tower. The closure of Fenn Tower constitutes a non-monetary default under certain bond documents securing the Series 2014 Bonds. The University's requirement to make sufficient payments to the Corporation to ensure the Corporation meets its fixed charge coverage ratio required by the Series 2014 Bonds remains in place through the lease agreement with the Corporation, and the Corporation expects that it will continue to timely make its debt service payments when due on the Series 2014 Bonds.

The carrying value of Fenn Tower was assessed via an appraisal. Based on the current condition of the building and estimated costs to renovate, the recoverable amount of the building has decreased to zero. Management is in the process of evaluating options for the building, including but not limited to efforts to repair and renovate the building and return it to a revenue producing student housing facility, demolition or sale to a third party.

Note 11. Component Units (Continued)

The Corporation recognized an impairment loss of $16,019,285 for the year ended June 30, 2024 in the statement of activities. Management made the adjustment to properly present the financial statements in accordance with U.S. GAAP.

Due to the fact that the Fenn Tower is not a revenue producing facility, the Corporation is in non-monetary default on the Series 2014 Bonds. As a result, there are provisions in the bond documents that the bond holders can accelerate the outstanding principal amount, limited to the Series 2014 Bonds, to be paid immediately. The outstanding principal balance on the Series 2014 Bonds was $53,495,000 at June 30, 2024. To date the Corporation has not received a notice of an event of default from the bond holders. However, if the Corporation were to receive notice of an event of default from the bond holders, it would raise substantial doubt about the Corporation's ability to repay the bond principal, and continue as a going concern.

The Corporation has received a financial support letter from the University that states its commitment to fully support the operating, investing and financing activities of the Corporation through October 31, 2025 to mitigate doubts about the Corporation's ability to repay bond principal and continue as a going concern.

Note 12. Leases

The University leases facilities and equipment from others. These leases have terms between 1 and 28 years requiring monthly, quarterly or annual payments. The expected lease payments are discounted using the interest rate charge on the lease, if available, and are otherwise discounted using the University's incremental borrowing rate. A summary of changes in the lease liabilities for the year ended June 30, 2024, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Current
Lease liabilities - related	$ 15,934,190	$ 69,488	$ -	$ 16,003,678	$ -
Lease liabilities - other	46,641,096	-	(1,972,656)	44,668,440	2,326,104
	$ 62,575,286	$ 69,488	$ (1,972,656)	$ 60,672,118	$ 2,326,104

As of June 30, 2024, the principal and interest requirements for the lease liabilities, net is as follows:

	Principal	Interest	Total
2025	$ 2,326,104	$ 1,719,962	$ 4,046,066
2026	1,795,646	1,677,933	3,473,579
2027	1,824,928	1,639,834	3,464,762
2028	1,863,752	1,601,010	3,464,762
2029	1,368,305	1,567,975	2,936,280
2030-2034	7,764,381	7,412,519	15,176,900
2035-2039	8,041,511	6,647,478	14,688,989
2040-2044	22,483,384	4,559,241	27,042,625
2045-2049	13,204,107	599,360	13,803,467
Total	$ 60,672,118	$ 27,425,312	$ 88,097,430

Note 13. Subscription-Based Information Technology Arrangements

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

	Beginning Balance	Additions	Reductions	Ending Balance	Current
Subscription based information technology liability	$ 3,040,723	$ 1,789,732	$ (2,338,503)	$ 2,491,952	$ 1,874,273
	$ 3,040,723	$ 1,789,732	$ (2,338,503)	$ 2,491,952	$ 1,874,273

As of June 30, 2024, the principal and interest requirements for the subscription-based information technology agreements liability, net is as follows:

	Principal	Interest	Total
2025	$ 1,874,273	$ 65,814	$ 1,940,087
2026	369,280	23,204	392,484
2027	119,136	11,831	130,967
2028	129,263	915	130,178
Total	$ 2,491,952	$ 101,764	$ 2,593,716

Required Supplementary Information

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

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

	STRS	OPERS
For the Year Ended June 30, 2024		
University's proportion of the net pension liability (asset)	0.4456%	0.3399%
University's proportionate share of the net pension liability (asset)	$ 95,966,074	$ 87,790,460
University's covered payroll	55,999,700	61,840,237
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	171.37%	141.96%
Plan fiduciary net position as a percentage of the total pension liability	80.00%	79.01%
For the Year Ended June 30, 2023		
University's proportion of the net pension liability (asset)	0.4632%	0.3544%
University's proportionate share of the net pension liability (asset)	$ 102,964,845	$ 103,710,100
University's covered payroll	54,842,085	50,490,603
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	187.75%	205.40%
Plan fiduciary net position as a percentage of the total pension liability	78.90%	75.74%
For the Year Ended June 30, 2022		
University's proportion of the net pension liability (asset)	0.4660%	0.2953%
University's proportionate share of the net pension liability (asset)	$ 59,584,507	$ 24,190,216
University's covered payroll	52,495,229	48,558,477
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	113.50%	49.82%
Plan fiduciary net position as a percentage of the total pension liability	87.80%	92.62%
For the Year Ended June 30, 2021		
University's proportion of the net pension liability (asset)	0.4741%	0.3164%
University's proportionate share of the net pension liability (asset)	$ 114,716,140	$ 44,182,092
University's covered payroll	51,869,587	52,342,712
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	221.16%	84.41%
Plan fiduciary net position as a percentage of the total pension liability	75.50%	87.21%
For the Year Ended June 30, 2020		
University's proportion of the net pension liability (asset)	0.4753%	0.3570%
University's proportionate share of the net pension liability (asset)	$ 105,116,855	$ 69,645,496
University's covered payroll	50,575,390	55,587,366
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	207.84%	125.29%
Plan fiduciary net position as a percentage of the total pension liability	77.40%	82.17%
For the Year Ended June 30, 2019		
University's proportion of the net pension liability (asset)	0.4897%	0.3885%
University's proportionate share of the net pension liability (asset)	$ 107,685,334	$ 102,573,969
University's covered payroll	50,503,155	53,778,459
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	213.22%	190.73%
Plan fiduciary net position as a percentage of the total pension liability	77.30%	74.91%
For the Year Ended June 30, 2018		
University's proportion of the net pension liability (asset)	0.4941%	0.3926%
University's proportionate share of the net pension liability (asset)	$ 117,377,358	$ 60,974,449
University's covered payroll	49,431,335	56,151,077
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	237.46%	108.59%
Plan fiduciary net position as a percentage of the total pension liability	75.29%	84.85%
For the Year Ended June 30, 2017		
University's proportion of the net pension liability (asset)	0.4985%	0.4095%
University's proportionate share of the net pension liability (asset)	$ 166,860,603	$ 92,716,335
University's covered payroll	47,227,159	56,133,087
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	353.31%	165.17%
Plan fiduciary net position as a percentage of the total pension liability	66.80%	77.39%
For the Year Ended June 30, 2016		
University's proportion of the net pension liability (asset)	0.4990%	0.4038%
University's proportionate share of the net pension liability (asset)	$ 137,916,400	$ 69,702,983
University's covered payroll	48,272,044	54,452,664
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	285.71%	128.01%
Plan fiduciary net position as a percentage of the total pension liability	72.10%	81.19%
For the Year Ended June 30, 2015		
University's proportion of the net pension liability (asset)	0.4989%	0.4026%
University's proportionate share of the net pension liability (asset)	$ 121,356,821	$ 48,402,809
University's covered payroll	44,789,568	53,202,254
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	270.95%	90.98%
Plan fiduciary net position as a percentage of the total pension liability	74.70%	86.53%

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

(Continued)

Cleveland State University
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Retirement Plan Data (Continued)
Years Ended June 30, 2024, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016 and 2015
(In Thousands)

STRS

	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	University's Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	$ 8,353,539	$ 8,353,539	$ -	$ 55,999,700	14.92%
2023	8,423,402	8,423,402	-	56,476,246	14.91%
2022	8,428,943	8,428,943	-	54,842,085	15.37%
2021	8,077,403	8,077,403	-	52,495,229	15.39%
2020	8,002,180	8,002,180	-	51,869,587	15.46%
2019	7,818,028	7,818,028	-	50,575,390	15.46%
2018	7,802,860	7,802,860	-	50,503,155	15.45%
2017	7,653,361	7,653,361	-	49,431,335	15.48%
2016	7,292,553	7,292,553	-	47,227,159	15.44%
2015	7,359,961	7,359,961	-	48,272,044	15.25%

OPERS Traditional, Combined and Member-Directed

	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	University's Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	$ 9,043,848	$ 9,043,848	$ -	$ 61,840,237	14.62%
2023	8,462,497	8,462,497	-	59,457,277	14.23%
2022	7,522,915	7,522,915	-	50,490,603	14.90%
2021	7,122,043	7,122,043	-	48,558,477	14.67%
2020	7,588,682	7,588,682	-	52,342,712	14.50%
2019	8,073,431	8,073,431	-	55,587,366	14.52%
2018	6,961,758	6,961,758	-	53,778,459	12.95%
2017	8,322,520	8,322,520	-	56,151,077	14.82%
2016	7,990,496	7,990,496	-	56,133,087	14.23%
2015	7,760,107	7,760,107	-	54,452,664	14.25%

Cleveland State University
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OPEB Plan Data
Years Ended June 30, 2024, 2023, 2022, 2021, 2020, 2019 and 2018
(In Thousands)

	STRS	OPERS
For the Year Ended June 30, 2024		
University's proportion of the net OPEB (asset) liability	0.4456%	0.3482%
University's proportionate share of the net OPEB (asset) liability	$ (8,667,000)	$ (3,142,155)
University's covered payroll	55,999,700	61,840,237
University's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll	-15.48%	-5.08%
Plan fiduciary net position as a percentage of the total OPEB (assets) liability	168.50%	107.76%

For the Year Ended June 30, 2023		
University's proportion of the net OPEB (asset) liability	0.4632%	0.3597%
University's proportionate share of the net OPEB (asset) liability	$ (11,993,000)	$ 2,267,662
University's covered payroll	54,842,085	50,490,603
University's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll	-21.87%	4.49%
Plan fiduciary net position as a percentage of the total OPEB (assets) liability	230.70%	94.79%

For the Year Ended June 30, 2022		
University's proportion of the net OPEB (asset) liability	0.4660%	0.3043%
University's proportionate share of the net OPEB (asset) liability	$ (9,826,000)	$ (9,531,204)
University's covered payroll	52,495,229	48,558,477
University's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll	-18.72%	-19.63%
Plan fiduciary net position as a percentage of the total OPEB (assets) liability	174.73%	128.23%

For the Year Ended June 30, 2021		
University's proportion of the net OPEB (asset) liability	0.4741%	0.3164%
University's proportionate share of the net OPEB (asset) liability	$ (8,332,000)	$ (5,637,560)
University's covered payroll	51,869,587	52,342,712
University's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll	-16.06%	-10.77%
Plan fiduciary net position as a percentage of the total OPEB (assets) liability	182.13%	115.57%

For the Year Ended June 30, 2020		
University's proportion of the net OPEB (asset) liability	0.4753%	0.3570%
University's proportionate share of the net OPEB (asset) liability	$ (7,873,000)	$ 50,495,074
University's covered payroll	50,575,390	55,587,366
University's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll	-15.57%	90.84%
Plan fiduciary net position as a percentage of the total OPEB (assets) liability	174.70%	47.80%

For the Year Ended June 30, 2019		
University's proportion of the net OPEB (asset) liability	0.4897%	0.3885%
University's proportionate share of the net OPEB (asset) liability	$ (7,869,805)	$ 50,651,274
University's covered payroll	50,503,155	53,778,459
University's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll	-15.58%	94.19%
Plan fiduciary net position as a percentage of the total OPEB (assets) liability	176.00%	46.33%

For the Year Ended June 30, 2018		
University's proportion of the net OPEB (asset) liability	0.4941%	0.4057%
University's proportionate share of the net OPEB (asset) liability	$ 19,278,426	$ 44,058,464
University's covered payroll	49,431,335	56,151,077
University's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll	39.00%	78.46%
Plan fiduciary net position as a percentage of the total OPEB (assets) liability	47.11%	54.14%

(Continued)

Cleveland State University
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OPEB Plan Data (Continued)
Years Ended June 30, 2024, 2023, 2022, 2021, 2020, 2019 and 2018
(In Thousands)

	STRS				
	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	University's Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	$ -	$ -	$ -	$ 55,999,700	0.00%
2023	-	-	-	56,476,246	0.00%
2022	-	-	-	54,842,085	0.00%
2021	-	-	-	52,495,229	0.00%
2020	-	-	-	51,869,587	0.00%
2019	-	-	-	50,575,390	0.00%
2018	-	-	-	50,503,155	0.00%

	OPERS Traditional, Combined and Member-Directed				
	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	University's Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	$ -	$ -	$ -	$ 61,840,237	0.00%
2023	-	-	-	59,457,277	0.00%
2022	-	-	-	50,490,603	0.00%
2021	-	-	-	48,558,477	0.00%
2020	-	-	-	52,342,712	0.00%
2019	-	-	-	55,587,366	0.00%
2018	1,160,293	1,160,293	-	53,778,459	2.16%

Changes in assumptions (Pension): There were changes to several assumptions for STRS during the plan year ended June 30, 2023. The subsidy percentage for NME retirees was increased effective January 1, 2023 from 2.2% to 2.5%. The freeze on the Non-Medicare subsidy base premium was removed effective January 1, 2024. The 6% cap on the year over year increase in ME subsidy was removed effective January 1, 2024. In addition the cost of living assumption for the OPERS Pension Plan was narrowed from 2.05% to 3% to 2.05% to 2.3%.

