

# Annual University Audit Overview

Michael Papadakis, Senior Vice President and CFO

Kristine Devine, Vice President for Operations and Deputy CFO

Finance, Audit, and Investment Committee | October 28, 2026



# Financial Performance Highlights

TOTAL REVENUES INCREASED \$1.2B IN FY26 COMPARED TO FY25, DRIVEN PRIMARILY BY:



## HEALTHCARE REVENUES

\$798M increase in healthcare revenues, driven primarily by higher inpatient activity and continued growth in outpatient volumes;



## GRANTS AND CONTRACTS

\$40M increase in grants and contracts, primarily due to increases of \$33M in federal grants and contracts and \$49M in private grants and contracts, offset by a decrease of \$31M in state grants and contracts;



## TUITION AND FEES

\$36M increase in student tuition, due primarily to increases in enrollment and rate increases in residential and non-resident surcharges;



## GIFTS

\$23M increase in gift revenue, reflecting an increase of \$40M in additions to permanent endowments offset by \$25M in private capital gifts.



## INVESTMENT INCOME

Net investment income remained strong in FY26 with a \$310M increase in net investment income over FY25 resulting from a strong performance for the LTIP (+16.03%) and strong returns for our short- and intermediate-term portfolios (6.04%).



## NET POSITION

The FY25 increase in net position was \$1.8B bringing the total net position to \$14.3B.



# Consolidated Balance Sheet (as of June 30)

| Assets and Liabilities (\$ in millions)           | 2026 |        | 2025 |        | 2024      |
|---------------------------------------------------|------|--------|------|--------|-----------|
| Cash and cash equivalents                         | \$   | 762    | \$   | 779    | \$ 1,167  |
| Total investments                                 | \$   | 12,993 | \$   | 11,542 | \$ 10,462 |
| Capital assets, net                               | \$   | 9,664  | \$   | 9,445  | \$ 9,008  |
| Pension and OPEB assets and deferred outflows     | \$   | 1,048  | \$   | 1,138  | \$ 1,199  |
| Other assets                                      | \$   | 2,932  | \$   | 2,186  | \$ 1,841  |
| <b>Total Assets</b>                               | \$   | 27,399 | \$   | 25,090 | \$ 23,677 |
| Accounts payable and other current liabilities    | \$   | 2,213  | \$   | 1,576  | \$ 1,421  |
| Debt                                              | \$   | 3,831  | \$   | 3,884  | \$ 3,909  |
| Pension and OPEB liabilities and deferred inflows | \$   | 4,261  | \$   | 4,401  | \$ 4,539  |
| Concessionaire and other liabilities              | \$   | 2,781  | \$   | 2,720  | \$ 2,665  |
| <b>Total Liabilities</b>                          | \$   | 13,086 | \$   | 12,581 | \$ 12,534 |

| Net Position (\$ in millions)                    | 2026 |         | 2025 |         | 2024       |
|--------------------------------------------------|------|---------|------|---------|------------|
| Ending net position (eliminate pension and OPEB) | \$   | 17,096  | \$   | 15,359  | \$ 14,071  |
| Ending net position - pension and OPEB           | \$   | (2,783) | \$   | (2,850) | \$ (2,928) |
| <b>Total Net Position</b>                        | \$   | 14,313  | \$   | 12,509  | \$ 11,143  |

| Key Metrics                               | 2026     |  | 2025     |  | 2024     |
|-------------------------------------------|----------|--|----------|--|----------|
| Enterprise Days Cash on Hand              | 203 Days |  | 197 Days |  | 214 Days |
| Total Cash and Investments to Direct Debt | 3.50x    |  | 2.99x    |  | 2.76x    |



# Consolidated Income Statement (for the fiscal year ended June 30)

| Total Revenue (\$ in millions)              | 2026             | 2025             | 2024             |
|---------------------------------------------|------------------|------------------|------------------|
| Tuition and Fees                            | \$ 1,201         | \$ 1,165         | \$ 1,094         |
| Grants and Contracts                        | \$ 1,322         | \$ 1,282         | \$ 1,263         |
| Sales and Services                          | \$ 654           | \$ 654           | \$ 589           |
| Health System & OSUP Sales and Services     | \$ 7,348         | \$ 6,550         | \$ 5,991         |
| State Subsidies and Capital Appropriations  | \$ 643           | \$ 630           | \$ 590           |
| Gifts and Additions to Permanent Endowments | \$ 408           | \$ 385           | \$ 320           |
| Other Revenues                              | \$ 160           | \$ 175           | \$ 154           |
| Total Revenues (w/o investments)            | \$ 11,736        | \$ 10,841        | \$ 10,001        |
| Investment income                           | \$ 1,530         | \$ 1,220         | \$ 989           |
| <b>Total Revenues (w/ investments)</b>      | <b>\$ 13,266</b> | <b>\$ 12,061</b> | <b>\$ 10,990</b> |

| Total Expenses (\$ in millions)           | 2026             | 2025             | 2024             |
|-------------------------------------------|------------------|------------------|------------------|
| University Education and General Expenses | \$ 3,549         | \$ 3,373         | \$ 3,377         |
| Auxiliary Sales and Services              | \$ 508           | \$ 502           | \$ 458           |
| Health System & OSUP                      | \$ 6,498         | \$ 5,965         | \$ 5,479         |
| Depreciation                              | \$ 730           | \$ 666           | \$ 617           |
| Interest Expense on Plant Debt            | \$ 178           | \$ 189           | \$ 186           |
| <b>Total Expenses</b>                     | <b>\$ 11,463</b> | <b>\$ 10,695</b> | <b>\$ 10,117</b> |
| <b>Change in Net Position</b>             | <b>\$ 1,803</b>  | <b>\$ 1,366</b>  | <b>\$ 873</b>    |

| Key Metrics                                   | 2026     | 2025     | 2024     |
|-----------------------------------------------|----------|----------|----------|
| EBIDA (\$)                                    | \$ 1,420 | \$ 1,180 | \$ 1,172 |
| Debt Service Coverage (EBIDA / Debt Service)* | 5.32x    | 4.25x    | 4.33x    |

\* Reflects Moody's calculation



# Fiscal Year 2026 Wrap Up

## Significant Accounting Pronouncement Implementation

In fiscal year 2026, the university implemented GASB Statement No. 103, *Financial Reporting Model Improvements*. The Statement includes provisions related to the presentation of Management's Discussion and Analysis, the presentation of proprietary fund statements of revenues, expenses and changes in net position and the presentation of major component unit information. Significant impacts to the university include:

- The lines and captions of the university's Statement of Revenues, Expenses and Changes in Net Position have been revised to reflect the new presentation requirements, and prior year information has been reclassified accordingly.
- The financial statements for the university's discretely presented component units are now presented immediately following the financial statements for the total university.
- There were no changes in net position as of July 1, 2024, for the primary institution or the discretely presented component units.



# Fiscal Year 2026 Wrap Up

## Transactions Recorded after the Finance & Investment Committee meeting on August 13<sup>th</sup>

Through the normal course of the fiscal year-end close, we finalize the following activities in August and September:

- The financial statements were reformatted due to the implementation of GASB 103.
- The consolidation of the final numbers for the OSUWMC and the component units.
- The recording of fiscal 2026 impacts of lease considerations under GASB 87.
- The recording of fiscal 2026 impacts of subscription-based information technology arrangements under GASB 96.
- The true-up of accounts payable and accrued liabilities based on actual subsequent disbursement activities.
- The recording of the energy concessionaire payable.
- Reconciliation and reclassification of net position.



# Fiscal Year 2026 Wrap Up

## Significant Transactions Recorded

Through the normal course of financial statement review and data analysis prior year errors could be detected. The university did not identify or record any prior year errors.

## Significant Transactions Not Recorded

Through the normal course of the fiscal year-end close, we make determinations, primarily based on materiality and significance to the financial statements and its users, whether to record certain entries in the general ledger.

We determined that the following entries were not significant to the financial statements and did not record them:

- 4th quarter adjustment of \$135.6M for the recording of unrealized investment income. This amount is offset by the reversal of the prior-year adjustment of \$117.5M, resulting in a net impact to the income statement of \$18.1M. Not recording this adjustment is common practice and allows us to ensure our accounting, gift and investment records are aligned.



# Future Financial Reporting Impacts

| Stmt # | Title             | Description                                                                                                                                                                                                                                                                                                        | Effective |
|--------|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| 105    | Subsequent Events | <p>The standard defines subsequent events as transactions or other events that occur after the date of the financial statements but before the date the financial statements are available to be issued.</p> <p>It also requires the date through which subsequent events have been evaluated to be disclosed.</p> | FY27      |



Draft 10/13/2026

# **The Ohio State University**

(A Component Unit of the State of Ohio)

## **Consolidated Financial Statements**

**As of and for the Years Ended June 30, 2026 and 2025**

**And Reports of Independent Auditors**

## Table of Contents

---

|                                                                                                                                                                                                                                    |     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| <b>Report of Independent Auditors</b>                                                                                                                                                                                              | 1   |
| Management's Discussion and Analysis (Unaudited)                                                                                                                                                                                   | 4   |
| <b>Basic Financial Statements</b>                                                                                                                                                                                                  |     |
| Statements of Net Position                                                                                                                                                                                                         | 22  |
| Statements of Revenues, Expenses and Changes in Net Position                                                                                                                                                                       | 23  |
| Statements of Cash Flows                                                                                                                                                                                                           | 24  |
| Statements of Net Position for Discretely Presented Component Units                                                                                                                                                                | 26  |
| Statements of Revenues, Expenses and Changes in Net Position for Discretely Presented Component Units                                                                                                                              | 27  |
| Notes to Financial Statements                                                                                                                                                                                                      | 28  |
| <b>Required Supplementary Information</b>                                                                                                                                                                                          |     |
| Required Supplementary Information on GASB 68 Pension Liabilities (Unaudited)                                                                                                                                                      | 102 |
| Required Supplementary Information on GASB 75 Net OPEB Liabilities (Unaudited)                                                                                                                                                     | 103 |
| Notes to Required Supplementary Information (Unaudited)                                                                                                                                                                            | 104 |
| <b>Supplementary Information</b>                                                                                                                                                                                                   |     |
| Supplementary Information on the Long-Term Investment Pool (Unaudited)                                                                                                                                                             | 106 |
| <b>Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i></b> | 108 |
| Acknowledgements                                                                                                                                                                                                                   | 110 |
| Board of Trustees                                                                                                                                                                                                                  | 111 |

## Independent Auditors' Report

The Board of Trustees  
The Ohio 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 The Ohio State University (the University), a component unit of the State of Ohio, as of and for the years ended June 30, 2026 and 2025, 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, 2026 and 2025, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with U.S. generally accepted accounting principles.