Changes in assumptions (OPEB): There were changes to an assumption for STRS during the plan year ended June 30, 2023. The health care cost trend rate was changed and increased the ultimate rate from 3.94% to 4.14%. In addition, the discount rate used in determining the OPERS OBEB liability was increased from 5.22% to 5.7% for the plan year ended December 31, 2023.

Uniform Guidance Audit Requirements

Cleveland State University
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Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
Student Financial Assistance Cluster				
U.S. Department of Education – Direct Programs				
Federal Supplemental Educational Opportunity Grants	84.007	N/A	$ -	$ 680,000
Federal Work-Study Program	84.033	N/A	-	755,128
Federal Perkins Loan Program				
Loans outstanding at beginning of year	84.038	N/A	-	3,174,138
Loans issued during the year			-	-
				3,174,138
Federal Pell Grant Program	84.063	N/A	-	21,792,534
Federal Direct Student Loans	84.268	N/A	-	78,965,473
Teacher Education Assistance for College and Higher Education Grants	84.379	N/A	-	34,888
Total U.S. Department of Education			-	105,402,161
U.S. Department of Health and Human Services – Direct Programs				
Nurse Faculty Loan Program				
Loans outstanding at beginning of year	93.264	N/A	-	32,368
Loans issued during the year			-	-
Total U.S. Department of Health and Human Services			-	32,368
Total Student Financial Assistance Cluster			-	105,434,529
U.S. Department of Education – Pass Through Programs from				
The Ohio Department of Higher Education				
Education Stabilization Fund				
COVID-19 - American Rescue Plan - Elementary and Secondary School Emergency Relief	84.425U (a)	Unknown	-	156,675
COVID-19 - American Rescue Plan - Elementary and Secondary School Emergency Relief	84.425U (a)	EDUFAR21		208,847
COVID-19 - American Rescue Plan - Elementary and Secondary School Emergency Relief	84.425U (a)	EDUFAR21	-	26,574
Total Education Stabilization Fund			-	392,096
TRIO Cluster				
U.S. Department of Education – Direct Programs				
TRIO Student Support Services	84.042	N/A	-	444,064
TRIO McNair Post-Baccalaureate Achievement	84.217	N/A	-	125,386
Total TRIO Cluster			-	569,450
Total U.S. Department of Education (Non-Student Financial Assistance Cluster)			-	961,546
Economic Development Cluster				
U.S. Department of Commerce – Pass Through Programs				
The Ohio State University - Economic Adjustment Assistance	11.307	GR130795/ED22HDQ3070085	-	38,555
Total Economic Development Cluster				38,555

(Continued)

Cleveland State University
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Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
Research and Development Cluster				
U.S. Department of Defense – Pass-through Programs				
Lorain County Community College - National Defense Education Program	12.006	HQ000342220007	$ -	$ 1,282
Case Western Reserve University - Basic and Applied Scientific Research	12.300	RES602090/N00014-23-1-2842	-	131,283
National Center for Defense Manufacturing - Air Force Defense Research Sciences Program	12.800	FA8650-20-2-5700	-	670,347
Youngstown State University - Research and Technology Development	12.910 (a)	211529-21-01/FA8650-20-2-1136	-	11,345
University of Pittsburgh - Research and Technology Development	12.910 (a)	AWD00001593 (419447-8)/D20AC0002-08	-	294,191
University of Pittsburgh - Research and Technology Development	12.910 (a)	AWD00001593 (801740-8)/D20AC00002-11	-	177,003
University of Pittsburgh - Research and Technology Development	12.910 (a)	AWD00001593 (801737-8)/D20AC00002-11	-	163,436
			-	645,975
Total U.S. Department of Defense			-	1,448,887
U.S. Department of Agriculture – Direct Programs				
Agriculture and Food Research Initiative	10.310 (a)	N/A	-	202,186
U.S. Department of Agriculture – Pass-through Programs				
Iowa State University – Biogeochemical consequences of updating an aging agricultural infrastructure	10.310 (a)	020638A/2019-67019-29404	-	8,658
Total U.S. Department of Agriculture			-	210,844
U.S. Department of Interior – Direct Program				
Cooperative Research and Training Programs - Resources of the National Park System	15.945	N/A	-	52,545
Total U.S. Department of Interior			-	52,545
U.S. Department of Justice – Direct Programs				
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745	N/A		62,656
U.S. Department of Justice – Pass-through Programs				
Cleveland Peacemakers - Community-Based Violence Intervention and Prevention Initiative	16.045	15PBJA-23-GG-05201-CVIP	-	10,860
Cleveland Rape Crisis Center - Services for Trafficking Victims	16.320	OVC FY 2019	-	33,230
Case Western Reserve University - Smart Prosecution Initiative	16.825	RES516900/2020-YK-BX-0008	-	6,842
Cuyahoga County Prosecutor's Office - National Sexual Assault Kit Initiative	16.833 (a)	2021 CCPO/15PBJA21GG04308SAKI	-	110,919
Cuyahoga County Prosecutor's Office - National Sexual Assault Kit Initiative	16.833 (a)	2019-AK-BX-0005-CSU	-	50,009
Cuyahoga County Prosecutor's Office - National Sexual Assault Kit Initiative	16.833 (a)	2019-AK-BX-0029-CSU	-	20,743
Cuyahoga County Prosecutor's Office - National Sexual Assault Kit Initiative	16.833 (a)	15PBJA-22-GG-03774-SAKI	-	46,848
Cuyahoga County Prosecutor's Office - National Sexual Assault Kit Initiative	16.833 (a)	15PBJA-23-GG-02284-SAKI	-	10,177
City of Akron- National Sexual Assault Kit Initiative	16.833 (a)	2019-AK-BX-0004-CSU	-	93,331
City of Akron- National Sexual Assault Kit Initiative	16.833 (a)	15PBJA-21-GG-04327-SAKI	-	59,294
			-	391,321
Total U.S. Department of Justice			-	504,909
National Aeronautics and Space Administration – Direct Programs				
Science	43.001	N/A	-	556,307
Total National Aeronautics and Space Administration			-	556,307

(Continued)

Cleveland State University
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Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
Research and Development Cluster (Continued)				
National Endowment for the Humanities – Direct Programs				
Promotion of the Humanities – Fellowships and Stipends	45.160	N/A	$ -	$ 3,577
National Endowment for the Humanities – Pass-through Programs				
The Metro Health System – Promotion of the Arts Grants to Organizations and Individuals	45.024 (a)	9951011101/1891739-38-22	-	22,934
Total National Endowment for the Humanities			-	26,511
National Science Foundation – Direct Programs				
Engineering	47.041 (a)	N/A	6,215	1,033,265
Mathematical and Physical Sciences	47.049	N/A	69,854	401,087
Geosciences	47.050	N/A	-	32,116
Computer and Information Science and Engineering	47.070 (a)	N/A	-	697,131
Biological Sciences	47.074 (a)	N/A	17,795	270,586
STEM Education	47.076 (a)	N/A	23,845	606,995
Office of International Science and Engineering	47.079	N/A	-	75,042
Integrative Activities	47.083	N/A	-	14,200
NSF Technology, Innovation, and Partnerships	47.084	N/A	-	4,501
National Science Foundation – Pass-through Programs				
Case Western Reserve University - Engineering	47.041 (a)	RES515086/CBET-2023525	-	8,326
Columbia University - Engineering	47.041 (a)	1(GG018608-01)/CBET 2227383	-	52,752
			-	61,078
Case Western Reserve University - Computer and Information Science and Engineering	47.070 (a)	RES600131/CCF-2200255	-	5,639
University of Alabama - Computer and Information Science and Engineering	47.070 (a)	A22-0027-S0001/2122882	-	31,841
			-	37,480
The University of Utah - Biological Sciences	47.074 (a)	10068257-04-CSU/2323996	-	14,885
Association of Public and Land-grant Universities - STEM Education	47.076 (a)	1834518	-	546
Ohio State University - STEM Education	47.076 (a)	18173141/60067272	-	48,568
			-	63,999
Total National Science Foundation			117,709	3,297,480
U.S. Department of Energy - Direct Programs				
Office of Science Financial Assistance Program	81.049 (a)	N/A	105,258	285,243
U.S. Department of Energy – Pass-through Programs				
University of Wisconsin - Office of Science Financial Assistance Program	81.049 (a)	402/DE-SC0020114	-	15,234
University of Wisconsin - Office of Science Financial Assistance Program	81.049 (a)	DE-SC0024048	-	46,211
Kent State University - Office of Science Financial Assistance Program	81.049 (a)	400007-CSU/DE-SC0022191	-	7,313
			-	354,001
Paragon Robotics – Conservation Research and Development	81.086	2020-CSU-001	-	12,622
The Research Foundation of SUNY - Renewable Energy Research and Development	81.087	2020-CSU-001	-	14,908
Total U.S. Department of Energy			105,258	381,531

(Continued)

Cleveland State University
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Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
Research and Development Cluster (Continued)				
U.S. Department of Education – Direct Programs				
Fund for the Improvement of Postsecondary Education	84.116	N/A	$ -	$ 308,887
Education Research, Development and Dissemination	84.305A	N/A	7,687	229,873
English Language Acquisition State Grants	84.365	N/A	-	601,473
Education, Innovation and Research	84.411	N/A	-	572,619
Supporting Effective Educator Development Program	84.423	N/A	-	80,634
U.S. Department of Education – Pass-through Programs				
University of Cincinnati – Special Education - State Personnel Development	84.323 (a)	014064-00002/H323A170026	-	550
University of Cincinnati - Special Education - State Personnel Development	84.323 (a)	015332-00002/H323A220007		26,945
			-	27,495
University of Cincinnati - Special Education Grants to States	84.027	015292-00002/HQ23A22301111	-	87,279
Total U.S. Department of Education			7,687	1,908,260
U.S. Department of Health and Human Services – Direct Programs				
Cancer Detection and Diagnosis Research	93.394	N/A	-	110,611
Cardiovascular Diseases Research	93.837 (a)	N/A	-	612,689
Blood Diseases and Resources Research	93.839	N/A	-	49,860
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847 (a)	N/A	81,291	780,141
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853 (a)	N/A	-	302,811
Allergy and Infectious Diseases Research	93.855 (a)	N/A	70,352	403,861
Biomedical Research and Research Training	93.859 (a)	N/A	141,321	1,830,549
Aging Research	93.866	N/A	-	787,574
U.S. Department of Health and Human Services – Pass-Through Programs				
NEOMED – Area Health Education Centers	93.107	F-2023-14/U7723072	-	117,043
			-	117,043
Cuyahoga County District Board of Health – Injury Prevention and Control Research and State and Community Based Programs	93.136 (a)	5NU17CE925005-03-03	-	34,360
Cuyahoga County District Board of Health – Injury Prevention and Control Research and State and Community Based Programs	93.136 (a)	1NH28CE003558-01-00	-	40,206
			-	74,566
Case Western Reserve University - Minority Health and Health Disparities Research	93.307	RES512619/2U54MD002265-11	-	21,555
Case Western Reserve University - National Center for Advancing Translational Sciences	93.350	RES602388/1UM1TR004528	-	17,855
Case Western Reserve University - Cancer Treatment Research	93.395	RES601612/1R01CA272621-01A1	-	39,162
The Metro Health System - Public Health Training Centers Program	93.516	9971011101/T29HP46696-01-00	-	301,754
Cleveland Rape Crisis Center - Emergency Grants to Address Mental and Substance Use Disorders During COVID-19	93.665	MHA-FY-22-BCYF-COVID19-UMB-01	-	111
NEOMED - Mental and Behavioral Health Education and Training Grants	93.732	G0443-A/6 U3NHP45402-01-01	-	18,016
Cuyahoga County District Board of Health – Ending the HIV Epidemic: A Plan for America	93.686 (a)	UT833929	-	30,250
Cuyahoga County District Board of Health – Ending the HIV Epidemic: A Plan for America	93.686 (a)	UT833929	-	11,638
			-	41,888
Cuyahoga County District Board of Health - Racial and Ethnic Approaches to Community Health Program Financed Soley By Public Prevention and Health Funds	93.738	NU5858DP006586-05-00	-	15,616
Cleveland Clinic Foundation - Cardiovascular Diseases Research University - Cardiovascular Diseases Research	93.837 (a)	1256-SUB/P01HLI147823	-	105,178
Cleveland Clinic Foundation - Cardiovascular Diseases Research University - Cardiovascular Diseases Research	93.837 (a)	1334-SUB/R01DK123236-01	-	8,402
			-	113,580
Cleveland Clinic Lerner College of Medicine - Diabetes, Digestive and Kidney Diseases Extramural Research	93.847 (a)	CCF22447536/U2CDK129440	-	12,791
Cleveland Clinic Lerner College of Medicine - Diabetes, Digestive and Kidney Diseases Extramural Research	93.847 (a)	CCF22425712/TL1DK32770	-	69,799
Cleveland Clinic Lerner College of Medicine - Diabetes, Digestive and Kidney Diseases Extramural Research	93.847 (a)	CCF24236707/U2CDK129440	-	9,899
			-	92,489
Cleveland Clinic Foundation - Neurosciences and Neurological Disorders	93.853 (a)	CCF24030218/R56NS134148	-	86,640
Weill Medical College of Cornell University - Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853 (a)	181663/1R01NS104283-01A1	-	643
Weill Medical College of Cornell University - Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853 (a)	232087/1R01NS136864	-	12,921
Cleveland Clinic Lerner College of Medicine - Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853 (a)	CCF22107205/R01NS124547	-	93,573
			-	193,777
University of North Carolina Charlotte - Allergy and Infectious Diseases Research	93.855 (a)	20220400-01-CSU/1R15AI166764-01A1	-	15,113
Research Foundation of SUNY Buffalo - Allergy and Infectious Diseases Research	93.855 (a)	R1311834/1R01AI165997-01A1	-	74,889
			-	90,002

(Continued)

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

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

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
Research and Development Cluster (Continued)				
Cuyahoga Community College – Biomedical Research and Research Training	93.859 (a)	N/A/1T34GM137792-01	$ -	$ 26,835
Cleveland Clinic Foundation -Vision Research	93.867	CCF21360791/R01EY027083	-	6,781
NEOMED - PPHF Geriatrics Education Centers	93.964	5UIQHPO33070-04-00	-	2,245
NEOMED - PPHF Geriatrics Education Centers	93.969	G0274-0000/5U1QHP33073-05	-	49,163
United Way of Greater Cleveland - State and Local Homeland Security National Training Program	97.005	671600	-	9,787
Total U.S. Department of Health and Human Services			292,964	6,110,321
Total Research and Development Cluster			523,618	14,497,595
Other Federal Awards and Financial Assistance Programs				
U.S. Department of Transportation – Pass-through Programs				
NEORIDE - Highway Research and Development Program	20.200	693JJ321NF-AIDDP	-	83,215
Ohio Department of Transportation - Highway Planning and Construction	20.205 (a)	37844	-	79,975
Ohio Department of Transportation - Highway Planning and Construction	20.205 (a)	39166	-	124,517
Ohio Department of Transportation - Highway Planning and Construction	20.205 (a)	40190	-	48,019
Ohio Department of Transportation - Highway Planning and Construction	20.205 (a)	40189	-	29,917
			-	282,428
Florida A&M University - University Transportation Centers Program	20.701	C-5167/69A3552348321	-	184,001
Total U.S. Department of Transportation – Pass-through Programs			-	549,644
U.S. Department of Commerce – Direct Programs				
Cluster Grants	11.020	N/A	65,385	276,194
Economic Development Technical Assistance	11.303	N/A	-	140,199
U.S. Department of Commerce – Pass Through Programs				
The Ohio State University – Sea Grant Support	11.417	GR126911/NA220AR4170099	-	48,340
Total U. S. Department of Commerce			65,385	464,733
U.S. Department of Treasury – Pass Through Programs				
COVID-19 - Cuyahoga County Prosecutor's Office - Coronavirus Sate and Local Fiscal Recovery Funds	21.027 (a)	2022-AR-LEP-1033	-	29,913
COVID-19 - Ohio Office of Criminal Justice Services - Coronavirus Sate and Local Fiscal Recovery Funds	21.027 (a)	2022-AR-LEP-1030	-	4,800
Total U. S. Department of Treasury - Pass Through Programs			-	34,713
U.S. Department of National Endowment for the Humanities Pass Through Programs				
Boise State University - Promotion of the Arts Grants to Organizations and Individuals	45.024 (a)	10491/190597-38-23	-	5,604
			-	5,604

(Continued)

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

Schedule of Expenditures of Federal Awards
Cleveland State University

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
Other Federal Awards and Financial Assistance Programs				
U.S. Department of Transportation – Pass-through Programs (Continued)				
Small Business Administration – Pass-through Programs:				
State of Ohio, Development Services Agency – Small Business Development Centers	59.037 (a)	OSBG-23-317/SBAOEDSB 23 002852-01-00	$ -	$ 132,610
State of Ohio, Development Services Agency – Small Business Development Centers	59.037 (a)	OSBG-24-317/SBAOEDSB 24 0087-01-00	-	147,655
			-	280,265
Burten, Bell, Carr, Development – Community Navigator Pilot Program	59.077	SBAHQ22CNP0039	-	34,355
Total Small Business Administration			-	314,620
U.S. Department of Health and Human Services – Pass-through Programs				
Ohio Department of Job and Family Services – Social Services Block Grant	93.667	G-2223-06-0081	-	102,785
Total U.S. Department of Health and Human Services (Non Student Financial Assistance Cluster)			-	102,785
Total Other Federal Awards and Financial Assistance Programs			65,385	1,472,099
Total Expenditures of Federal Awards			$ 589,003	$ 122,404,324

See notes to schedule of expenditures of federal awards

(a) - Subtotal by Federal Assistance Listing Number

10.310	$ 210,844
12.910	645,975
16.833	391,321
20.205	282,428
21.027	34,713
45.024	28,538
47.041	1,094,343
47.070	734,611
47.074	285,471
47.076	656,109
59.037	280,265
81.049	354,001
84.323	27,495
84.425U	392,096
93.136	74,566
93.686	41,888
93.837	726,269
93.847	872,630
93.853	496,588
93.855	493,863
93.859	1,857,384

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Cleveland State University (the University) under programs of the federal government for the year ended June 30, 2024. The information on this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

For purposes of the Schedule, federal awards include all federal assistance entered into directly between the University and the federal government and sub-awards from nonfederal organizations made under federally sponsored agreements. The Schedule does not include payments received under Medicare and Medicaid reimbursement programs. Because the Schedule presents only a selected portion of the activities of the University, it is not intended to, and does not, present the financial position, changes in net position and cash flows of the University.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. Indirect Cost Rate

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

Note 4. Loan Balances

During the year ended June 30, 2024, the University issued new loans to students under the William D. Ford Federal Direct Loan Program (FDLP). The loan program includes subsidized and unsubsidized Stafford Loans, Parents' Loans for Undergraduate Students (PLUS), and PLUS loans for graduate and professional students. The value of loans issued for the FDLP is based on disbursed amounts. The undergraduate PLUS loans are applied first to the students' tuition and fees, and any remaining balance is disbursed directly to parents or, with the parents' permission, to the student.

In addition, the University participates in the Federal Perkins Loan Program (FPL) through the Department of Education and in the Nurse Faculty Loan Program (NFLP) through the Department of Health and Human Services. These loan programs are directly administered by the University and are considered revolving loan programs whereby collections received on past loans, including interest, and new funds received from federal agencies are loaned out to current students.

FPL and NFLP loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the schedule of expenditures of federal awards. The FPL and NFLP loan balances outstanding at June 30, 2024, were $1,355,455 and $26,708, respectively.

RSM US LLP

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

Independent Auditor's Report

President and Board of Trustees
Cleveland State University

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *(Government Auditing Standards)*, the financial statements of the business-type activities and the aggregate discretely presented component units of Cleveland State University (the University), a component unit of the state of Ohio, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated November 14, 2024. Our report contained and emphasis of matter paragraph related to Euclid Avenue Development Corporation related to an impairment loss.

This report does not include reporting on internal control over financial reporting or compliance and other matters that are reported on separately for Cleveland State University Foundation and Euclid Avenue Development Corporation.

Report on Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2024-001 and 2024-002 to be material weaknesses.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2024-003, 2024-004 and 2024-005 that we consider to be significant deficiencies.

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

Cleveland State University's Response to Findings
Government Auditing Standards requires the auditor to perform limited procedures on the University's responses to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The University's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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

RSM US LLP

Cleveland, Ohio
November 14, 2024

RSM US LLP

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

Independent Auditor's Report

President and Board of Trustees
Cleveland State University

Report on Compliance for Each Major Federal Program

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

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

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

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

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

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

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

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

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

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

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

Other Matters
The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2024-006 and 2024-007. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the University's responses to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The University's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance
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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-006 and 2024-007, to be significant deficiencies.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the University's responses to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The University's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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

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

We have audited the financial statements of the business-type activities and the aggregate discretely presented component units of the University as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the University's basic financial statements. We issued our report thereon, dated November 14, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basis financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

RSM US LLP

Cleveland, Ohio
December 6, 2024

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

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

Section I – Summary of Auditor's Results

Financial Statements

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

Federal Awards

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

Identification of major federal programs:

Federal Assistance Listing Number(s)	Name of Federal Program or Cluster
84.007, 84.033, 84.038, 84.063, 84.268, 84.379, 93.264	Student Financial Assistance Cluster
Various	Research and Development Cluster
84.425U	COVID-19 - American Rescue Plan - Elementary and Secondary Schools Emergency Relief Fund

Dollar threshold used to distinguish between Type A and Type B programs:	$ 750,000	
Auditee qualified as a low risk auditee?	X Yes	No

Section II—Financial Statement Findings

FINDING 2024-001 – Financial Reporting Related to Net Investment in Capital Assets

Criteria: In accordance with GASB Standards an entity is required to categorize its net position into three components; net investment in capital assets, restricted net position and unrestricted net position.

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflow of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount.

Condition: During our audit of the financial statements, we identified that previously issued financial statements contained a misclassification error of approximately $13 million which understated the net investment in capital assets net position and overstated the unrestricted net position within the net position line item on the Statement of Net Position. These misclassifications did not have any monetary impact on the total net position reported by the University.

Cause: The misclassification was due to a misapplication of generally accepted accounting principles. This was a result of inadequate review and reconciliation processes within the finance office.

Effect: The identified error incorrectly understated the net investment in capital assets and overstated the unrestricted net position in an amount of approximately $13 million. The presentation of net position of net investment in capital assets and unrestricted net position were reclassified to correct the error. The University’s total net position was unaffected as total net position was properly stated in the financial statements.

Recommendation: It is recommended that the University enhance its internal controls its calculation of net investment in capital assets to ensure proper external financial reporting.

View of responsible individuals: Management concurs with the finding and has begun implementing corrective measures. Management was responsible for calculating the amounts that were required to be reclassified and had the understanding necessary to properly present this information going forward.

FINDING 2024-002 – Financial Reporting Related to Capital Assets

Criteria: In accordance with Generally Accepted Accounting Principles (GAAP), capital assets should be disclosed and disaggregated by major capital asset categories. Information presented about major classes of capital assets should include beginning and ending balances, additions, sales or other dispositions, and current-period depreciation expense.

Condition: During our audit of the financial statements, we identified misclassification errors between individual capital asset categories (i.e. land improvements, buildings and equipment) and the related accumulated depreciation in the capital asset footnote to the financial statements. These misclassifications did not have any monetary impact on the total net position or total capital assets reported by the University.

In addition, while testing the accumulated depreciation balances we identified that the recorded accumulated depreciation balances were not properly reconciled to the underlying depreciation schedules. As a result, accumulated depreciation was understated by approximately $2,840,000.

Cause: The misclassification of the capital asset categories was the result of two capital assets that were removed from existing capital asset categories and reclassified as right of use lease assets within capital assets, net in a prior year during the adoption of GASB 87. When the entry was made to reclassify the assets and the associated accumulated depreciation the adjustment was not made to the correct capital asset categories resulting in errors. This was a result of inadequate review and reconciliation processes within the finance office.

The misstatements in the accumulated depreciation balances were the result of inadequate review and reconciliation by the finance office of the recorded accumulated depreciation balances to the underlying depreciation schedules.

Effect: The beginning balances in the capital asset footnote were misclassified which overstated certain capital asset categories by approximately $12.3 million and understated other capital asset categories by the same amount. In addition, certain accumulated depreciation categories were overstated by approximately $5.2 million and other accumulated depreciation categories were understated by the same amount. In total the capital assets presented in the footnote and on the face of the financial statements were materially correct. A reclassification adjustment was made to beginning balances to correct this misclassification, with no impact to total beginning capital assets, net.

The misstatements identified in the accumulated depreciation balance resulted in accumulated depreciation being understated by approximately $2,840,000. An audit adjustment was made through the current year financial statements to correct this misstatement.

Recommendation: It is recommended that the University enhance its internal controls over the capital asset reconciliation to ensure proper external financial reporting.

View of responsible individuals: Management concurs with the finding and has begun implementing corrective measures. Management was responsible for calculating the amounts that were required to be reclassified and had the understanding necessary to properly present this information going forward.

FINDING 2024-003 – Unbilled Receivables Audit Adjustment

Criteria: According to GASB Statement No. 33 receivables should be recorded when eligibility requirements are met, amounts are verifiable and measurable, the collection of the receivable is probable and time requirements are met to reflect the true financial position of the University.

Condition: During the audit of the University's financial statements for the fiscal year ending June 30, 2024, we identified that unbilled receivables were overstated by approximately $2,432,000.

Cause: The overstatement was due to an error in accounting for receivables, where the University recorded receivables for certain costs that had been billed and collected in prior years and for certain costs that were no longer reimbursable. This was a result of inadequate review and reconciliation processes within the finance office.

Effect: The financial statements overstated both accounts receivable and revenue by $2,432,000. This misstatement could lead to incorrect financial reporting and potentially impact decision-making by stakeholders.