#### *Basis for Opinions*

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

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, 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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### *Auditors' 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 auditors' 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*

U.S. generally accepted accounting principles require that the accompanying management's discussion and analysis, schedule of the University's proportionate shares of STRS-Ohio and OPERS net pension liabilities, schedule of the University contributions to STRS-Ohio and OPERS, and schedule of the University' proportionate shares of STRS-Ohio and OPERS net OPEB liabilities (assets) 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 Information*

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the University's basic financial statements. The supplementary information on the long-term investment pool for the year ended June 30, 2026 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or any form of assurance thereon.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2026, 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.

[(signed) KPMG LLP]

Columbus, Ohio  
October 28, 2026

## Management's Discussion and Analysis (Unaudited)

---

The following Management's Discussion and Analysis, or MD&A, provides an overview of the financial position and activities of The Ohio State University (the university) as of and for the year ended June 30, 2026, with comparative information as of and for the years ended June 30, 2025, and June 30, 2024. We encourage you to read this MD&A section in conjunction with the audited financial statements and footnotes appearing in this report.

### About The Ohio State University

The Ohio State University is the State of Ohio's flagship research institution and one of the largest universities in the United States of America, with over 67,000 students, 8,800 faculty members and 30,000 staff members. Founded in 1870 under the Morrill Land Grant Act, the university — which was originally known as the Ohio Agricultural and Mechanical College — has grown over the years into a comprehensive public institution of higher learning, with over 200 undergraduate majors, 177 master's degree programs, 104 doctoral programs and eight professional degree programs.

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

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

- ***The Ohio State University Wexner Medical Center University Hospital (University Hospital):*** the Ohio State Health System's flagship hospital is a leader in multiple specialties including organ and tissue transplantation, women and infants, digestive diseases, bariatric surgery and minimally invasive surgery. In addition to having a Level I Trauma Center as designated by the American College of Surgeons, University Hospital is also home to a Level III Neonatal Intensive Care Unit, central Ohio's only adult burn center and the only adult solid organ transplant program in central Ohio. University Hospital is a leader in brain and spine treatment and research with dedicated units for stroke care, neurotrauma and traumatic brain injuries, spinal cord injuries and spine surgery, epilepsy, chronic pain, acute rehabilitation, neurosurgery and sleep medicine.
- ***Arthur G. James Cancer Hospital and Richard J. Solove Research Institute (The James):*** the only free-standing cancer hospital in central Ohio and the first in the Midwest, The James Cancer Hospital and Solove Research Institute is an international leader in cancer prevention, detection and treatment. The James is one of only 58 comprehensive cancer centers designated by the National Cancer Institute (NCI) and one of only a few institutions nationally funded by the NCI to conduct both phase I and phase II clinical trials on novel anticancer agents sponsored by the NCI.

## Management's Discussion & Analysis (Unaudited) - continued

---

- ***The Ohio State University Wexner Medical Center Richard M. Ross Heart Hospital (The Ross)***: is dedicated to advancing the field of cardiovascular medicine and surgery. The Ohio State Richard M. Ross Heart Hospital offers comprehensive heart and vascular care spanning every specialty from open heart surgery to electrophysiology, vascular surgery, advanced heart failure care and emergency cardiac care. Ohio State Ross Heart Hospital is one of the nation's few free-standing facilities devoted entirely to the research of diseases affecting the heart, lungs and blood vessels.
- ***The Ohio State University Wexner Medical Center Harding Hospital (Ohio State Harding Hospital)***: offers counseling services along with the most comprehensive inpatient and outpatient mental health and behavioral health services in central Ohio. Programs are available for adolescents, adults and older adults with complex psychiatric disorders. Ohio State Harding Hospital's team includes psychiatrists, psychologists, social workers, registered nurses, occupational therapists, recreational therapists, chaplains and licensed counselors.
- ***The Ohio State University Wexner Medical Center East Hospital (Ohio State East Hospital)***: blends academic medicine with a community-based setting. Ohio State East Hospital provides a full range of medical and surgical services to patients throughout central Ohio, including orthopedics, general surgery, vascular surgery, plastic surgery, ENT, cardiovascular and pulmonary care, family medicine, general internal medicine, and emergency medicine. Additionally, patients have access to central Ohio's leading alcohol and drug addiction recovery services, a comprehensive wound-healing center with limb preservation program, digestive disease treatment, a full range of diagnostic services, a sleep disorders center and outpatient oncology services.
- ***Dodd Rehabilitation Hospital***: home to the Ohio State Health System's nationally recognized and accredited rehabilitation inpatient program, specializing in amputee, cancer, stroke, brain and spinal cord rehabilitation. The program was the first in Ohio and is dedicated to physical medicine and rehabilitation research, training and treatment.
- ***Ambulatory Services***: offering many specialized health services in numerous convenient locations throughout Ohio. Primary care, sports medicine, orthopedics, mammography, imaging, wound care and other specialties are provided with the compassionate and nationally ranked expert care that is synonymous with the Ohio State Wexner Medical Center.

The Ohio State Health System provided services to approximately 62,800 inpatients and 1,890,000 outpatients during fiscal year 2026, and 61,200 inpatients and 1,790,000 outpatients during fiscal year 2025.

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

## Management's Discussion & Analysis (Unaudited) - continued

---

Statement No. 80, *Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14*.

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

- The Ohio State University Foundation (a fundraising foundation operating exclusively for the benefit of the university)
- The Ohio State University Health Plan Inc. (a non-profit organization that administers university health care benefits)
- Oval Limited (captive insurer that provides medical malpractice coverage to university hospitals and physicians)
- Pelotonia (a fundraising organization operating exclusively for the benefit of the university)
- Great River Insurance (captive insurer that provides coverage for risks that are difficult to insure in the traditional market)

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

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

Condensed financial information for blended component units is provided in the Notes to the Financial Statements. Combining financial statements for discretely presented component units are provided immediately following the financial statements for the total university. The university is considered a component unit of the State of Ohio and is included in the State of Ohio's Annual Comprehensive Financial Report.

### About the Financial Statements

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

## Management's Discussion & Analysis (Unaudited) - continued

---

blended component units), discretely presented component units and the total university. Unless otherwise specified, the amounts presented in this MD&A are for the primary institution.

The **Statement of Net Position** is the university's balance sheet. It reflects the total assets, deferred outflows, liabilities, deferred inflows and net position (equity) of the university as of June 30, 2026, with comparative information as of June 30, 2025. Liabilities due within one year, and assets available to pay those liabilities, are classified as current. Other assets and liabilities are classified as non-current. Investment assets are carried at fair value or at Net Asset Value (NAV), as applicable.

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

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

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

The **Statement of Revenues, Expenses and Changes in Net Position** is the university's income statement. It details how net position has increased (or decreased) during the year ended June 30, 2026, with comparative information for the year ended June 30, 2025. Tuition revenue is shown net of scholarship allowances, patient care revenue is shown net of contractual allowances, charity care and bad debt expense, depreciation is provided for capital assets, and there are required subtotals for net operating income (loss) and operating income (loss) and noncapital subsidies.

In fiscal year 2026, the university implemented GASB Statement No. 103, *Financial Reporting Model Improvements*, resulting in certain changes in the presentation of revenues and expenses. Under the new standard, operating revenues and expenses are defined as those revenues and expenses other than nonoperating revenues and expenses. Nonoperating revenues and expenses include various capital and noncapital subsidies received and provided, contributions to permanent and term endowments, revenues and expenses related to financing activities, gains from the disposal of capital assets and inventory, and investment income and expenses. The lines and captions of the university's Statement of Revenues, Expenses and Changes in Net Position for the years ended June 30, 2026, 2025 and (for MD&A) 2024 have been updated to reflect the new presentation requirements.

The **Statement of Cash Flows** details how cash has increased (or decreased) during the year ended June 30, 2026, with comparative information for the year ended June 30, 2025. It breaks out the sources and uses of university cash into the following categories:

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

## Management's Discussion & Analysis (Unaudited) - continued

---

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

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

### Financial Highlights and Key Trends

The university's overall financial position is strong, driven by a variety of factors, including its diversity of operations and continued focus on operating and capital efficiencies, along with a strategic focus on growing new revenue streams. Total net position increased \$1.85 billion, to \$14.08 billion at June 30, 2026. Operating revenues increased \$811 million, to \$9.48 billion, driven primarily by strong growth in health care revenues. Operating expenses increased \$636 million, to \$9.87 billion, primarily reflecting continued growth in patient volumes across the Ohio State Health System. The Health System continued to focus on throughput, workforce retention, and optimization of the new University Hospital, which opened in February 2026. Net investment income increased \$313 million over the prior year, resulting from a strong performance for the LTIP (+16.03% return).