Recommendation: It is recommended that the University enhance its internal controls over unbilled receivables. This includes implementing a more rigorous review and reconciliation procedure to ensure that only services rendered are recorded as receivables. Additionally, periodic audits of the billing system should be conducted to identify and correct any discrepancies promptly.

View of responsible individuals: Management concurs with the finding and has begun implementing corrective measures. A new review and reconciliation process will be in place by December 31, 2024, and periodic audits of unbilled receivables will commence in January 2025.

FINDING 2024-004 – Perkins Loan Obligation Accounting

Criteria: In accordance with accounting standards generally accepted in the United States of America the Federal Capital Contributions related to the Perkins loan program are to be reconciled and recorded accurately as an obligation of the University.

Condition: During the testing of the Perkins loan obligation, we identified that the recorded obligation did not reconcile to underlying support. As a result, the obligation was understated by $1,971,000.

Cause: The misstatement of the Perkins loan obligation was the result of inadequate review and reconciliation to underlying reports provided by its third-party servicer.

Effect: The misstatement related to the Perkins loan obligation resulted in an understatement in the amount of $1,971,000. An audit adjustment was made to the current year financial statements to correct this misstatement.

Recommendation: It is recommended that the University enhance its internal controls over the Perkins loan obligation to ensure proper external financial reporting.

View of responsible individuals: Management concurs with the finding and has begun implementing corrective measures. Management was responsible for calculating the amounts that were required to be reclassified and had the understanding necessary to properly present this information going forward.

FINDING 2024-005 – Audit Finding: Misuse of P-Card Leading to Unallowable Cost Reimbursement

Criteria: Institutional policies and procedures, as well as best practices for P-Card usage, require that all purchases made with a P-Card be authorized, documented, and for legitimate business purposes.

Condition: During the audit, management informed us that they discovered that one individual violated existing University policy and misused a Purchasing Card (P-Card) resulting in unauthorized and unallowable purchases totaling $85,258. The purchases had limited supporting documentation, no management approval and a business purpose could not be validated. The individual utilizing the P-Card admitted that he was using it for personal use and was terminated. Of the identified purchases $79,772 were charged to a federal grant. Subsequent to the draw down of federal funds management identified the misuse and immediately adjusted a subsequent request effectively reimbursing the federal funding source for funds received. Internal audit then performed testing over a sample of P-Card transactions and identified that 51% of the transactions tested lacked supervisory review and approval. Their testing was limited to a certain division which was considered to have risk of this occurring. RSM performed testing over the full population of P-Card transactions and identified two instances of monthly P-Card statements not being approved by the employee's supervisor in a timely manner.

Cause: The misuse of the P-Card occurred due to insufficient oversight and monitoring of P-Card transactions by supervisory personnel, lack of adherence to established controls, and untimely monthly reconciliations. In addition it appears there was inadequate training for P-Card holders on proper usage and documentation requirements.

Effect: Unauthorized purchases totaling $85,258 represent a financial loss to the institution and unauthorized amounts being charged to a federal grant. As noted above the federal grant was immediately reimbursed for these unallowed costs.

Recommendation: It is recommended that the institution strengthens its controls over P-Card usage by implementing the following measures:

1. Conducting a thorough review of all P-Card transactions to identify any additional unauthorized purchases.

2. Enhancing training programs for P-Card holders to ensure they understand the policies and procedures for proper P-Card usage.

3. Increasing the frequency and rigor of P-Card transaction reviews and audits.

4. Implementing stricter approval processes for high-value transactions.

Views of responsible individuals: Management acknowledges the finding and will take immediate corrective actions. This includes conducting a comprehensive review of current P-Card transactions, revising the training program for P-Card holders, and enhancing the monitoring and approval processes to prevent future misuse.

Section III – Findings and Questioned Costs for Federal Awards

FINDING 2024-006 – Audit Finding: Misuse of P-Card Leading to Unallowable Cost Reimbursement
Program Titles: Research and Development Cluster, Biomedical Research and Research Training
Assistance Listing Numbers: 93.859
Federal Award Number: 4R00GM145587-03
Federal Award Year: Period February 24, 2003-January 31, 2024
Federal Agencies: United States Department of Health and Human Services

Condition: Refer to Finding 2024-005 in the Financial Statement Findings section (Section II) of this report. Fraudulent charges totaling $79,772 were charged to a federal grant via misuse of a P-Card. Subsequent to the draw down of federal funds management identified the misuse and immediately adjusted a subsequent request effectively reimbursing the federal funding source for funds received.

Questioned Costs: None

Context: After the reimbursement made total costs charged to the grant award were approximately $65,000 none of which were P-Card transactions. The grant was administered solely by one individual who was terminated by the University and the award has been closed out.

Repeat Finding: No

FINDING 2024-007 – Missing Signed Perkins Loan Forms
Program Titles: Student Financial Assistance Cluster, Federal Perkins Loan Program
Assistance Listing Numbers: 84.038
Federal Award Number: None
Federal Agencies: United States Department of Education

Criteria: According to federal regulations 34CFR 674.19, institutions must retain an original or electronically signed Master Promissory Note for at least three years after all loans made under the Master Promissory Note are satisfied. In addition, 2CFR 200.303 requires the entity to maintain internal controls to provide reasonable assurance that the entity is managing the Federal award in compliance with Federal statues, regulations and the terms and conditions of the Federal award.

Condition: During testing of Perkins Loan Recordkeeping and Record Retention, we identified that the University could not provide a signed promissory note for five out of 25 loans selected for testing.

Cause: The absence of signed forms may be due to inadequate oversight in the loan documentation process or a lapse in following established procedures for collecting and retaining signed forms.

Effect: The lack of signed Perkins Loan forms in the files could result in non-compliance with federal regulations and creates challenges in enforcing loan agreements.

Questioned Costs: None

Context: During testing of Perkins Loan Recordkeeping and Record Retention we identified that the University could not provide a signed promissory note for five out of 25 loans (20%) selected for testing. The account status was current with ongoing payments for all five loans.

Repeat Finding: No

Recommendation: It is recommended that the institution reviews and strengthens its procedures for collecting and retaining signed promissory notes. This may include a review of all outstanding Perkins loan borrowers and review of related documentation to ensure a Master Promissory Note has been signed and retained.

View of responsible individuals: Management understands the recommendation and the need to retain the records of former students. While we are certain that required documentation exists or existed at one time, the passage of time and lack of digital backups impaired our ability to produce the documents. Since the loans related to the missing documents are currently in repayment status, we feel that provides assurance that the former students did sign the loan agreement. However, we understand the need to retain all critical forms for our students.

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

Summary Schedule of Prior Audit Findings
Year Ended June 30, 2024

Section II – Financial Statement Findings

No findings were noted in the prior (2023) audit.

Section III – Findings and Questioned Costs for Federal Awards

No findings were noted in the prior (2023) audit.

December 6, 2024

Re: Corrective Action Plan

1. Name of the contact person responsible for corrective actions planned:

Nicole Addington
Chief Financial Officer
Cleveland State University
2121 Euclid Avenue
Cleveland, OH 44115
Phone: 216.687.3613
E-mail: naddington@csuohio.edu

2. Corrective actions planned:

Finding Number 2024-001

During the audit of the FY2024 financial statements, it was identified that previously issued financial statements contained a misclassification error of approximately $ 13 million which understated the net investment in capital assets net position and overstated the unrestricted net position line item on the Statement of Net Position. These misclassifications did not have any monetary impact on the total net position reported by the University.

Management will enhance its internal controls for its calculation of net investment in capital assets to ensure proper external financial reporting.

Anticipated completion date: November 2024

Finding Number 2024-002

During the audit of the FY2024 financial statements, misclassifications errors were identified between individual capital asset categories (i.e. land, land improvements and buildings) and the related accumulated depreciation in the capital asset footnote to the financial statements. These misclassifications did not have any monetary impact on the total net position reported by the University. In addition, while testing the accumulated depreciation balances, it was identified that the reported accumulated depreciation balances were not properly reconciled to the underlying depreciation schedules. As a result, accumulated depreciation was understated by approximately $2,840,000.

Management will enhance its internal controls over capital asset reconciliation to ensure proper external financial reporting.

Anticipated completion date: January 2025

Finding Number 2024-003

During the audit of the FY2024 financial statements, it was identified that unbilled receivables were overstated by approximately $2,432,000.

Management has begun implementation of a review and reconciliation process including periodic audits of unbilled receivables.

Anticipated completion date: January 2025

Finding Number 2024-004

During the testing of the Perkins loan obligation, it was identified that the recorded obligation did not reconcile to underlying support. As a result, the obligation was understated by $1,971,000.

Management will enhance its internal controls over the Perkins loan obligation to ensure proper external financial reporting.

Anticipated completion date: January 2025

Finding Number 2024-005 and 2024-006

During the audit, management reported that they had discovered that one individual violated existing University policy and misused a Purchasing Card (P-Card) resulting in unauthorized and unallowable purchase totaling $85,258. The purchases had limited supporting documentation, no management approval and a business purpose could not be validated. The individual utilizing the P-Card admitted he was using it for personal use and was terminated. Of the identified purchases $79,772 were charged to a federal grant. Subsequent to the draw down of federal funds management identified the misuse and immediately adjusted a subsequent request effectively reimbursing the federal funding source for funds received. Internal audit then performed testing over a sample of P-Card transactions and identified 51% of the transactions tested lacked supervisory review and approval. Their testing was limited to a certain division which was considered to have risk of this occurring. RSM performed testing over the full population of P-Card transactions and identified 2 instances of monthly P-Card statements not being approved by the employee’s supervisor in a timely manner.

Management will conduct a comprehensive review of current P-Card transactions, revise the training program for P-Card holders and enhance the monitoring and approval processes to prevent future misuse.

Anticipated completion date: March 2025

3. Name of the contact person responsible for corrective actions planned:

Rachel Schmidt
Financial Aid Director
Cleveland State University
2121 Euclid Avenue, UN 402
Cleveland, OH 44115
Phone: 216.687.5594
E-mail: r.m.schmidt@csuohio.edu

4. Corrective actions planned:

Finding Number 2024-007

During the audit of Perkins Loan files, it was identified that 5 out of the 25 files tested did not contain a signed Perkins Loan form.

Management understands the recommendation to review and strengthen its procedures for collecting and retaining Perkins Loan forms and the need to retain the records of former students. While we are certain that the required documentation exists or existed at one time, the passage of time and lack of digital backups impaired our ability to produce the documents. Since the loans related to the missing documents are currently in repayment status, we feel that provides assurance the former students did sign the loan agreement. However, we understand the need to retain all critical forms for our students.

Completion date: November 2024

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OHIO AUDITOR OF STATE
KEITH FABER

CLEVELAND STATE UNIVERSITY

CUYAHOGA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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

Certified for Release 3/25/2025

65 East State Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

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APPENDIX C
FORM OF OPINION OF BOND COUNSEL

July ___, 2025

Stifel, Nicolaus & Company, Incorporated
New York, New York

U.S. Bank Trust Company, National Association
Cleveland, Ohio

Cleveland State University
Cleveland, Ohio

Ladies and Gentlemen:

The undersigned has acted as bond counsel to Cleveland State University (the "University") in connection with the issuance, sale and delivery of its General Receipts Bonds, Series 2025C in the aggregate principal amount of $________, dated July __, 2025 (the "Series 2025C Bonds"). Capitalized terms used herein and not defined herein shall have the meanings ascribed thereto in the Bond Purchase Agreement (the "Purchase Agreement"), dated July __, 2025, among the University and Stifel, Nicolaus & Company, Incorporated (the "Representative"), on behalf of itself (the "Underwriter").

The Series 2025C Bonds are being issued pursuant to Section 2i of Article VIII of the Ohio Constitution, Sections 3345.11 and 3345.12 of the Revised Code, the Series 2025 Resolution, and the Trust Agreement, dated as of May 1, 1993, as amended and supplemented, including as amended and supplemented by a Fourteenth Supplemental Trust Agreement, dated as of July 1, 2025 (as amended and supplemented, the "Trust Agreement") between the University and U.S. Bank Trust Company, National Association (as successor trustee to U.S. Bank National Association), as trustee (together with its successors or assigns, the "Trustee"). We have examined the transcript of proceedings (the "Transcript") relating to the issuance of the Series 2025C Bonds being issued for the purposes set forth in the Series 2025 Resolution.

The Transcript includes: (a) an executed counterpart of the Trust Agreement; (b) a conformed copy of Series 2025 Resolution adopted by the Board of Trustees of the University (the "Board") on November 21, 2024 and May 15, 2025 authorizing the issuance of the Series 2025C Bonds; (c) an executed counterpart of the Purchase Agreement; and (d) the Tax Compliance Certificate of the University dated July __, 2025 (the "Tax Certificate") relating to the Series 2025C Bonds. We have also examined a conformed copy of the signed and authenticated Series 2025C Certificate of Award.

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

1. The Series 2025C Bonds constitute valid and legally binding special obligations of the University in accordance with their terms. The principal of and interest on the Series 2025C Bonds and the Bonds (as defined in the Trust Agreement) of the University heretofore or hereafter issued pursuant to the Trust Agreement (collectively, the "Bonds") are payable equally and ratably from and secured by a first pledge of and lien on the Bond Service Fund established by and as provided in the Agreement, and the gross amount of "General Receipts" of the University as defined in and subject to the provisions of the Trust Agreement. The owners of the Series 2025C Bonds are given no right to have any excises or taxes levied by the Ohio General Assembly for the payment or principal of or interest on the Series 2025C Bonds.