Demand for an Ohio State education and outcomes for students also remain strong. Total enrollment for Autumn 2025 was 67,255, up 354 students compared to Autumn 2024. Overall university autumn enrollments increased 0.6%. Over 93% of the freshmen enrolled in Autumn 2024 returned to Ohio State in Autumn 2025. 74% of students graduated within four years, and 87% graduated within six years.

The following sections provide additional details on the university's 2026 financial results and a look ahead at significant economic conditions that are expected to affect the university in the future.

## Management's Discussion & Analysis (Unaudited) - continued

### Statement of Net Position

| <b>Summary Statement of Net Position</b> <i>(in thousands)</i> |                      |                      |                      |
|----------------------------------------------------------------|----------------------|----------------------|----------------------|
|                                                                | <b>2026</b>          | <b>2025</b>          | <b>2024</b>          |
| Cash and temporary investments                                 | \$ 3,493,018         | \$ 3,130,192         | \$ 3,075,362         |
| Receivables, inventories, prepaids and other current assets    | 1,953,699            | 1,369,602            | 1,221,060            |
| <b>Total current assets</b>                                    | <b>5,446,717</b>     | <b>4,499,794</b>     | <b>4,296,422</b>     |
| Unexpended bond proceeds                                       | -                    | 54,375               | 109,975              |
| Noncurrent notes and pledges receivable, net                   | 188,395              | 197,417              | 198,987              |
| Net other post-employment benefit asset                        | 501,573              | 357,668              | 194,698              |
| Long-term investment pool                                      | 9,744,021            | 8,619,921            | 7,931,714            |
| Other long-term investments                                    | 335,935              | 264,581              | 204,539              |
| Other noncurrent assets                                        | 428,673              | 300,115              | 236,646              |
| Capital assets, net of accumulated depreciation                | 9,172,028            | 8,940,761            | 8,519,316            |
| <b>Total noncurrent assets</b>                                 | <b>20,370,625</b>    | <b>18,734,838</b>    | <b>17,395,875</b>    |
| <b>Total assets</b>                                            | <b>25,817,342</b>    | <b>23,234,632</b>    | <b>21,692,297</b>    |
| Deferred outflows                                              | 523,089              | 754,384              | 1,004,220            |
| <b>Total assets and deferred outflows</b>                      | <b>\$ 26,340,431</b> | <b>\$ 23,989,016</b> | <b>\$ 22,696,517</b> |
| Accounts payable and accrued expenses                          | \$ 1,111,050         | \$ 932,162           | \$ 801,352           |
| Deposits and advance payments for goods and services           | 427,459              | 409,480              | 409,639              |
| Current portion of bonds, notes and lease obligations          | 747,847              | 722,247              | 726,732              |
| Other current liabilities                                      | 416,723              | 4,619                | 42,569               |
| <b>Total current liabilities</b>                               | <b>2,703,079</b>     | <b>2,068,508</b>     | <b>1,980,292</b>     |
| Noncurrent portion of bonds, notes and lease obligations       | 3,028,909            | 3,114,135            | 3,136,918            |
| Net pension liability                                          | 2,879,384            | 3,688,568            | 3,869,225            |
| Net other post-employment benefit liability                    | 22,317               | 22,317               | 22,970               |
| Advance from concessionaire                                    | 899,362              | 920,533              | 943,319              |
| Other noncurrent liabilities                                   | 1,102,949            | 992,828              | 928,495              |
| <b>Total noncurrent liabilities</b>                            | <b>7,932,921</b>     | <b>8,738,381</b>     | <b>8,900,927</b>     |
| <b>Total liabilities</b>                                       | <b>10,636,000</b>    | <b>10,806,889</b>    | <b>10,881,219</b>    |
| Deferred inflows                                               | 1,622,336            | 953,397              | 932,162              |
| Net investment in capital assets                               | 4,852,956            | 4,555,052            | 4,193,281            |
| Restricted:                                                    |                      |                      |                      |
| Nonexpendable                                                  | 2,366,013            | 2,178,273            | 2,051,766            |
| Expendable                                                     | 2,423,466            | 1,999,998            | 1,798,160            |
| Unrestricted                                                   | 4,439,660            | 3,495,407            | 2,839,929            |
| <b>Total net position</b>                                      | <b>14,082,095</b>    | <b>12,228,730</b>    | <b>10,883,136</b>    |
| <b>Total liabilities, deferred inflows and net position</b>    | <b>\$ 26,340,431</b> | <b>\$ 23,989,016</b> | <b>\$ 22,696,517</b> |

During the year ended June 30, 2026, **cash and temporary investment** balances increased \$363 million, to \$3.49 billion, primarily reflecting reductions in net cash used in operations and an increase in cashflows from noncapital financing activities. **Unexpended bond proceeds** decreased \$54 million, to \$0 at June 30, 2026, reflecting expenditures of the bond proceeds for construction of the new University Hospital. The Statement of Cash Flows, which is discussed in more detail below, provides additional information on sources and uses of university cash.

**Accounts receivable, inventories, prepaids and other current assets** increased \$584 million, to \$1.95 billion at June 30, 2026. Investments held under securities lending programs increased \$410 million, reflecting an expansion in securities lending activity in 2026. Accounts receivable increased

## Management's Discussion & Analysis (Unaudited) - continued

---

\$169 million, primarily reflecting a \$221 million increase in Ohio State Health System receivables, which were partially offset by a \$47 million decrease in grant and contract receivables.

The fair value of the university's **long-term investment pool** (LTIP) increased \$1.12 billion, to \$9.74 billion at June 30, 2026. The increase is primarily due to a \$1.26 billion increase in the fair value of LTIP assets, \$172 million of principal additions and \$196 million of interest and dividend income, which were partially offset by \$339 million of distributions and \$167 million of expenses. The long-term investment pool operates like a mutual fund, in that each named fund is assigned a number of shares in the pool. It includes the gifted endowment funds of the university, gifted endowment funds of the Ohio State University Foundation, and unrestricted funds that have been internally designated to function as endowments. The pool is invested in a diversified portfolio of equity and fixed-income securities, partnerships and hedge funds that is intended to provide the long-term growth necessary to preserve the value of these funds, adjusted for inflation, while making distributions to support the university's mission.

**Other long-term investments** are non-unitized investments that relate primarily to gift arrangements between donors and the Ohio State University Foundation and long-term investments of operating funds. These investments increased \$71 million, to \$336 million, at June 30, 2026, due to the reallocation of cash to fixed income funds.

**Capital assets**, which include the university's land, buildings, improvements, equipment and library books, net of depreciation, grew \$231 million, to \$9.17 billion at June 30, 2026. The university depreciates its capital assets on a straight-line basis, using estimated useful lives ranging from 5 years (for computer equipment and software) to 100 years (for certain building components such as foundations).

Additions to university capital assets totaled \$931 million in 2026. The Ohio State Health System accounted for \$553 million of the total and includes expenditures for facilities, infrastructure improvement, land, and equipment purchases. The remaining \$378 million of university capital additions include \$71 million of equipment and library books, \$29 million related to Comprehensive Energy Management Plan (CEMP) facility improvements and \$278 million related to improvements and renovations of various academic buildings, athletic facilities, student life facilities and other infrastructure.

Major academic facility projects completed during 2026 include:

- **Waterman - Multispecies Animal Learning Complex (MALC)**— Waterman - Multispecies Animal Learning Complex (MALC) was completed in Spring 2026. The project constructed a 100,000 square-foot facility located at the CFAES Waterman Agricultural and Natural Resources Laboratory, a unique 261-acres that provides opportunities in teaching, research, and community engagement. The \$60 million project consists of an interconnected series of barns housing different species which include swine, equine, poultry and others. The facility includes an arena, wet labs, classrooms, storage areas and public viewing areas. MALC replaces aging storm and animal waste management infrastructure as well as provide new gas, electric and water utilities to the project site. The project also builds an adjacent dairy barn.
- **Engineering Research and Education Laboratories** – Engineering Research and Education Laboratories (previously called Biomedical and Materials Engineering Complex (BMEC) Phase 2) is the home of first-year engineering courses, makerspace, biomedical and advanced

## Management's Discussion & Analysis (Unaudited) - continued

---

materials R&D, and engaging K-12 STEM programs. The building opened in May 2026. The project included the demolition of Watts Hall and renovates existing MacQuigg Hall. An addition was constructed to house research and teaching labs, collaboration spaces, offices and classroom space.

- Campbell Hall – Campbell Hall was opened in May 2026. This project renovated 115,000 square feet of existing offices, research and computer labs, teaching kitchen, department and pool classrooms and collaborative areas. The project scope also addressed existing aging infrastructure by replacing building systems, roof and windows.

Major academic facility projects underway during 2026 include:

- North Towers Renovations– The North Towers Renovations project, located in the heart of Ohio State's North District, will modernize Drackett and Taylor Towers. Advancing Framework 3.0, the university's long-term planning vision, the project will create enhanced opportunities for students to connect, collaborate and build community. Residential floors will be renovated, including lounges on every floor that will introduce natural light into the corridor. Student rooms and furniture will be updated throughout both buildings. Common areas will also be expanded for group activities, individual study and meetings. Taylor Tower's main entrance will be relocated to the ground level to improve accessibility and building access. Major infrastructure improvements include new plumbing, heating and air conditioning systems, fire protection equipment and other building systems. The project also demolishes Jones Tower as part of the university's ongoing efforts to address deferred maintenance. The renovated facilities will be available for students starting autumn semester 2028.

In February 2026, the Ohio State Health System opened the new University Hospital. Reaching 26 stories into the sky, the 1.9 million square foot facility includes 820 private rooms, 234 intensive care beds, and 50 elevators. The \$2 billion project is the largest single facilities project ever undertaken at the university.

In addition to the new tower, the Ohio State Health System has a major construction project currently underway:

- Outpatient Care Powell – The new location will join Outpatient Care New Albany and Outpatient Care Dublin as the third facility of a new suburban outpatient care program to provide convenient access to comprehensive health care services – including primary and specialty care along with diagnostic and treatment services where people work and live. The \$183.0 million project includes 200,000 square feet and will design and build a five-story medical office building and a two-story ambulatory health center which includes imaging, outpatient rehab/physical therapy, endoscopy and support services. The Outpatient Care Powell facility opened in August 2026.

The university's estimated future capital commitments, based on contracts and purchase orders, total approximately \$263 million at June 30, 2026.

Total current liabilities increased \$635 million, to \$2.70 billion at June 30, 2026. Liabilities associated with securities lending programs increased \$410 million, reflecting an expansion of securities lending activity. Accounts payable and accrued expenses increased \$179 million, primarily reflecting increases in payables to vendors for supplies and services (up \$168 million).

## Management's Discussion & Analysis (Unaudited) - continued

---

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

Under the agreement, OSEP operates, maintains and makes capital investments in the utility system and charges the university a Utility Fee, which includes fixed, variable and operating and maintenance (O&M) components. OSEP capital investments in the utility system are recognized as capital assets and a related **long-term payable to the concessionaire**. The fixed and O&M components of the Utility Fee are recognized as operating expense. The variable component of the Utility Fee is recognized as a reduction in the long-term payable to the concessionaire and interest expense. The university paid \$71 million and \$66 million in total fixed and O&M utility fees for the years ended June 30, 2026 and 2025, respectively. The total amount payable to the concessionaire was \$511 million at both June 30, 2026 and June 30, 2025. The \$30 million current portion of this liability is included in other current liabilities on the Statement of Net Position.

University debt, in the form of **bonds, notes and lease obligations**, decreased \$61 million, to \$3.78 billion at June 30, 2026, primarily reflecting principal payments on bonds, which were partially offset by increases in liabilities for leases and subscription IT arrangements. On January 6, 2026, the university issued \$561 million of tax-exempt fixed rate General Receipts Refunding Bonds, Series 2026A. The Series 2026A Bonds are structured with a single maturity due in 2035. The interest rate coupon on the Series 2026A Bonds is 5.00%. The proceeds of the 2026A Bonds were used to refund all the outstanding General Receipt Bonds, Series 2010C and to pay the cost of issuance of the 2026A Bonds.

In 2020, the university entered into forward-starting interest-rate swap agreements to advance refund its Series 2013A bonds. In April 2023, the university issued \$329 million in Series 2023A-1 and 2023A-2 variable rate bonds to complete the refunding of the Series 2013A bonds, recognizing a net accounting gain of \$22 million. The net accounting gain is recorded as a deferred inflow of resources and will be amortized over the remaining term of the debt. The swap agreements, which were effective June 2023, are considered effective hedges. The fair value of the swap agreements — which are reported as a noncurrent asset and offsetting deferred inflow of resources — was \$53 million and \$55 million at June 30, 2026 and 2025, respectively.

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

Although it is the university's intent to repay its variable rate demand bonds in accordance with the maturities set forth in the bond offering circulars, the university does not have "take-out agreements" in place per the GASB Interpretation 1 requirements. Accordingly, the university has classified the total outstanding principal balances on its variable rate demand bonds as current liabilities. These obligations totaled \$604 million at both June 30, 2026 and June 30, 2025.

## Management's Discussion & Analysis (Unaudited) - continued

---

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

In 2026, the university's share of OPERS and STRS Ohio **net pension liabilities** decreased \$809 million, to \$2.88 billion at June 30, 2026. OPERS and STRS Ohio net pension liabilities decreased \$776 million and \$33 million, respectively, reflecting positive investment returns for both retirement systems. OPERS realized an 14.74% return on defined benefit plan investments for calendar year 2025. STRS Ohio realized a 10.42% return for the fiscal year ended June 30, 2025.

Deferred outflows related to pensions decreased \$266 million, to \$453 million at June 30, 2026, and deferred inflows related to pensions increased \$558 million, to \$682 million at June 30, 2026. The changes in pension deferrals relate primarily to OPERS and STRS Ohio projected vs actual investment returns. These deferrals will be recognized as pension expense in future periods.

In 2026, the university's proportionate share of OPERS and STRS Ohio **net OPEB assets** increased \$144 million to \$502 million at June 30, 2026, reflecting positive investment returns for both retirement systems. OPERS realized a 14.95% return on its health care investments for calendar year 2025. STRS Ohio realized a 10.42% return for the fiscal year ended June 30, 2025.

Deferred outflows related to OPEB increased \$33 million, to \$51 million at June 30, 2026, and deferred inflows related to OPEB increased \$97 million, to \$205 million at June 30, 2026. The changes in OPEB deferrals relate primarily to OPERS projected vs actual investment returns. These deferrals will be recognized as OPEB expense in future periods.

Total pension and OPEB expense includes employer contributions and (non-cash) expense accruals associated with the recognition of net pension and OPEB liabilities and deferrals. Total employer contributions were up \$43 million, to \$548 million in 2026. Pension and OPEB expense accruals went from a negative \$79 million in 2025 to a negative \$64 million in 2026.

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

**Deferred inflows** primarily consist of changes to OPEB assets and pension liabilities as explained in the previous paragraphs, the unamortized proceeds of the parking service concession arrangement and deferred inflows related to leases. Total deferred inflows increased \$669 million, primarily due to increases in pension and OPEB deferred inflows, which totaled \$655 million. The parking deferred inflows, which totaled \$415 million and \$427 million at June 30, 2026 and June 30,

## Management's Discussion & Analysis (Unaudited) - continued

---

2025, respectively, are being amortized to operating revenue on a straight-line basis over the 50-year life of the agreement. Deferred inflows for leases increased \$27 million to \$194 million at June 30, 2026 and are being amortized to lease revenue on a straight-line basis over the terms of the leases. The remaining balance of deferred inflows relates to deferred gains on debt-related transactions and deferrals for irrevocable split-interest agreements.

**Prior-Year Highlights:** *In 2025*, the university's share of OPERS and STRS Ohio net pension liabilities decreased \$181 million, to \$3.69 billion at June 30, 2025. OPERS and STRS Ohio net pension liabilities decreased \$108 million and \$73 million, respectively, reflecting positive investment returns for both retirement systems. The fair value of the university's long-term investment pool (LTIP) increased \$688 million, to \$8.62 billion at June 30, 2025. The increase is primarily due to a \$807 million increase in the fair value of LTIP assets, \$152 million of principal additions and \$201 million of interest and dividend income, which were partially offset by \$318 million of distributions and \$154 million of expenses. *In 2024*, the university's share of OPERS and STRS Ohio net pension liabilities decreased \$346 million, to \$3.87 billion at June 30, 2024. OPERS and STRS Ohio net pension liabilities decreased \$275 million and \$70 million, respectively, reflecting positive investment returns for both retirement systems. The fair value of the university's long-term investment pool (LTIP) increased \$548 million, to \$7.93 billion at June 30, 2024. The increase is primarily due to a \$668 million increase in the fair value of LTIP assets, \$143 million of principal additions and \$194 million of interest and dividend income, which were partially offset by \$305 million of distributions and \$106 million of expenses.