2. The Trust Agreement and the Purchase Agreement each constitutes a valid and binding special obligation of the University enforceable in accordance with the terms.

3. Under existing law, interest on the Series 2025C Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. The interest on, and any profit made on the sale, exchange or other disposition of, the Series 2025C Bonds are exempt from the Ohio personal income tax, the Ohio commercial activity tax, the net income base of the Ohio corporate franchise tax, and municipal, school district and joint economic development district income taxes in Ohio. We express no opinion as to any other tax consequences regarding the Series 2025C Bonds.

In giving the foregoing opinion with respect to the treatment of the interest on the Series 2025C Bonds and the status of the Series 2025C Bonds under the federal tax laws, we have assumed and relied upon compliance with the University's covenants and the accuracy, which we have not independently verified, of the University's representations and certifications, all as contained in the Series 2025 Resolution and the Tax Certificate. The accuracy of those representations and certifications, and compliance by the University with those covenants, may be necessary for the interest to be and to remain excluded from gross income for federal income tax purposes and for the other federal tax effects stated above. Failure to comply with certain of those covenants subsequent to issuance could cause the interest on the Series 2025C Bonds to be included in gross income for federal income tax purposes retroactively to their date of issuance.

Except as set forth in paragraph 3, we express no opinion regarding other federal tax consequences with respect to the ownership of the Series 2025C Bonds.

This opinion is qualified in its entirety to the extent that (i) the enforceability of the Series 2025C Bonds and the Purchase Agreement may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, and other laws in effect from time to time affecting rights of creditors, (ii) the availability of certain remedies may be precluded by general principles of equity, (iii) principles of public policy may preclude enforcement of certain indemnity provisions, and (iv) the provisions for the recovery of attorneys' fees may not be enforceable under Ohio laws.

The opinions stated above are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. In rendering all such opinions, we assume, without independent verification, and rely upon (i) the accuracy of the factual matters represented, warranted or certified in the proceedings and documents we have examined and (ii) the due and legal authorization, execution and delivery of those documents by, and the valid, binding and enforceable nature of those documents upon, any parties other than the University.

We assume no obligation to revise or supplement this opinion if the present law of those jurisdictions changes or if those representations prove untrue when made or become untrue at some point in the future.

Respectfully Submitted,

McDonald Hopkins LLC

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APPENDIX D
PROPOSED FORM OF CONTINUING DISCLOSURE CERTIFICATE

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APPENDIX D
CONTINUING DISCLOSURE CERTIFICATE

THIS CONTINUING DISCLOSURE CERTIFICATE (the "Certificate") is executed and delivered this _____ day of July, 2025 by **CLEVELAND STATE UNIVERSITY** (the "Issuer") in connection with the issuance of its $67,490,000* General Receipts Bonds, Series 2025C (the "Series 2025C Bonds").

WHEREAS, the Issuer will issue the Series 2025C Bonds pursuant to a Trust Agreement, dated as of May 1, 1993, as amended and supplemented by a Fourteenth Supplemental Trust Agreement, dated as of July 1, 2025 (as amended and supplemented, the "Trust Agreement"), between the Issuer and U.S. Bank Trust Company, National Association, as trustee under the Trust Agreement, (the "Trustee"); and

WHEREAS, the Issuer wishes to provide for the disclosure of certain information concerning the Series 2025C Bonds and other matters on an ongoing basis as set forth herein for the benefit of Bondholders (as hereinafter defined) in accordance with the provisions of Securities and Exchange Commission Rule 15c2-12, as amended from time to time (the "Rule");

Section 1. Definitions; Scope of this Certificate.

All terms capitalized but not otherwise defined herein shall have the meanings assigned to those terms in the Trust Agreement and the Series 2025C Bonds. Notwithstanding the foregoing, the term "Disclosure Agent" shall mean the Issuer, or any disclosure agent appointed or engaged by the Issuer; any successor disclosure agent shall automatically succeed to the rights and duties of the Disclosure Agent hereunder, without any amendment hereto. The following capitalized terms shall have the following meanings:

"Annual Financial Information" shall mean a copy of the annual audited financial information prepared for the Issuer which shall include, if prepared, a balance sheet, a statement of revenue and expenditure and a statement of changes in fund balances. All such financial information shall be prepared using generally accepted accounting principles, provided, however, that the Issuer may change the accounting principles used for preparation of such financial information so long as the Issuer includes as information provided to the public a statement to the effect that different accounting principles are being used, stating the reason for such change and how to compare the financial information provided by the differing financial accounting principles. Any or all of the items listed above may be set forth in other documents, including Offering Documents of debt issues of the Issuer or related public entities, which have been transmitted to the MSRB, or may be included by specific reference to documents available to the public on the MSRB's Internet Website or filed with the SEC.

"*Beneficial Owner*" shall mean any person which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2025C Bonds (including persons holding Series 2025C Bonds through nominees, depositories or other intermediaries).

* Preliminary; subject to change.

"*Bondholders*" shall mean any holder of the Series 2025C Bonds and any Beneficial Owner thereof.

"Event" shall mean any of the following events with respect to the Series 2025C Bonds:

(i) Principal and interest payment delinquencies;

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

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

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

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

(vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax-exempt status of the security;

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

(viii) Bond calls, if material, and tender offers (except for mandatory scheduled redemptions not otherwise contingent upon the occurrence of an event);

(ix) Defeasances;

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

(xi) Rating changes;

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

(xiii) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

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

(xv) Incurrence of a Financial Obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect security holders, if material; and

(xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District, any of which reflect financial difficulties.

The SEC requires the listing of (i) through (xvi) although some of such events may not be applicable to the Series 2025C Bonds.

"Financial Obligation" means a (a) debt obligation, (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) guarantee of an obligation or instrument described in either clause (a) or (b). Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"MSRB" shall mean the Municipal Securities Rulemaking Board.

"Offering Document" shall mean the Official Statement, dated July ____, 2025.

"Operating Data" shall mean an update of (i) the statistical and tabular information contained in the Offering Document in the table entitled "General Receipts" (for the five most recent Fiscal Years, as presented under the heading "SECURITY AND SOURCES OF PAYMENT - General Receipts Pledged to the Series 2025C Bonds") and (ii) the statistical and tabular information contained in Appendix A to the Offering Document under the following headings:

1. ENROLLMENT

    (a) Historical Enrollment
        (I) Table entitled "Headcount Enrollment"
        (II) Table entitled "Comparison of Historical Headcount and FTE Enrollment"
    (b) Graduate and Law School Enrollment
    (c) Student Admissions
        (I) Freshmen Applicants
        (II) Transfer Applications
    (d) Degrees Granted
    (e) Retention Rates
    (f) Graduation Rates

2. STUDENT FEES AND CHARGES

(a) Historical Fees and Charges
(b) Comparative Costs
(c) Student Financial Aid

3. FINANCIAL OPERATIONS AND RESULTS

(a) Summary of Net Position (five most recent Fiscal Years)
(b) State Appropriations
(c) Grants and Research Contracts
(d) The Foundation and the Endowment Fund - *Endowment Fund* (table presenting market value as of June 30 for the five most recent Fiscal Years)
(e) Outstanding Obligations of the University – *Outstanding General Receipts Bonds*

"Participating Underwriter" shall mean the original underwriter of the Series 2025C Bonds required to comply with the Rule in connection with the offering of the Series 2025C Bonds.

"SEC" shall mean the Securities and Exchange Commission.

"State" shall mean the State of Ohio.

Section 2. Disclosure of Information.

(A) Information Provided to the Public. Except to the extent this Certificate is modified or otherwise altered in accordance with Section 4 hereof, the Issuer shall make, or shall cause the Disclosure Agent to make, public the information set forth in subsections (1), (2) and (3) below:

(1) Annual Financial Information and Operating Data. Annual Financial Information and Operating Data shall be provided not later than 270 days after the end of each fiscal year ending on the preceding June 30, commencing with the fiscal year ending on June 30, 2025, and continuing with each fiscal year thereafter; provided, however, to the extent that such Annual Financial Information and/or Operating Data is not available at such time, such Annual Financial Information and/or Operating Data will be provided when and if available. If the Disclosure Agent is an entity or person other than the Issuer, then the Issuer shall provide the Annual Financial Information and Operating Data to the Disclosure Agent not later than fifteen (15) Business Days prior to the disclosure date referenced above. The Annual Financial Information and Operating Data may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information.

(2) Material Events Notices. Notice of the occurrence of an Event, in a timely manner, not in excess of ten (10) business days after the occurrence of the Event.

(3) Failure to Provide Annual Financial Information or Operating Data. Notice of the failure of Issuer to provide the Annual Financial Information or Operating Data by the date required herein.

(B) Information Provided to Public.

Annual Financial Information and, subject to the timing requirement set forth in subsection (A)(2) of this Section 3, notice of all Event occurrences shall be made public on the same day as notice thereof is given to the Bondholders of outstanding Series 2025C Bonds, if required pursuant to the Authorizing Legislation or the Series 2025C Bonds, and shall not be made public before the date of such notice.

(C) Means of Making Information Public.

(1) Information shall be deemed to be made public by the Issuer or the Disclosure Agent under this Certificate if it is transmitted as provided in subsection (C)(2) of this Section 3 by the following means:

(a) to the Bondholders of outstanding Series 2025C Bonds, by first class mail, postage prepaid;

(b) to the MSRB, in an electronic format as prescribed by the MSRB, accompanied by identifying information as prescribed by the MSRB (a description of such format and information as presently prescribed by the MSRB is included in ***Exhibit A*** hereto); and/or

(c) to the SEC, by (i) electronic facsimile transmissions confirmed by first class mail, postage prepaid, or (ii) first class mail, postage prepaid; provided that the Issuer or the Disclosure Agent is authorized to transmit information to a SEC by whatever means are mutually acceptable to the Disclosure Agent or the Issuer, as applicable, and the SEC.

(2) Information shall be transmitted to the following:

(a) all information to be provided to the public in accordance with subsection (A) of this Section 3 shall be transmitted to the MSRB;

(b) all information described in clause (a) shall be made available to any Bondholder upon request, but need not be transmitted to the Bondholders who do not so request.

(c) to the extent the Issuer is obligated to file any Annual Financial Information or Operating Data with the MSRB pursuant to this Agreement, such Annual Financial Information or Operating Data may be set forth in the document or set of documents transmitted to the MSRB, or may be included by specific reference to documents available to the public on the MSRB's Internet Website or filed with the SEC.

With respect to requests for periodic or occurrence information from Bondholders, the Issuer or Disclosure Agent may require payment by requesting holders of a reasonable charge for duplication and transmission of the information and for the Issuer's or Disclosure Agent's administrative expenses incurred in providing the information.

Section 3. Amendment or Modification.

Notwithstanding any other provision of this Certificate, the Issuer may amend this Certificate and any provision of this Certificate may be waived, if such amendment or waiver is supported by an opinion of nationally recognized bond counsel expert in federal securities laws to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule as well as any change in circumstance.

Section 4. Miscellaneous.

(A) Termination. The Issuer's obligations under this Certificate shall terminate when all of the Series 2025C Bonds are or are deemed to be no longer outstanding by reason of redemption or legal defeasance or at maturity.

(B) Additional Information. Nothing in this Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Certificate or any other means of communication, or including any other information in any Annual Financial Statement or notice of occurrence of an Event, in addition to that which is required by this Certificate. If the Issuer chooses to include any information in any Annual Financial Statement or notice of occurrence of an Event in addition to that which is specifically required by this Certificate, the Issuer shall have no obligation under this Certificate to update such information or include it in any future Annual Financial Statement or notice of occurrence of an Event.

(C) Defaults: Remedies. In the event of a failure of the Issuer or the Disclosure Agent to comply with any provision of this Certificate any Bondholder may take such action as may be necessary and appropriate, including seeking an action in mandamus or specific performance to cause the Issuer or the Disclosure Agent to comply with its obligations under this Certificate. A default under this Certificate shall not constitute a default on the Series 2025C Bonds and the sole remedy available in any proceeding to enforce this Certificate shall be an action to compel specific performance.

(D) Beneficiaries. This Certificate shall inure solely to the benefit of the Issuer, the Disclosure Agent, the Participating Underwriter and Bondholders, or beneficial owners thereof, and shall create no rights in any other person or entity.

Section 5. Additional Disclosure Obligations.

The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933, the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder, may apply to the Issuer, and that under some circumstances compliance with this Agreement, without additional disclosures or other action, may not fully discharge all duties and obligations of the Issuer under such laws.

Section 6. Notices.

Any notices or communications to the Issuer may be given as follows:

To the Issuer: Chief Financial Officer
Cleveland State University
2121 Euclid Avenue, AC 203
Cleveland, Ohio 44115-2214
Telephone: 216-687-3613

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[Signature page to Continuing Disclosure Certificate]

IN WITNESS WHEREOF, the Issuer has caused its duly authorized officer to execute this Certificate as of the day and year first above written.