## Management's Discussion & Analysis (Unaudited) - continued

### Statement of Revenues, Expenses and Changes in Net Position

| Summary of Revenues, Expenses and Changes in Net Position <i>(in thousands)</i> |              |              |              |
|---------------------------------------------------------------------------------|--------------|--------------|--------------|
|                                                                                 | 2026         | 2025         | 2024         |
| Operating Revenues:                                                             |              |              |              |
| Tuition and fees, net                                                           | \$ 1,200,871 | \$ 1,165,316 | \$ 1,094,229 |
| Grants and contracts                                                            | 1,244,498    | 1,199,268    | 1,171,390    |
| Auxiliary enterprises sales and services, net                                   | 450,741      | 436,040      | 391,487      |
| OSU Health System sales and services, net                                       | 6,257,541    | 5,513,570    | 4,888,549    |
| Departmental sales and other operating revenues                                 | 322,331      | 350,908      | 305,118      |
| Total operating revenues                                                        | 9,475,982    | 8,665,102    | 7,850,773    |
| Operating Expenses:                                                             |              |              |              |
| Educational and general                                                         | 3,450,138    | 3,283,675    | 3,290,272    |
| Auxiliary enterprises                                                           | 507,942      | 502,067      | 458,464      |
| OSU Health System                                                               | 5,224,423    | 4,809,784    | 4,241,371    |
| Depreciation and amortization                                                   | 682,756      | 634,086      | 581,020      |
| Total operating expenses                                                        | 9,865,259    | 9,229,612    | 8,571,127    |
| Net operating loss                                                              | (389,277)    | (564,510)    | (720,354)    |
| Noncapital Subsidies:                                                           |              |              |              |
| State share of instruction and line-item appropriations                         | 559,729      | 540,728      | 528,536      |
| Gifts - current use                                                             | 222,428      | 233,052      | 189,492      |
| Noncapital transfers to OSU Physicians                                          | (210,701)    | (158,762)    | (159,004)    |
| Other noncapital subsidies                                                      | 36,217       | 33,316       | 27,807       |
| Total noncapital subsidies                                                      | 607,673      | 648,334      | 586,831      |
| Operating loss and noncapital subsidies                                         | 218,396      | 83,824       | (133,523)    |
| Other Nonoperating Revenues and Expenses:                                       |              |              |              |
| Net investment income                                                           | 1,520,392    | 1,207,419    | 972,532      |
| State capital appropriations                                                    | 83,121       | 88,756       | 61,016       |
| Private capital gifts                                                           | 49,038       | 30,986       | 57,232       |
| Additions to permanent endowments                                               | 136,643      | 96,347       | 74,174       |
| Interest expense and other nonoperating                                         | (154,225)    | (161,738)    | (159,566)    |
| Total other nonoperating revenues and expenses                                  | 1,634,969    | 1,261,770    | 1,005,388    |
| Increase in net position                                                        | 1,853,365    | 1,345,594    | 871,865      |
| Net position - beginning of year                                                | 12,228,730   | 10,883,136   | 10,011,271   |
| Net position - end of year                                                      | 14,082,095   | 12,228,730   | 10,883,136   |

**Net tuition and fees** increased \$36 million, to \$1.20 billion in 2026, due primarily to an increase in gross tuition and other student fees of \$54 million, offset by an increase in scholarship allowances of \$18 million. The increase in gross tuition revenue is primarily driven by increases in enrollment and rates for Instructional fees and the Non-Resident Surcharge. Overall university Autumn enrollments increased 0.6%. For undergraduates in the AU25 Tuition Guarantee Group, Instructional and General fees increased 3% and Non-Resident Fees increased 7.5%. For graduate students, Instructional and General Fees increased 3% and Non-Resident Fees increased 4%.

Operating **grant and contract revenues** increased \$45 million, to \$1.24 billion, primarily reflecting a \$47 million increase in private grants and contracts and a \$29 million increase in federal grants and contracts. A \$31 million decrease in state grants and grants partially offset these increases. The decrease in state grants relates primarily to decreases from the Ohio Department of Behavioral Health (\$11 million), Ohio Department of Job & Family Services (\$9 million), Ohio Department of Health (\$5 million), Ohio Department of Education & Workforce (\$3 million), Ohio Department of Higher Ed (\$2 million), and Ohio Bureau of Worker's Comp (\$2 million).

## Management's Discussion & Analysis (Unaudited) - continued

Total **auxiliary revenues** increased \$15 million to \$451 million in 2026, primarily due to a combination of increases in conference distributions to Athletics (up \$5 million), additional revenues from Stadium shows (up \$3 million) and increases in student housing and dining revenues (up \$3 million). **Auxiliary expenses** increased \$6 million to \$508 million, primarily due to increases in Athletics (up \$8 million). The Auxiliary portion of pension and OPEB expenses decreased \$3 million.

| <b>Educational and General Expenses</b> (in thousands) |                     |                     |                     |
|--------------------------------------------------------|---------------------|---------------------|---------------------|
|                                                        | <b>2026</b>         | <b>2025</b>         | <b>2024</b>         |
| Instruction and departmental research                  | \$ 1,416,307        | \$ 1,343,675        | \$ 1,353,677        |
| Separately budgeted research                           | 669,648             | 688,539             | 678,793             |
| Public service                                         | 200,216             | 195,931             | 196,786             |
| Academic support                                       | 371,489             | 366,965             | 354,520             |
| Student services                                       | 136,577             | 136,943             | 136,168             |
| Institutional support                                  | 367,385             | 281,842             | 297,805             |
| Operation and maintenance of plant                     | 169,322             | 149,905             | 165,849             |
| Scholarships and fellowships                           | 119,194             | 119,875             | 106,674             |
| Total                                                  | <u>\$ 3,450,138</u> | <u>\$ 3,283,675</u> | <u>\$ 3,290,272</u> |

**Educational and general expenses** increased \$166 million to \$3.45 billion in 2026. Total compensation and benefits increased \$104 million, primarily due to a \$63 million increase in pension and OPEB expense. Increases in salaries due to a 3.5% increase in faculty and staff salary guidelines were partially offset by reductions in staff headcounts. Supplies and services increased \$61 million, primarily due to accruals for legal settlements.

**Ohio State Health System** operating revenues increased \$744 million, to \$6.26 billion in 2026, driven by higher inpatient acuity and continued growth in outpatient services. Operating expenses (excluding depreciation, interest and transfers) increased \$415 million to \$5.22 billion. Excluding pension and OPEB accruals, which decreased \$44 million, Health System operating expenses increased \$459 million. An in-depth look at the Ohio State Health System, as presented in their stand-alone financial statements, is provided below.

In total, the Health System operates approximately 1,500 inpatient beds and serves as a major tertiary and quaternary referral center for Ohio and the Midwest. The Medical Center delivers superior patient care, quality outcomes, and patient safety and is proud to be celebrating its 34th consecutive year ranked on the U.S. News & World Report's Best Hospitals list. The Ohio State Wexner Medical Center has five nationally ranked specialties and two selected as high performing. U.S. News consistently ranks the Ohio State Wexner Medical Center as the top adult hospital in Columbus. Rankings are based on outcomes, structure, patient experience and expert opinion.

In 2026, Forbes ranked The Ohio State University Wexner Medical Center as one of America's Best Large Employers. This is an exciting recognition, and it means Americans who were surveyed see the Medical Center as a top employer.

The Health System is proud to be the first health system in central Ohio to have a hospital achieve Magnet Recognition, one of the highest honors awarded for nursing excellence. The Ross Heart Hospital, University Hospital and The James Cancer Hospital and Solove Research Institute are all designated Magnet hospitals.

## Management's Discussion & Analysis (Unaudited) - continued

---

Ohio State Wexner Medical Center Physicians have consistently been recognized by Castle Connolly as "Top Doctors", and the same is true for 2026. Wexner Medical Center physicians were selected by Castle Connolly because they are among the very best in their specialties.

The Ohio State University Wexner Medical Center was awarded the Greenhealth Leader Award for Environmental Sustainability from Practice Greenhealth for 2026.

In fiscal year 2026, patient admissions increased by 2.7% compared to the prior year, driven by the opening of the new University Hospital and sustained demand for inpatient services. Average length of stay improved by 2.9%, reflecting continued enhancements in care delivery efficiency. Total surgeries increased by 4.2%, supported by strong growth in outpatient surgical activity. Total outpatient volumes rose by 5.2%, primarily due to significant increases in infusion, radiology, and rehabilitation services. These favorable volume trends highlight the Health System's ability to meet growing patient demand and contributed positively to overall operational performance in 2026.

Approximately 83.8% of total operating revenues are from patient care activities, which approximated the prior year of 84.5% in 2025. Other Operating Revenues include revenue from reference labs, cafeteria operations, rental and lease agreements, and other non-patient services.

In response to the increasing complexity and significantly growing number of specialty oral and self-administered pharmaceuticals available for cancer and non-cancer patients, the Health System operates a specialty outpatient pharmacy dedicated to improving patient care by easing the challenges of managing medications. Specialty outpatient pharmacy activity contributed \$700.2 million to Health System operating revenues in 2026 compared to \$577.4 million in 2025.

Other Operating Revenues also includes a portion of the revenue shared with Nationwide Children's Hospital for the management of the Neonatal Intensive Care Unit located at the Health System. The goal of this managed unit is to standardize the care and quality outcomes of all the neonatal patients in Central Ohio. The NICU contributed \$31.4 million of operating revenues in 2026 compared to \$19.4 million in 2025.

The Health System participates in the Care Innovation and Community Improvement Program (CICIP). CICIP was developed to increase alignment of quality improvement strategies and goals between the State, Managed Care Organizations and both public and nonprofit hospital agencies. The Health System recognized \$74.1 million in Other Operating Revenues related to CICIP in 2026 compared to \$59.4 million in 2025.

Operating expenses increased by \$518.8 million, or 10.2%, from 2025 to 2026, reflecting the opening of the new University Hospital and strong patient volumes across the Health System. The Health System continued to focus on throughput, workforce retention, and optimization of the new University Hospital. Expense control and labor management remained strong and aligned with volume levels contributing to the strong operating performance in 2026.

Salaries and benefits rose by \$187.1 million, or 9.3%, driven by growth in nursing and clinical care positions and the opening of the new University Hospital. Supplies and drugs increased by \$133.9 million, or 7.4%, primarily due to higher surgical and cardiac volumes as well as higher transplants. Drug costs were further impacted by James infusion, Ambulatory Infusion as well as increased CAR-T cell therapy as volumes drove higher drugs costs for the year. Additionally, specialty outpatient pharmacy costs rose in response to higher prescription volumes in 2026. Purchased services grew

## Management's Discussion & Analysis (Unaudited) - continued

---

by \$210.3 million, or 27.6%, reflecting increased utility expenses, franchise fee, operational program support, and maintenance costs related to information technology and clinical care systems.