CLEVELAND STATE UNIVERSITY

By: ______________________________

Nicole Addington
Chief Financial Officer

EXHIBIT A TO APPENDIX D
MSRB PROCEDURES FOR SUBMISSION OF
CONTINUING DISCLOSURE DOCUMENTS AND RELATED INFORMATION

Securities and Exchange Commission Release No. 34-59061 (the "Release") approves an MSRB rule change establishing a continuing disclosure service of the MSRB's Electronic Municipal Market Access system ("EMMA"). The rule change establishes, as a component of EMMA, the continuing disclosure service for the receipt of, and for making available to the public, continuing disclosure documents and related information to be submitted by issuers, obligated persons and their agents pursuant to continuing disclosure undertakings entered into consistent with Rule 15c2-12 ("Rule 15c2-12") under the Securities Exchange Act of 1934. The following discussion summarizes procedures for filing continuing disclosure documents and related information with the MSRB as described in the Release.

All continuing disclosure documents and related information is to be submitted to the MSRB, free of charge, through an Internet-based electronic submitter interface or electronic computer-to-computer data connection, at the election of the submitter. The submitter is to provide, at the time of submission, information necessary to accurately identify: (i) the category of information being provided; (ii) the period covered by any annual financial information, financial statements or other financial information or operating data; (iii) the issues or specific securities to which such document is related or otherwise material (including CUSIP number, issuer name, state, issue description/securities name, dated date, maturity date, and/or coupon rate); (iv) the name of any obligated person other than the issuer; (v) the name and date of the document; and (vi) contact information for the submitter.

Submissions to the MSRB are to be made as portable document format (PDF) files configured to permit documents to be saved, viewed, printed and retransmitted by electronic means. If the submitted file is a reproduction of the original document, the submitted file must maintain the graphical and textual integrity of the original document. In addition, such PDF files must be word-searchable (that is, allowing the user to search for specific terms used within the document through a search or find function), provided that diagrams, images and other non-textual elements will not be required to be word-searchable.

All submissions to the MSRB's continuing disclosure service are to be made through password protected accounts on EMMA by (i) issuers, which may submit any documents with respect to their municipal securities; (ii) obligated persons, which may submit any documents with respect to any municipal securities for which they are obligated; and (iii) agents, designated by issuers and obligated persons to submit documents and information on their behalf. Such designated agents are required to register to obtain password-protected accounts on EMMA in order to make submissions on behalf of the designating issuers or obligating persons. Any party identified in a continuing disclosure undertaking as a dissemination agent or other party responsible for disseminating continuing disclosure documents on behalf of an issuer or obligated person will be permitted to act as a designated agent for such issuer or obligated person, without a designation being made by the issuer or obligated person as described above, if such party certifies through the EMMA on-line account management utility that it is authorized to disseminate continuing disclosure documents on behalf of the issuer or obligated person under the continuing disclosure undertaking. The issuer or obligated person, through the EMMA on-line account management utility, is able to revoke the authority of such party to act as a designated agent.

The MSRB's Internet-based electronic submitter interface (EMMA Dataport) is at www.emma.msrb.org.

APPENDIX E
DTC AND THE BOOK-ENTRY SYSTEM

1. The Depository Trust Company ("DTC") will act as securities depository for the securities (the "Securities") [18]. The Securities will be issued as fully-registered securities registered in the name of Cede & Co, (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

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

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

[18] The Series 2025C Bonds are referred to as the "Securities" for purposes of this Appendix.

Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

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

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.[19]

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer[20] as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or

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[19] See "CERTAIN TERMS OF THE SERIES 2025C BONDS - Redemption – Selection of Series 2025C Bonds to be Redeemed."

[20] The University is referred to as the "Issuer" for purposes of this Appendix.

regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to Tender/Remarketing Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to Tender/Remarketing Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities arc transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to Tender/Remarketing Agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

[END OF APPENDIX E]

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APPENDIX F
ADDITIONAL DEFINITIONS

Capitalized terms not otherwise defined in the body of the Official Statement and in the Appendices thereto shall have the meanings set forth below or as provided in the Trust Agreement.

"EADC Bonds" shall mean, collectively, "Bonds" as defined in the EADC Series 2022 Loan Agreement. Prior to the Date of Issuance, the outstanding EADC Bonds consist of the EADC Series 2014 Bonds, the EADC Series 2019 Bonds, and the EADC Series 2022 Bonds. As of the Date of Issuance, the outstanding EADC Bonds will consist of the EADC Series 2019 Bonds and the EADC Series 2022 Bonds. See "PLAN OF FINANCING – Plan of Refunding" herein.

"EADC Series 2005 Bonds" shall mean the Port Authority's Student Housing Facility Revenue Bonds (Euclid Avenue Housing Corporation - Fenn Tower Project), Series 2005, dated March 17, 2005 and originally issued in the aggregate principal amount of $34,385,000, for the purpose of financing the EADC Series 2005 Facilities (Fenn Tower).

"EADC Series 2005 Facilities (Fenn Tower)" shall mean the Fenn Tower Student housing and administrative facilities, located at 1983 East 24th Street in Cleveland, Ohio.

"EADC Series 2008 Bonds" means the Port Authority's Variable Rate Demand Revenue Bonds, Series 2008 (Euclid Avenue Housing Corporation Project originally issued in the aggregate principal amount of $14,500,000, for the purpose of financing the EADC Series 2008 Facilities

"EADC Series 2008 Facilities" means the South Parking Garage Facility, located between Prospect Avenue, Carnegie Avenue, East 21st Street and East 22nd Street in Cleveland, Ohio, originally containing 623 spaces for use by students, staff and visitors at the University and persons attending events at the Wolstein Center.

"EADC Series 2009 Bonds" means, together, the EADC Series 2009-A Bonds and the EADC Series 2009-B Bonds.

"EADC Series 2009-A Bonds" shall mean the County's Housing Revenue Bonds, Series 2009-A (Euclid Avenue Housing Corporation Project), originally issued in the aggregate principal amount of $51,935,000, for the purpose of financing the Series 2009-A Facilities (Euclid Commons).

"EADC Series 2009-A Facilities (Euclid Commons)" shall mean the Euclid Commons student housing and academic facilities, located at 2450 Euclid Avenue in Cleveland, Ohio, and certain administrative space for use by the University.

"EADC Series 2009-B Bonds" means the County's Economic Development Revenue Bonds, Series 2009-B (Euclid Avenue Housing Corporation Project), originally issued in the aggregate principal amount of $7,070,000 for the purpose of financing the EADC Series 2009-B Facilities (Parking).

"EADC Series 2009-B Facilities (Parking)" means the Euclid Commons parking facility, located at 2350 Prospect Avenue in Cleveland, Ohio, originally containing 292-spaces.

“EADC Series 2014 Bonds” shall mean the Port Authority’s Development Revenue Bonds, Series 2014 (Euclid Avenue Development Corporation Project), dated December 9, 2014 and issued in the original aggregate principal amount of $88,945,000, for the purpose of refunding the EADC Series 2005 Bonds, the EADC Series 2008 Bonds, the EADC Series 2009-A Bonds, and the EADC Series 2009-B Bonds.

“EADC Series 2014 Loan Agreement” shall mean the Loan Agreement, dated as of December 1, 2014, by and between the Port Authority and EADC, entered into in connection with the issuance of the EADC Series 2014 Bonds.

“EADC Series 2014 Trust Indenture” shall mean the Trust Indenture, dated as of December 1, 2014, between the Port Authority and U.S. Bank Trust Company, National Association (as successor trustee to U.S. Bank National Association), as trustee, providing for the issuance of the EADC Series 2014 Bonds.

“EADC Series 2019 Bonds” shall mean the Port Authority’s Development Refunding Revenue Bonds, Series 2019 (Euclid Avenue Development Corporation Project), dated as of August 15, 2019 and originally issued in the aggregate principal amount of $18,220,000, for the purpose of refunding the portion of the remaining outstanding principal amount of the EADC Series 2014 Bonds allocable to the refunding of the EADC Series 2008 Bonds and the EADC Series 2009-B Bonds.

“EADC Series 2022 Bonds” shall mean together, the EADC Series 2022A Bonds and the EADC Series 2022B Bonds.

“EADC Series 2022A Bonds” shall mean the Port Authority’s Student Housing Facility Revenue Bonds, Series 2022A (Euclid Avenue Development Corporation Project) (Tax-Exempt), dated July 6, 2022 and issued in the original aggregate principal amount of $140,285,000, for the purpose of financing the EADC Series 2022A Facilities.

“EADC Series 2022A Facilities” mean together (i) the 240 unit/564 bed student housing apartment complex known as The Edge, the 170-space structured parking garage for the residents of the student housing apartment complex, and related appurtenances thereto, all located at 1750 Euclid Avenue, Cleveland, Ohio 44115, but excluding the retail facilities, located on the ground floor thereof and (ii) 318 unit/603 bed student housing complex, known as The Langston, 444 structured and surface parking spaces for the residents of the student housing complex, and related appurtenances, all located at 2211-2303 Chester Avenue, Cleveland, Ohio 44114, but excluding the retail facilities, located on the ground floor thereof.

“EADC Series 2022B Bonds” shall mean the Port Authority’s $6,650,000 Student Housing Facility Revenue Bonds, Series 2022B (Euclid Avenue Development Corporation Project) (Federally Taxable), dated July 6, 2022 and issued in the original aggregate principal amount of $6,650,000, for the purpose of financing the EADC Series 2022B Facilities.

“EADC Series 2022B Facilities” mean together (i) approximately 1,400 square feet of retail space located on the ground floor of The Edge portion of the EADC Series 2022A Facilities and (ii) approximately 25,000 square feet of retail space located on the ground floor of The Langston portion of the EADC Series 2022A Facilities.

"EADC Series 2022 Loan Agreement" shall mean the Loan Agreement, dated as of July 6, 2022, between the Port Authority and EADC, entered into in connection with issuance of the EADC Series 2022 Bonds.

"EADC Trust Indenture" shall mean the EADC Series 2014 Trust Indenture, as amended and supplemented to date to provide for the issuance of additional EADC Bonds, including the EADC Series 2019 Bonds and the EADC Series 2022 Bonds.

"EADC Trustee" shall mean U.S. Bank Trust Company, National Association (as successor trustee to U.S. Bank National Association).

"EADC 2005 Lease" shall mean the Lease Agreement, dated March 1, 2005, as amended to date, by and between the State of Ohio, acting through the Department of Administrative Services on behalf of the University (as lessor), and EADC (as lessee), entered into in connection with the issuance of the EADC Series 2005 Bonds, related to the EADC Series 2005 Facilities (Fenn Tower).

"EADC 2005 Sublease" shall mean the Sublease Agreement, dated March 1, 2005, as amended to date, by and between EADC (as sublessor) and the State of Ohio, acting through the Department of Administrative Services on behalf of the University (as sublessee) , entered into in connection with the issuance of the EADC Series 2005 Bonds, related to the administrative facilities portion of the EADC Series 2005 Facilities (Fenn Tower).

"EADC 2009 Facilities (Euclid Commons)" means, together, the EADC Series 2009A Facilities (Euclid Commons) and the EADC Series 2009-B Facilities (Parking).

"EADC 2009 Lease" shall mean the Amended and Restated Lease Agreement (Ground Lease), dated December 18, 2009, as amended to date, by and between the State of Ohio, by, through and for the University (as lessor), and EADC (as lessee), entered into in connection with the issuance of the EADC Series 2009 Bonds, related to the EADC Series 2009 Facilities.

"EADC 2009-A Sublease" shall mean the Amended and Restated Sublease (Administrative Facilities), dated as of December 1, 2014, as amended to date, by and between EADC (as sublessor) and the University (as sublessee), entered into in connection with the issuance of the EADC Series 2009-A Bonds, related to the administrative facilities portion of the EADC Series 2009-A Facilities (Euclid Commons).

"Fixed Charges Coverage Ratio" shall have the meaning set forth in the EADC Series 2022 Loan Agreement.

"General Receipts," as set forth in Original Trust Agreement, shall mean all moneys received by the University, including but not limited to all gross fees, deposits, charges, receipts and income from all or any part of the students of the University, whether designated as tuition, instructional fees, tuition surcharges, general fees, activity fees or other special purpose fees or otherwise designated; all gross income, revenues and receipts from the operation, ownership or control of University Facilities; all grants, gifts, donations, and receipts from pledges; and the proceeds of the sale of Obligations, including proceeds of Obligations issued to refund or advance refund Obligations previously issued, to the extent and as allocated to Bond Service Charges under the applicable Bond proceedings. However, there shall be excluded from General Receipts: (i) moneys raised by taxation and State appropriations until and unless the pledge of those moneys to the payment of Bond Service Charges is authorized by law and is made under the Agreement by a Supplemental Trust Agreement; (ii) the proceeds of any grant, gift, bequest, contribution or other donation (and, to the extent subject to the applicable restrictions, income derived from the investment of those proceeds) expressly restricted by the donor or grantor to a special object or purpose which precludes use for paying Bond Service Charges; (iii) moneys received under grant agreements or cooperative agreements with the United States of America or any of its agencies; (iv) any moneys received or held for the purpose of making any rebate payments to the United States relating to Obligations; (v) any special fee charged pursuant to Section 154.21(D) of the Revised Code and receipts from that special fee; (vi) income, revenues and receipts from any future branch campuses unless and until a pledge of those amounts to the payment of Bond Service Charges is made under the Agreement by a Supplemental Trust Agreement; and (vii) income, revenues and receipts released by a Supplemental Trust Agreement from the pledge of the General Receipts made under the Agreement, but only to the extent and subject to the limitation set forth in Section 5.04 of the Trust Agreement. Any receipts of the University which it may at any time lawfully pledge to the security of the Bonds may be included, or confirmed to be included, in General Receipts by a Supplemental Trust Agreement.

"Port Authority" shall mean the Cleveland-Cuyahoga County Port Authority.

"Project Revenues" shall have the meaning set forth in the EADC Series 2022 Loan Agreement.

"Series 2012 Bonds" shall mean the University's General Receipts Bonds, Series 2012, dated August 21, 2012 and issued in the original aggregate principal amount of $152,835,000. The Series 2012 Bonds are no longer outstanding.

"Series 2016A Bonds" shall mean the University's General Receipts Refunding Bonds, Series 2016A, dated February 9, 2016 and issued in the original aggregate principal amount of $32,475,000.

[END OF APPENDIX F]

APPENDIX G
BOND INSURANCE

The following information has been provided by BAM. None of the University, the Municipal Advisor, nor the Underwriter make any representation regarding the completeness or accuracy of this information.

Bond Insurance Policy

Concurrently with the issuance of the Series 2025C Bonds, Build America Mutual Assurance Company ("BAM") will issue its Municipal Bond Insurance Policy for the Series 2025C Bonds (the "Policy"). The Policy guarantees the scheduled payment of principal of and interest on the Series 2025C Bonds when due as set forth in the form of the Policy included as ***Appendix H*** to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Build America Mutual Assurance Company

BAM is a New York domiciled mutual insurance corporation and is licensed to conduct financial guaranty insurance business in all fifty states of the United States and the District of Columbia. BAM provides credit enhancement products to issuers in the U.S. public finance markets. BAM will only insure municipal Series 2025C Bonds, as defined in Section 6901 of the New York Insurance Law, which are most often issued by states, political subdivisions, integral parts of states or political subdivisions or entities otherwise eligible for the exclusion of income under section 115 of the U.S. Internal Revenue Code of 1986, as amended. No member of BAM is liable for the obligations of BAM.

The address of the principal executive offices of BAM is: 200 Liberty Street, 27th Floor, New York, New York 10281, its telephone number is: 212-235-2500, and its website is located at: www.bambonds.com.

BAM is licensed and subject to regulation as a financial guaranty insurance corporation under the laws of the State of New York and in particular Articles 41 and 69 of the New York Insurance Law.

BAM's financial strength is rated "AA/Stable" by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"). An explanation of the significance of the rating and current reports may be obtained from S&P at https://www.spglobal.com/en/. The rating of BAM should be evaluated independently. The rating reflects S&P's current assessment of the creditworthiness of BAM and its ability to pay claims on its policies of insurance. The above rating is not a recommendation to buy, sell or hold the Series 2025C Bonds, and such rating is subject to revision or withdrawal at any time by S&P, including withdrawal initiated at the request of BAM in its sole discretion. Any downward revision or withdrawal of the above rating may have an adverse effect on the market price of the Series 2025C Bonds. BAM only guarantees scheduled principal and scheduled interest payments payable by the issuer of the Series 2025C Bonds on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the Policy), and BAM does not guarantee the market price or liquidity of the Series 2025C Bonds, nor does it guarantee that the rating on the Series 2025C Bonds will not be revised or withdrawn.

Capitalization of BAM

BAM's total admitted assets, total liabilities, and total capital and surplus, as of March 31, 2025 and as prepared in accordance with statutory accounting practices prescribed or permitted by the New York State Department of Financial Services were $482.1 million, $246.4 million and $235.7 million, respectively.

BAM is party to a first loss reinsurance treaty that provides first loss protection up to a maximum of 15% of the par amount outstanding for each policy issued by BAM, subject to certain limitations and restrictions.

BAM's most recent Statutory Annual Statement, which has been filed with the New York State Insurance Department and posted on BAM's website at www.bambonds.com, is incorporated herein by reference and may be obtained, without charge, upon request to BAM at its address provided above (Attention: Finance Department). Future financial statements will similarly be made available when published.

BAM makes no representation regarding the Series 2025C Bonds or the advisability of investing in the Series 2025C Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented herein under this ***Appendix G*** - "BOND INSURANCE" and ***Appendix H*** – "SPECIMEN BOND INSURANCE POLICY."

Additional Information Available from BAM

Credit Insights Videos. For certain BAM-insured issues, BAM produces and posts a brief Credit Insights video that provides a discussion of the obligor and some of the key factors BAM's analysts and credit committee considered when approving the credit for insurance. The Credit Insights videos are easily accessible on BAM's website at https://bambonds.com/insights/#video. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Credit Profiles. Prior to the pricing of Series 2025C Bonds that BAM has been selected to insure, BAM may prepare a pre-sale Credit Profile for those Series 2025C Bonds. These pre-sale Credit Profiles provide information about the sector designation (e.g. general obligation, sales tax); a preliminary summary of financial information and key ratios; and demographic and economic data relevant to the obligor, if available. Subsequent to closing, for any offering that includes Series 2025C Bonds insured by BAM, any pre-sale Credit Profile will be updated and superseded by a final Credit Profile to include information about the gross par insured by CUSIP, maturity and coupon. BAM pre-sale and final Credit Profiles are easily accessible on BAM's website at https://bambonds.com/credit-profiles. BAM will produce a Credit Profile for all Series 2025C Bonds insured by BAM, whether or not a pre-sale Credit Profile has been prepared for such Series 2025C Bonds. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Disclaimers. The Credit Profiles and the Credit Insights videos and the information contained therein are not recommendations to purchase, hold or sell securities or to make any investment decisions. Credit-related and other analyses and statements in the Credit Profiles and the Credit Insights videos are statements of opinion as of the date expressed, and BAM assumes no responsibility to update the content of such material. The Credit Profiles and Credit Insight videos are prepared by BAM; they have not been reviewed or approved by the issuer of or the underwriter for the Series 2025C Bonds, and the issuer and underwriter assume no responsibility for their content.

BAM receives compensation (an insurance premium) for the insurance that it is providing with respect to the Series 2025C Bonds. Neither BAM nor any affiliate of BAM has purchased, or committed to purchase, any of the Series 2025C Bonds, whether at the initial offering or otherwise.

[END OF APPENDIX G]

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APPENDIX H
SPECIMEN BOND INSURANCE POLICY

[SEE ATTACHED]

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MUNICIPAL BOND INSURANCE POLICY

ISSUER: [NAME OF ISSUER]

Policy No: _____

MEMBER: [NAME OF MEMBER]

BONDS: $__________ in aggregate principal amount of [NAME OF TRANSACTION] [and maturing on]

Effective Date: _________

Risk Premium: $__________
Member Surplus Contribution: $ _________
Total Insurance Payment: $_________

BUILD AMERICA MUTUAL ASSURANCE COMPANY ("BAM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") for the Bonds named above (as set forth in the documentation providing for the issuance and securing of the Bonds), for the benefit of the Owners or, at the election of BAM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the first Business Day following the Business Day on which BAM shall have received Notice of Nonpayment, BAM will disburse (but without duplication in the case of duplicate claims for the same Nonpayment) to or for the benefit of each Owner of the Bonds, the face amount of principal of and interest on the Bonds that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by BAM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of such principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in BAM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by BAM is incomplete, it shall be deemed not to have been received by BAM for purposes of the preceding sentence, and BAM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, any of whom may submit an amended Notice of Nonpayment. Upon disbursement under this Policy in respect of a Bond and to the extent of such payment, BAM shall become the owner of such Bond, any appurtenant coupon to such Bond and right to receipt of payment of principal of or interest on such Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under such Bond. Payment by BAM either to the Trustee or Paying Agent for the benefit of the Owners, or directly to the Owners, on account of any Nonpayment shall discharge the obligation of BAM under this Policy with respect to said Nonpayment.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent (as defined herein) are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity (unless BAM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration) and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment made to an Owner by or on behalf of the Issuer of principal or interest that is Due for Payment, which payment has been recovered from such Owner pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means delivery to BAM of a notice of claim and certificate, by certified mail, email or telecopy as set forth on the attached Schedule or other acceptable electronic delivery, in a form satisfactory to BAM, from and signed by an Owner, the Trustee or the Paying Agent, which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount, (d) payment instructions and (e) the date such claimed amount becomes or became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer, the Member or any other person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

BAM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee, the Paying Agent, the Member and the Issuer specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee, the Paying Agent, the Member or the Issuer (a) copies of all notices required to be delivered to BAM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to BAM and shall not be deemed received until received by both and (b) all payments required to be made by BAM under this Policy may be made directly by BAM or by the Insurer's Fiscal Agent on behalf of BAM. The Insurer's Fiscal Agent is the agent of BAM only, and the Insurer's Fiscal Agent shall in no event be liable to the Trustee, Paying Agent or any Owner for any act of the Insurer's Fiscal Agent or any failure of BAM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, BAM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to BAM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy. This Policy may not be canceled or revoked.

This Policy sets forth in full the undertaking of BAM and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW. THIS POLICY IS ISSUED WITHOUT CONTINGENT MUTUAL LIABILITY FOR ASSESSMENT.

In witness whereof, BUILD AMERICA MUTUAL ASSURANCE COMPANY has caused this Policy to be executed on its behalf by its Authorized Officer.

BUILD AMERICA MUTUAL ASSURANCE COMPANY

By: ____
Authorized Officer

Notices (Unless Otherwise Specified by BAM)

Email:
claims@buildamerica.com
Address:
200 Liberty Street, 27th floor
New York, New York 10281
Telecopy:
212-962-1524 (attention: Claims)

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APPENDIX I
DOCUMENT PROVISIONS RELATED TO THE POLICY

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APPENDIX I
BOND INSURER DOCUMENT PROVISIONS

Build America Mutual Assurance Company ("BAM") requires that certain provisions be included in certain documents with respect to the above-referenced Series 2025 Bonds before it will issue its municipal bond insurance policy (the "Policy") guaranteeing the scheduled payment of the principal of and interest on the Series 2025 Bonds (the "Insured Obligations") when due. Certain of these provisions may limit the rights of the holders of the Series 2025 Bonds. These provisions include, but are not limited to, the following provisions discussed below.

1) Notice and Other Information to be given to BAM. The University will provide BAM with all notices and other information it is obligated to provide (i) under its Continuing Disclosure Agreement and (ii) to the holders of Insured Obligations or the Trustee under the Security Documents.

   The notice address of BAM is: Build America Mutual Assurance Company, 200 Liberty Street, 27th Floor, New York, NY 10281, Attention: Surveillance, Re: Policy No.____, Telephone: (212) 235-2500, Telecopier: (212) 962-1710, Email: notices@buildamerica.com. In each case in which notice or other communication refers to an event of default or a claim on the Policy, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel at the same address and at claims@buildamerica.com or at Telecopier: (212) 962-1524 and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

2) Defeasance of the Insured Obligations. The investments in any defeasance escrow relating to Insured Obligations shall be limited to non-callable, direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, or as otherwise maybe authorized under State law and approved by BAM.

   At least (three) 3 Business Days prior to any defeasance with respect to the Insured Obligations, the University shall deliver to BAM draft copies of an escrow agreement, an opinion of bond counsel regarding the validity and enforceability of the escrow agreement and the defeasance of the Insured Obligations, a verification report (a "Verification Report") prepared by a nationally recognized independent financial analyst or firm of certified public accountants regarding the sufficiency of the escrow fund. Such opinion and Verification Report shall be addressed to BAM and shall be in form and substance satisfactory to BAM. In addition, the escrow agreement shall provide that:

   a) Any substitution of securities following the execution and delivery of the escrow agreement shall require the delivery of a Verification Report, an opinion of bond counsel that such substitution will not adversely affect the exclusion (if interest on the Insured Obligations is excludable) from gross income of the holders of the Insured Obligations of the interest on the Insured Obligations for federal income tax purposes and the prior written consent of BAM, which consent will not be unreasonably withheld.

b) The University will not exercise any prior optional redemption of Insured Obligations secured by an escrow agreement or any other redemption other than mandatory sinking fund redemptions unless (i) the right to make any such redemption has been expressly reserved in the escrow agreement and such reservation has been disclosed in detail in the official statement for the refunding bonds, and (ii) as a condition to any such redemption there shall be provided to BAM a Verification Report as to the sufficiency of escrow receipts without reinvestment to meet the escrow requirements remaining following any such redemption.

c) The University shall not amend the escrow agreement or enter into a forward purchase agreement or other agreement with respect to rights in the escrow without the prior written consent of BAM.

3) Trustee and Paying Agent.

a) BAM shall receive prior written notice of any name change of the trustee (the "Trustee") or, if applicable, the paying agent (the "Paying Agent") for the Insured Obligations or the resignation or removal of the Trustee or, if applicable, the Paying Agent. Any Trustee must be (A) a national banking association that is supervised by the Office of the Comptroller of the Currency and has at least $250 million of assets, (B) a state-chartered commercial bank that is a member of the Federal Reserve System and has at least $1 billion of assets, or (C) otherwise approved by BAM in writing.

b) No removal, resignation or termination of the Trustee or, if applicable, the Paying Agent shall take effect until a successor, meeting the requirements above or acceptable to BAM, shall be qualified and appointed.