Consolidated operating revenues for **Ohio State University Physicians (OSUP)**, the university's central practice group for physician faculty members of The Ohio State University College of Medicine, increased \$54 million, to \$1.09 billion in 2026, due to continued investment in primary care and community outreach services, growth of specialty services, expansion in regional outpatient clinics, and increased surgical capacity with expansion of operating hours and investment in community anesthesia providers. Consolidated OSUP operating expenses increased \$117 million, to \$1.27 billion, primarily due to higher provider expenses associated with investment in patient care services growth and access improvement. In 2026, the Ohio State Health System provided **noncapital transfers to OSUP** totaling \$211 million to advance various patient care initiatives, a \$52 million increase over the prior year. OSUP balances are included in the Discretely Presented Component Units columns of the university's financial statements.

Total state operating support increased \$19 million, to \$560 million in 2026. Total **state share of instruction (SSI)** for 2026 was \$454 million, an increase of \$17 million or 4% over final 2025 distributions. **State line-item appropriations** increased \$2 million, to \$105 million, primarily reflecting increases in line-item support for Veterinary Medicine. **State capital appropriations** decreased \$6 million, to \$83 million.

Total **gifts** to the university increased \$48 million, to \$408 million in 2026, primarily reflecting a \$40 million increase in endowment gifts. Several colleges and support units received gifts in excess of \$1 million in 2026, including the Office of the President, the Office of Academic Affairs, Office of Student Life, Office of Undergraduate Education, College of Arts and Sciences, College of Engineering, College of Food, Agricultural and Environmental Sciences, College of Medicine, College of Pharmacy, College of Veterinary Medicine, University Hospitals, Health Sciences, University Libraries, Fisher College of Business, Department of Athletics, the Enterprise for Research, Innovation and Knowledge, and general university scholarships. Support came from more than 244,000 alumni and friends.

University investments yielded \$1.52 billion in **net investment income** in 2026, compared with \$1.21 billion in 2025. For 2026, the LTIP returned +16.03% compared to +11.81% in 2025.

The strong absolute return for the LTIP of +16.03% was just short of its preliminary policy benchmark of +17.08% for 2026. During that period, Public Equity returned +20.31% (compared to the benchmark of +23.67%), Hedge Funds and Opportunistic Credit returned +15.60% (compared to the preliminary benchmark of +16.40%), Private Equity returned +14.57% (compared to the benchmark of +20.01%), Real Assets returned +12.99% (compared to the benchmark of +4.90%), Cash and High-Grade Bonds returned +5.08% (compared to the benchmark of +3.79%), and Legacy Investments returned -10.11% (benchmark is return of actual underlying funds).

**Prior-Year Highlights: In 2025**, total net position increased \$1.35 billion, to \$12.23 billion at June 30, 2025. Operating revenues increased \$814 million, to \$8.67 billion, driven primarily by strong growth in health care revenues, sales and services and tuition and fee increases. Operating expenses increased \$659 million, to \$9.23 billion, primarily reflecting continued growth and strong patient volumes across the Health System. Net investment income was strong in 2025 with a \$235 million increase in net investment income over the prior year resulting from a strong performance for the LTIP (+11.81%) and strong returns for our short- and intermediate-term portfolios (+6.04%). **In**

## Management's Discussion & Analysis (Unaudited) - continued

**2024**, total net position increased \$872 million, to \$10.88 billion at June 30, 2024, primarily reflecting strong growth in health care revenues and strong performance for the LTIP.

### Statement of Cash Flows

| University Cash Flows Summary <i>(in thousands)</i>                                                              |                  |                     |                    |
|------------------------------------------------------------------------------------------------------------------|------------------|---------------------|--------------------|
|                                                                                                                  | 2026             | 2025                | 2024               |
| Net cash flows used in operating activities                                                                      | \$ (59,497)      | \$ (373,565)        | \$ (201,812)       |
| Net cash flows from noncapital financing activities                                                              | 1,096,323        | 1,007,113           | 911,746            |
| Receipts for capital projects                                                                                    | 47,718           | 42,837              | 29,857             |
| Proceeds from capital debt                                                                                       | -                | -                   | 301,736            |
| Payments for purchase or construction of capital assets                                                          | (772,937)        | (808,034)           | (951,614)          |
| Principal and interest payments on capital debt and leases, net of federal Build America Bond interest subsidies | (326,506)        | (325,592)           | (282,952)          |
| Net cash flows provided (used) in investing activities                                                           | 71,895           | 3,740               | 143,888            |
| Net increase (decrease) in cash and cash equivalents                                                             | <u>\$ 56,996</u> | <u>\$ (453,501)</u> | <u>\$ (49,151)</u> |

University cash and cash equivalents increased \$57 million in 2026. Net cash used in operating activities was \$59 million, compared to \$374 million in 2025, primarily reflecting increases in receipts for sales and services (primarily health care) which were partially offset by increases in payments for salaries, supplies and services. Net cash flows from noncapital financing activities increased \$89 million, to \$1.10 billion, primarily reflecting increases in receipts for gifts, state operating support and non-exchange grants. Payments for purchase or construction of capital assets decreased \$35 million, to \$773 million, primarily reflecting completion of University Hospital. Cash provided by investing activities was \$72 million, primarily reflecting investment income, offset by net purchases of investments.

### Strategic Context

The FY2027 Financial Plan reflects Ohio State's strong financial foundation and its alignment with the university's Education for Citizenship 2035 strategic vision. Continued strength in investment performance, sustained positive momentum at the Health System, a focus on diversified revenue streams, and meaningful progress in operational efficiencies have positioned the university to advance its long-term priorities.

The upgrade of the university's credit rating to 'AA+' by S&P further affirms Ohio State's position as one of the nation's most financially stable and forward-looking public universities, well equipped to deliver on its vision for impact, in academic excellence, research, talent, and operational capacity, cornerstones of the strategic plan.

### Investing in Education for Citizenship 2035

Ohio State's strategic plan, *Education for Citizenship 2035*, outlines a 10-year vision to position the university as the top public university in the nation. Developed with input from the university

## Management's Discussion & Analysis (Unaudited) - continued

---

community, the plan focuses on advancing academic distinction, expanding opportunity, and driving impact for Ohio and beyond.

These investments are made possible by strong operating margins and the strategic use of unrestricted funds. Our financial strength enables us to make bold investments in the future.

- *Academic Excellence:* Attracting and retaining world-class faculty who engage in transformative research that advances solutions for Ohioans and beyond; drawing companies to Ohio for the quality and quantity of our workforce, our industry friendliness and the excellence of our research; inventing technology and launching startups that create prosperity throughout our region; and investing in our high-potential academic programs.
- *Expanding Access and Affordability:* Launching tuition-free pathways for qualifying Ohio students, including the Buckeye Bridge program for low- to middle-income transfer students and the Regional Campus Commitment, which makes it possible for eligible students who start on one of Ohio State's regional campuses or Ohio State ATI to earn their degree tuition free.
- *Fostering Innovation and Opportunity:* Opening a new 26-story hospital tower, expanding the research enterprise to \$2 billion, and ensuring every undergraduate has access to paid internships and career readiness programs will prepare students for leadership in a rapidly changing world.
- *Building Community and Citizenship:* Reaffirming our commitment to civil discourse, academic freedom, and service to Ohio and the nation by producing graduates equipped with the most marketable skills and credentials, and an educational experience that aligns with the future of work: critical thinking, adaptability and ethical leadership.

### Looking Ahead

Our achievements to date reflect the collective dedication of our faculty, staff, students, alumni and supporters. Together, we are advancing Ohio State's *Education for Citizenship 2035* vision, strengthening academic and research excellence while expanding our impact as a model public university that drives economic opportunity, enhances well-being and strengthens our communities.

### Cautionary Note Regarding Forward-Looking Statements

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

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

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

## **Management's Discussion & Analysis (Unaudited) - continued**

---

results, changes in assumptions or changes in other factors affecting such forward-looking information.