4) Amendments, Supplements and Consents. BAM's prior written consent is required for all amendments and supplements to the Security Documents, with the exceptions noted below. The University shall send copies of any such amendments or supplements to BAM and the rating agencies which have assigned a rating to the Insured Obligations.

a) *Consent of BAM*. Any amendments or supplements to the Security Documents shall require the prior written consent of BAM with the exception of amendments or supplements:

(i) To cure any ambiguity or formal defect or omissions or to correct any inconsistent provisions in the transaction documents or in any supplement thereto, or

(ii) To grant or confer upon the holders of the Insured Obligations any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the holders of the Insured Obligations, or

(iii) To add to the conditions, limitations and restrictions on the issuance of bonds or other obligations under the provisions of the Security Documents other conditions, limitations and restrictions thereafter to be observed, or

(iv) To add to the covenants and agreements of the University in the Security Documents other covenants and agreements thereafter to be observed by the University or to surrender any right or power therein reserved to or conferred upon the University.

(v) To issue additional parity debt in accordance with the requirements set forth in the Security Documents (unless otherwise specified herein).

b) *Consent of BAM in Addition to Bondholder Consent*. Whenever any Security Document requires the consent of holders of Insured Obligations, BAM's consent shall also be required. In addition, any amendment, supplement, modification to, or waiver of, any of the Security Documents that adversely affects the rights or interests of BAM shall be subject to the prior written consent of BAM.

c) *Insolvency*. Any reorganization or liquidation plan with respect to University must be acceptable to BAM. The Trustee and each owner of the Insured Obligations hereby appoint BAM as their agent and attorney-in-fact with respect to the Insured Obligations and agree that BAM may at any time during the continuation of any proceeding by or against the Issuer or Obligor under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, the Trustee and each owner of the Insured Obligations delegate and assign to BAM, to the fullest extent permitted by law, the rights of the Trustee and each owner of the Insured Obligations with respect to the Insured Obligations in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding.

d) *Control by BAM Upon Default*. Anything in the Security Documents to the contrary notwithstanding, upon the occurrence and continuance of a default or an event of default, BAM shall be entitled to control and direct the enforcement of all rights and remedies granted to the holders of the Insured Obligations or the Trustee or Paying Agent for the benefit of the holders of the Insured Obligations under any Security Document. No default or event of default may be waived without BAM's written consent.

e) *BAM as Owner*. Upon the occurrence and continuance of a default or an event of default, BAM shall be deemed to be the sole owner of the Insured Obligations for all purposes under the Security Documents, including, without limitations, for purposes of exercising remedies and approving amendments.

f) *Consent of BAM for acceleration.* BAM's prior written consent is required as a condition precedent to and in all instances of acceleration.

g) *Grace Period for Payment Defaults*. No grace period shall be permitted for payment defaults on the Insured Obligations. No grace period for a covenant default shall exceed 30 days without the prior written consent of BAM.

h) *Special Provisions for Insurer Default*. If an Insurer Default shall occur and be continuing, then, notwithstanding anything in paragraphs 4(a)-(e) above to the contrary, (1) if at any time prior to or following an Insurer Default, BAM has made payment under the Policy, to the extent of such payment BAM shall be treated like any other holder of the Insured Obligations for all purposes, including giving of consents, and (2) if BAM has not made any payment under the Policy, BAM shall have no further consent rights until the particular Insurer Default is no longer continuing or BAM makes a payment under the Policy, in which event, the foregoing clause (1) shall control. For purposes of this paragraph, "Insurer Default" means: (A) BAM has failed to make any payment under the Policy when due and owing in accordance with its terms; or (B) BAM shall (i) voluntarily commence any proceeding or file any petition seeking relief under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law, (ii) consent to the institution of or fail to controvert in a timely and appropriate manner, any such proceeding or the filing of any such petition, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for such party or for a substantial part of its property, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, or (vi) take action for the purpose of effecting any of the foregoing; or (C) any state or federal agency or instrumentality shall order the suspension of payments on the Policy or shall obtain an order or grant approval for the rehabilitation, liquidation, conservation or dissolution of BAM (including without limitation under the New York Insurance Law).

5) [Reserved]

6) BAM As Third Party Beneficiary. BAM is recognized as and shall be deemed to be a third party beneficiary of the Security Documents and may enforce the provisions of the Security Documents as if it were a party thereto.

7) Payment Procedure Under the Policy.

In the event that principal and/or interest due on the Insured Obligations shall be paid by BAM pursuant to the Policy, the Insured Obligations shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Issuer, the assignment and pledge of the trust estate and all covenants, agreements and other obligations of the Issuer to the registered owners shall continue to exist and shall run to the benefit of BAM, and BAM shall be subrogated to the rights of such registered owners.

In the event that on the second (2^{nd}) business day prior to any payment date on the Insured Obligations, the Paying Agent or Trustee has not received sufficient moneys to pay all principal of and interest on the Insured Obligations due on such payment date, the Paying Agent or Trustee shall immediately notify BAM or its designee on the same business day by telephone or electronic mail, of the amount of the deficiency. If any deficiency is made up in whole or in part prior to or on the payment date, the Paying Agent or Trustee shall so notify BAM or its designee.

In addition, if the Paying Agent or Trustee has notice that any holder of the Insured Obligations has been required to disgorge payments of principal of or interest on the Insured Obligations pursuant to a final, non-appealable order by a court of competent jurisdiction that such payment constitutes an avoidable preference to such holder within the meaning of any applicable bankruptcy law, then the Paying Agent or Trustee shall notify BAM or its designee of such fact by telephone or electronic mail, or by overnight or other delivery service as to which a delivery receipt is signed by a person authorized to accept delivery on behalf of BAM.

The Paying Agent or Trustee shall irrevocably be designated, appointed, directed and authorized to act as attorney-in-fact for holders of the Insured Obligations as follows:

a) If there is a deficiency in amounts required to pay interest and/or principal on the Insured Obligations, the Paying Agent or Trustee shall (i) execute and deliver to BAM, in form satisfactory to BAM, an instrument appointing BAM as agent and attorney-in-fact for such holders of the Insured Obligations in any legal proceeding related to the payment and assignment to BAM of the claims for interest on the Insured Obligations, (ii) receive as designee of the respective holders (and not as Paying Agent) in accordance with the tenor of the Policy payment from BAM with respect to the claims for interest so assigned, (iii) segregate all such payments in a separate account (the "BAM Policy Payment Account") to only be used to make scheduled payments of principal of and interest on the Insured Obligation, and (iv) disburse the same to such respective holders; and

b) If there is a deficiency in amounts required to pay principal of the Insured Obligations, the Paying Agent or Trustee shall (i) execute and deliver to BAM, in form satisfactory to BAM, an instrument appointing BAM as agent and attorney- in-fact for such holder of the Insured Obligations in any legal proceeding related to the payment of such principal and an assignment to BAM of the Insured Obligations surrendered to BAM, (ii) receive as designee of the respective holders (and not as Paying Agent) in accordance with the tenor of the Policy payment therefore from BAM, (iii) segregate all such payments in the BAM Policy Payment Account to only be used to make scheduled payments of principal of and interest on the Insured Obligation, and (iv) disburse the same to such holders.

The Trustee shall designate any portion of payment of principal on Insured Obligations paid by BAM, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Insured Obligations registered to the then current holder, whether DTC or its nominee or otherwise, and shall issue a replacement Insured Obligation to BAM, registered in the name directed by BAM, in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement Insured Obligation shall have no effect on the amount of principal or interest payable by the Issuer on any Insured Obligation or the subrogation or assignment rights of BAM.

Payments with respect to claims for interest on and principal of Insured Obligations disbursed by the Paying Agent or Trustee from proceeds of the Policy shall not be considered to discharge the obligation of the Issuer with respect to such Insured Obligations, and BAM shall become the owner of such unpaid Insured Obligations and claims for the interest in accordance with the tenor of the assignment made to it under the provisions of the preceding paragraphs or otherwise. The Security Documents shall not be discharged or terminated unless all amounts due or to become due to BAM have been paid in full or duly provided for.

Irrespective of whether any such assignment is executed and delivered, the University and the Paying Agent and Trustee agree for the benefit of BAM that:

a) They recognize that to the extent BAM makes payments directly or indirectly (*e.g.*, by paying through the Paying Agent or Trustee), on account of principal of or interest on the Insured Obligations, BAM will be subrogated to the rights of such holders to receive the amount of such principal and interest from the Issuer/Obligor, with interest thereon, as provided and solely from the sources stated in the Security Documents and the Insured Obligations; and

b) They will accordingly pay to BAM the amount of such principal and interest, with interest thereon as provided in the transaction documents and the Insured Obligations, but only from the sources and in the manner provided therein for the payment of principal of and interest on the Insured Obligations to holders, and will otherwise treat BAM as the owner of such rights to the amount of such principal and interest.

8) Additional Payments. The University agrees unconditionally that it will pay or reimburse BAM on demand any and all reasonable charges, fees, costs, losses, liabilities and expenses that BAM may pay or incur, including, but not limited to, fees and expenses of BAM's agents, attorneys, accountants, consultants, appraisers and auditors and reasonable costs of investigations, in connection with the administration (including waivers and consents, if any), enforcement, defense, exercise or preservation of any rights and remedies in respect of the Security Documents ("Administrative Costs"). For purposes of the foregoing, costs and expenses shall include a reasonable allocation of compensation and overhead attributable to the time of employees of BAM spent in connection with the actions described in the preceding sentence. The University agrees that failure to pay any Administrative Costs on a timely basis will result in the accrual of interest on the unpaid amount at the Late Payment Rate, compounded semi-annually, from the date that payment is first due to BAM until the date BAM is paid in full.

Notwithstanding anything herein to the contrary, the University agrees to pay to BAM (i) a sum equal to the total of all amounts paid by BAM under the Policy ("BAM Policy Payment"); and (ii) interest on such BAM Policy Payments from the date paid by BAM until payment thereof in full by the University, payable to BAM at the Late Payment Rate per annum (collectively, "BAM Reimbursement Amounts") compounded semi-annually. Notwithstanding anything to the contrary, including without limitation the post default application of revenue provisions, BAM Reimbursement Amounts shall be, and the University hereby covenants and agrees that the BAM Reimbursement Amounts are, payable from and secured by a lien on and pledge of the same revenues and other collateral pledged to the Insured Obligations on a parity with debt service due on the Insured Obligations.

9) Debt Service Reserve Fund. The prior written consent of BAM shall be a condition precedent to the deposit of any credit instrument provided in lieu of a cash deposit into the Debt Service Reserve Fund, if any. Amounts on deposit in the Debt Service Reserve Fund shall be applied solely to the payment of debt service due on the Insured Obligations.

10) Exercise of Rights by BAM. The rights granted to BAM under the Security Documents to request, consent to or direct any action are rights granted to BAM in consideration of its issuance of the Policy. Any exercise by BAM of such rights is merely an exercise of the BAM's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the holders of the Insured Obligations and such action does not evidence any position of BAM, affirmative or

negative, as to whether the consent of the holders of the Insured Obligations or any other person is required in addition to the consent of BAM.

11) BAM shall be entitled to pay principal or interest on the Insured Obligations that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer (as such terms are defined in the Policy) and any amounts due on the Insured Obligations as a result of acceleration of the maturity thereof in accordance with the Security Documents, whether or not BAM has received a claim upon the Policy.

12) [Reserved].

13) No contract shall be entered into or any action taken by which the rights of BAM or security for or source of payment of the Insured Obligations may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of BAM.

14) If an event of default occurs under any agreement pursuant to which any Obligation of the University has been incurred or issued and that permits the holder of such Obligation or trustee to accelerate the Obligation or otherwise exercise rights or remedies that are adverse to the interest of the holders of the Insured Obligations or BAM, as BAM may determine in its sole discretion, then an event of default shall be deemed to have occurred under the Indenture and the related Security Documents for which BAM or the Trustee, at the direction of BAM, shall be entitle to exercise all available remedies under the Security Documents, at law and in equity. For purposes of the foregoing "Obligation" shall mean any bonds, loans, certificates, installment or lease payments or similar obligations that are payable and/or secured on a parity or subordinate basis to the Insured Obligations.

15) <u>Definitions</u>.

"BAM" shall mean Build America Mutual Assurance Company, or any successor thereto.

"Insured Obligations" shall mean the $67,490,000* Cleveland State University General Receipts Bonds, Series 2025C.

"Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank, N.A., at its principal office in The City of New York, New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank, N.A.) plus 5%, and (ii) the then applicable highest rate of interest on the Insured Obligations and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. In the event JPMorgan Chase Bank, N.A., ceases to announce its Prime Rate, the Prime Rate shall be the prime or base lending rate of such other bank, banking association or trust company as BAM, in its sole and absolute discretion, shall designate.

* Preliminary; subject to change.

Interest at the Late Payment Rate on any amount owing to BAM shall be computed on the basis of the actual number of days elapsed in a year of 360 days.

"Policy" shall mean the Municipal Bond Insurance Policy issued by BAM that guarantees the scheduled payment of principal of and interest on the Insured Obligations when due.

"Security Documents" shall mean the resolution, trust agreement, bond, certificate, and/or any additional or supplemental document executed in connection with the Insured Obligations.

"University" shall mean Cleveland State University.

[END OF APPENDIX]

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CLEVELAND STATE UNIVERSITY (A STATE UNIVERSITY OF OHIO) • GENERAL RECEIPTS BONDS, SERIES 2025C

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