**THE OHIO STATE UNIVERSITY**  
**STATEMENTS OF NET POSITION**  
**June 30, 2026 and June 30, 2025**  
(in thousands)

|                                                             | Primary Institution  |                      | Discretely Presented Component Units |                     | Total University     |                      |
|-------------------------------------------------------------|----------------------|----------------------|--------------------------------------|---------------------|----------------------|----------------------|
|                                                             | 2026                 | 2025                 | 2026                                 | 2025                | 2026                 | 2025                 |
| <b>ASSETS AND DEFERRED OUTFLOWS:</b>                        |                      |                      |                                      |                     |                      |                      |
| Current Assets:                                             |                      |                      |                                      |                     |                      |                      |
| Cash and cash equivalents                                   | \$ 694,426           | \$ 583,055           | \$ 67,882                            | \$ 141,692          | \$ 762,308           | \$ 724,747           |
| Temporary investments                                       | 2,798,592            | 2,547,137            | 114,779                              | 109,724             | 2,913,371            | 2,656,861            |
| Accounts receivable, net                                    | 1,285,291            | 1,116,751            | 119,256                              | 134,020             | 1,404,547            | 1,250,771            |
| Notes receivable - current portion, net                     | 6,456                | 6,456                | -                                    | -                   | 6,456                | 6,456                |
| Pledges receivable - current portion, net                   | 53,859               | 60,106               | -                                    | -                   | 53,859               | 60,106               |
| Accrued interest receivable                                 | 26,543               | 24,781               | -                                    | -                   | 26,543               | 24,781               |
| Inventories and prepaid expenses                            | 266,255              | 211,103              | 10,471                               | 8,618               | 276,726              | 219,721              |
| Investments held under securities lending program           | 410,652              | 925                  | -                                    | -                   | 410,652              | 925                  |
| Amounts due from (to) primary institution                   | (95,357)             | (50,520)             | 95,357                               | 50,520              | -                    | -                    |
| Total Current Assets                                        | 5,446,717            | 4,499,794            | 407,745                              | 444,574             | 5,854,462            | 4,944,368            |
| Noncurrent Assets:                                          |                      |                      |                                      |                     |                      |                      |
| Unexpended bond proceeds                                    | -                    | 54,375               | -                                    | -                   | -                    | 54,375               |
| Notes receivable, net                                       | 19,501               | 22,941               | 800                                  | 800                 | 20,301               | 23,741               |
| Pledges receivable, net                                     | 168,894              | 174,476              | -                                    | -                   | 168,894              | 174,476              |
| Net other post-employment benefit asset                     | 501,573              | 357,668              | -                                    | -                   | 501,573              | 357,668              |
| Long-term investment pool                                   | 9,744,021            | 8,619,921            | -                                    | -                   | 9,744,021            | 8,619,921            |
| Other long-term investments                                 | 335,935              | 264,581              | -                                    | -                   | 335,935              | 264,581              |
| Leases receivable, net                                      | 79,138               | 29,483               | 50,660                               | 36,518              | 129,798              | 66,001               |
| Amounts due from (to) primary institution - leases          | (85,539)             | (89,126)             | 85,539                               | 89,126              | -                    | -                    |
| Other noncurrent assets                                     | 435,074              | 359,758              | 81                                   | 197                 | 435,155              | 359,955              |
| Capital assets, net                                         | 9,172,028            | 8,940,761            | 491,498                              | 503,857             | 9,663,526            | 9,444,618            |
| Total Noncurrent Assets                                     | 20,370,625           | 18,734,838           | 628,578                              | 630,498             | 20,999,203           | 19,365,336           |
| <b>Total Assets</b>                                         | <b>25,817,342</b>    | <b>23,234,632</b>    | <b>1,036,323</b>                     | <b>1,075,072</b>    | <b>26,853,665</b>    | <b>24,309,704</b>    |
| Deferred Outflows:                                          |                      |                      |                                      |                     |                      |                      |
| Pension                                                     | 452,528              | 718,996              | -                                    | -                   | 452,528              | 718,996              |
| Other post-employment benefits                              | 50,518               | 17,543               | -                                    | -                   | 50,518               | 17,543               |
| Other deferred outflows                                     | 20,043               | 17,845               | 23,375                               | 25,453              | 43,418               | 43,298               |
| <b>Total Deferred Outflows</b>                              | <b>523,089</b>       | <b>754,384</b>       | <b>23,375</b>                        | <b>25,453</b>       | <b>546,464</b>       | <b>779,837</b>       |
| <b>Total Assets and Deferred Outflows</b>                   | <b>\$ 26,340,431</b> | <b>\$ 23,989,016</b> | <b>\$ 1,059,698</b>                  | <b>\$ 1,100,525</b> | <b>\$ 27,400,129</b> | <b>\$ 25,089,541</b> |
| <b>LIABILITIES, DEFERRED INFLOWS AND NET POSITION:</b>      |                      |                      |                                      |                     |                      |                      |
| Current Liabilities:                                        |                      |                      |                                      |                     |                      |                      |
| Accounts payable and accrued expenses                       | \$ 1,111,050         | \$ 932,162           | \$ 118,655                           | \$ 103,442          | \$ 1,229,705         | \$ 1,035,604         |
| Deposits and advance payments for goods and services        | 427,459              | 409,480              | 3,777                                | 3,025               | 431,236              | 412,505              |
| Current portion of bonds, notes and leases payable          | 144,027              | 118,427              | 8,514                                | 7,987               | 152,541              | 126,414              |
| Long-term bonds payable, subject to remarketing             | 603,820              | 603,820              | -                                    | -                   | 603,820              | 603,820              |
| Liability under securities lending program                  | 410,652              | 925                  | -                                    | -                   | 410,652              | 925                  |
| Other current liabilities                                   | 128,428              | 116,189              | 13,380                               | 10,620              | 141,808              | 126,809              |
| Amounts due to (from) primary institution                   | (111,608)            | (102,089)            | 111,608                              | 102,089             | -                    | -                    |
| Amounts due to (from) primary institution - leases          | (10,749)             | (10,406)             | 10,749                               | 10,406              | -                    | -                    |
| Total Current Liabilities                                   | 2,703,079            | 2,068,508            | 266,683                              | 237,569             | 2,969,762            | 2,306,077            |
| Noncurrent Liabilities:                                     |                      |                      |                                      |                     |                      |                      |
| Bonds, notes and leases payable                             | 3,028,909            | 3,114,135            | 45,032                               | 38,473              | 3,073,941            | 3,152,608            |
| Concessionaire payable                                      | 481,584              | 482,717              | -                                    | -                   | 481,584              | 482,717              |
| Net pension liability                                       | 2,879,384            | 3,688,568            | -                                    | -                   | 2,879,384            | 3,688,568            |
| Net other post-employment benefit liability                 | 22,317               | 22,317               | -                                    | -                   | 22,317               | 22,317               |
| Compensated absences                                        | 265,877              | 253,423              | -                                    | -                   | 265,877              | 253,423              |
| Self-insurance accruals                                     | 103,899              | 107,571              | -                                    | -                   | 103,899              | 107,571              |
| Amounts due to third-party payors - Health System           | 91,311               | 63,857               | -                                    | -                   | 91,311               | 63,857               |
| Irrevocable split-interest agreements                       | 38,129               | 36,269               | -                                    | -                   | 38,129               | 36,269               |
| Refundable advances for Federal Perkins loans               | 13,551               | 15,362               | -                                    | -                   | 13,551               | 15,362               |
| Advance from concessionaire                                 | 899,362              | 920,533              | -                                    | -                   | 899,362              | 920,533              |
| Other noncurrent liabilities                                | 467,842              | 411,962              | 4,575                                | 1,525               | 472,417              | 413,487              |
| Amounts due to (from) primary institution                   | (236,490)            | (237,533)            | 236,490                              | 237,533             | -                    | -                    |
| Amounts due to (from) primary institution - leases          | (122,754)            | (140,800)            | 122,754                              | 140,800             | -                    | -                    |
| Total Noncurrent Liabilities                                | 7,932,921            | 8,738,381            | 408,851                              | 418,331             | 8,341,772            | 9,156,712            |
| <b>Total Liabilities</b>                                    | <b>10,636,000</b>    | <b>10,806,889</b>    | <b>675,534</b>                       | <b>655,900</b>      | <b>11,311,534</b>    | <b>11,462,789</b>    |
| Deferred Inflows:                                           |                      |                      |                                      |                     |                      |                      |
| Parking service concession arrangement                      | 415,443              | 426,917              | -                                    | -                   | 415,443              | 426,917              |
| Pension                                                     | 682,203              | 124,296              | -                                    | -                   | 682,203              | 124,296              |
| Other post-employment benefits                              | 205,285              | 107,893              | -                                    | -                   | 205,285              | 107,893              |
| Other deferred inflows                                      | 319,405              | 294,291              | 153,646                              | 163,788             | 473,051              | 458,079              |
| <b>Total Deferred Inflows</b>                               | <b>1,622,336</b>     | <b>953,397</b>       | <b>153,646</b>                       | <b>163,788</b>      | <b>1,775,982</b>     | <b>1,117,185</b>     |
| Net Position:                                               |                      |                      |                                      |                     |                      |                      |
| Net investment in capital assets                            | 4,852,956            | 4,555,052            | 85,273                               | 83,365              | 4,938,229            | 4,638,417            |
| Restricted:                                                 |                      |                      |                                      |                     |                      |                      |
| Nonexpendable                                               | 2,366,013            | 2,178,273            | -                                    | -                   | 2,366,013            | 2,178,273            |
| Expendable                                                  | 2,423,466            | 1,999,998            | -                                    | -                   | 2,423,466            | 1,999,998            |
| Unrestricted                                                | 4,439,660            | 3,495,407            | 145,245                              | 197,472             | 4,584,905            | 3,692,879            |
| <b>Total Net Position</b>                                   | <b>14,082,095</b>    | <b>12,228,730</b>    | <b>230,518</b>                       | <b>280,837</b>      | <b>14,312,613</b>    | <b>12,509,567</b>    |
| <b>Total Liabilities, Deferred Inflows and Net Position</b> | <b>\$ 26,340,431</b> | <b>\$ 23,989,016</b> | <b>\$ 1,059,698</b>                  | <b>\$ 1,100,525</b> | <b>\$ 27,400,129</b> | <b>\$ 25,089,541</b> |

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

**THE OHIO STATE UNIVERSITY**  
**STATEMENTS OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET POSITION**  
**Years ended June 30, 2026 and June 30, 2025**  
**(in thousands)**

|                                                                                                                    | Primary Institution |               | Discretely Presented Component Units |            | Total University |               |
|--------------------------------------------------------------------------------------------------------------------|---------------------|---------------|--------------------------------------|------------|------------------|---------------|
|                                                                                                                    | 2026                | 2025          | 2026                                 | 2025       | 2026             | 2025          |
| Operating Revenues:                                                                                                |                     |               |                                      |            |                  |               |
| Student tuition and fees (net of scholarship allowances of \$327,857 and \$309,732, respectively)                  | \$ 1,200,871        | \$ 1,165,316  | \$ -                                 | \$ -       | \$ 1,200,871     | \$ 1,165,316  |
| Federal grants and contracts                                                                                       | 630,991             | 601,581       | 27,119                               | 23,864     | 658,110          | 625,445       |
| State grants and contracts                                                                                         | 154,050             | 184,901       | -                                    | -          | 154,050          | 184,901       |
| Local grants and contracts                                                                                         | 33,597              | 33,956        | -                                    | -          | 33,597           | 33,956        |
| Private grants and contracts                                                                                       | 425,860             | 378,830       | 50,492                               | 47,941     | 476,352          | 426,771       |
| Sales and services of educational departments                                                                      | 194,287             | 206,998       | 10,480                               | 10,673     | 204,767          | 217,671       |
| Sales and services of auxiliary enterprises (net of scholarship allowances of \$70,460 and \$70,260, respectively) | 450,741             | 436,040       | -                                    | -          | 450,741          | 436,040       |
| Sales and services of the OSU Health System, net                                                                   | 6,257,541           | 5,513,570     | -                                    | -          | 6,257,541        | 5,513,570     |
| Sales and services of OSU Physicians, net                                                                          | -                   | -             | 1,089,829                            | 1,036,031  | 1,089,829        | 1,036,031     |
| Other operating revenues                                                                                           | 128,044             | 143,910       | 25,177                               | 33,825     | 153,221          | 177,735       |
| Total Operating Revenues                                                                                           | 9,475,982           | 8,665,102     | 1,203,097                            | 1,152,334  | 10,679,079       | 9,817,436     |
| Operating Expenses:                                                                                                |                     |               |                                      |            |                  |               |
| Educational and General:                                                                                           |                     |               |                                      |            |                  |               |
| Instruction and departmental research                                                                              | 1,416,307           | 1,343,675     | 11,145                               | 12,916     | 1,427,452        | 1,356,591     |
| Separately budgeted research                                                                                       | 669,648             | 688,539       | 74,119                               | 30,764     | 743,767          | 719,303       |
| Public service                                                                                                     | 200,216             | 195,931       | 14,365                               | 10,873     | 214,581          | 206,804       |
| Academic support                                                                                                   | 371,489             | 366,965       | -                                    | -          | 371,489          | 366,965       |
| Student services                                                                                                   | 136,577             | 136,943       | -                                    | -          | 136,577          | 136,943       |
| Institutional support                                                                                              | 367,385             | 281,842       | -                                    | 34,613     | 367,385          | 316,455       |
| Operation and maintenance of plant                                                                                 | 169,322             | 149,905       | -                                    | 706        | 169,322          | 150,611       |
| Scholarships and fellowships                                                                                       | 119,194             | 119,875       | -                                    | -          | 119,194          | 119,875       |
| Auxiliary enterprises                                                                                              | 507,942             | 502,067       | -                                    | -          | 507,942          | 502,067       |
| OSU Health System                                                                                                  | 5,224,423           | 4,809,784     | -                                    | -          | 5,224,423        | 4,809,784     |
| OSU Physicians                                                                                                     | -                   | -             | 1,273,462                            | 1,156,492  | 1,273,462        | 1,156,492     |
| Depreciation and amortization                                                                                      | 682,756             | 634,086       | 47,354                               | 31,475     | 730,110          | 665,561       |
| Total Operating Expenses                                                                                           | 9,865,259           | 9,229,612     | 1,420,445                            | 1,277,839  | 11,285,704       | 10,507,451    |
| Operating Loss                                                                                                     | (389,277)           | (564,510)     | (217,348)                            | (125,505)  | (606,625)        | (690,015)     |
| Noncapital Subsidies:                                                                                              |                     |               |                                      |            |                  |               |
| State share of instruction and line-item appropriations                                                            | 559,729             | 540,728       | -                                    | -          | 559,729          | 540,728       |
| Gifts for current use                                                                                              | 222,428             | 233,052       | -                                    | 14         | 222,428          | 233,066       |
| Noncapital transfers to OSU Physicians                                                                             | (210,701)           | (158,762)     | 210,701                              | 158,762    | -                | -             |
| Noncapital transfers from OSU Physicians                                                                           | 36,217              | 33,316        | (36,217)                             | (33,316)   | -                | -             |
| Health System state-directed payment revenues                                                                      | 23,131              | -             | -                                    | -          | 23,131           | -             |
| Health System state-directed payment expenses                                                                      | (23,131)            | -             | -                                    | -          | (23,131)         | -             |
| Total Noncapital Subsidies                                                                                         | 607,673             | 648,334       | 174,484                              | 125,460    | 782,157          | 773,794       |
| Operating loss and noncapital subsidies                                                                            | 218,396             | 83,824        | (42,864)                             | (45)       | 175,532          | 83,779        |
| Other Nonoperating Revenues and Expenses:                                                                          |                     |               |                                      |            |                  |               |
| Net investment income                                                                                              | 1,520,392           | 1,207,419     | 9,339                                | 12,091     | 1,529,731        | 1,219,510     |
| State capital appropriations                                                                                       | 83,121              | 88,756        | -                                    | -          | 83,121           | 88,756        |
| Private capital gifts                                                                                              | 49,038              | 30,986        | -                                    | -          | 49,038           | 30,986        |
| Capital contributions                                                                                              | -                   | -             | -                                    | 25,000     | -                | 25,000        |
| Additions to permanent endowments                                                                                  | 136,643             | 96,347        | -                                    | -          | 136,643          | 96,347        |
| Federal subsidies for Build America Bonds interest                                                                 | 7,366               | 11,321        | -                                    | -          | 7,366            | 11,321        |
| Interest expense on plant debt                                                                                     | (161,591)           | (173,059)     | (16,794)                             | (16,279)   | (178,385)        | (189,338)     |
| Total other nonoperating revenues and expenses                                                                     | 1,634,969           | 1,261,770     | (7,455)                              | 20,812     | 1,627,514        | 1,282,582     |
| Increase (Decrease) in Net Position                                                                                | 1,853,365           | 1,345,594     | (50,319)                             | 20,767     | 1,803,046        | 1,366,361     |
| Net Position - Beginning of Year                                                                                   | 12,228,730          | 10,883,136    | 280,837                              | 260,070    | 12,509,567       | 11,143,206    |
| Net Position - End of Year                                                                                         | \$ 14,082,095       | \$ 12,228,730 | \$ 230,518                           | \$ 280,837 | \$ 14,312,613    | \$ 12,509,567 |

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

**THE OHIO STATE UNIVERSITY**  
**STATEMENTS OF CASH FLOWS**  
**Years Ended June 30, 2026 and June 30, 2025**  
(in thousands)

|                                                             | <b>Primary Institution</b> |                    |
|-------------------------------------------------------------|----------------------------|--------------------|
|                                                             | <b>2026</b>                | <b>2025</b>        |
| <b>Cash Flows from Operating Activities:</b>                |                            |                    |
| Tuition and fee receipts                                    | \$ 1,049,299               | \$ 1,066,890       |
| Grant and contract receipts                                 | 1,134,031                  | 1,000,209          |
| Receipts for sales and services                             | 6,734,490                  | 6,034,921          |
| Payments to or on behalf of employees                       | (4,171,213)                | (3,921,024)        |
| University employee benefit payments                        | (1,184,687)                | (1,151,845)        |
| Payments to vendors for supplies and services               | (3,644,572)                | (3,345,516)        |
| Payments to students and fellows                            | (142,789)                  | (142,044)          |
| Student loans issued                                        | (3,492)                    | (3,984)            |
| Student loans collected                                     | 3,214                      | 6,288              |
| Student loan interest and fees collected                    | 1,575                      | 2,434              |
| Other receipts                                              | 164,647                    | 80,106             |
| Net cash used by operating activities                       | <u>(59,497)</u>            | <u>(373,565)</u>   |
| <b>Cash Flows from Noncapital Financing Activities:</b>     |                            |                    |
| State share of instruction and line-item appropriations     | 557,570                    | 538,157            |
| Student aid grant receipts                                  | 135,485                    | 137,059            |
| Federal COVID-19 assistance programs                        | 21,913                     | 36                 |
| Gift receipts for current use                               | 214,731                    | 226,328            |
| Additions to permanent endowments                           | 136,643                    | 96,347             |
| Drawdowns of federal direct loan proceeds                   | 288,436                    | 315,450            |
| Disbursements of federal direct loans to students           | (305,838)                  | (317,085)          |
| Disbursement of loan proceeds to related organization       | -                          | (49,429)           |
| Repayment of loans from related organization                | 1,043                      | 12,962             |
| Amounts received from irrevocable split-interest agreements | 3,801                      | 4,845              |
| Amounts paid to annuitants and life beneficiaries           | (1,690)                    | (1,599)            |
| Agency funds receipts                                       | 6,658                      | 5,459              |
| Agency funds disbursements                                  | (6,607)                    | (5,720)            |
| Other receipts                                              | 44,178                     | 44,303             |
| Net cash provided by noncapital financing activities        | <u>1,096,323</u>           | <u>1,007,113</u>   |
| <b>Cash Flows from Capital Financing Activities:</b>        |                            |                    |
| Gift receipts for capital projects                          | 47,718                     | 42,837             |
| Payments for purchase or construction of capital assets     | (772,937)                  | (808,034)          |
| Principal payments on capital debt and leases               | (151,898)                  | (142,146)          |
| Interest payments on capital debt and leases                | (187,308)                  | (188,947)          |
| Federal subsidies for Build America Bonds interest          | 12,700                     | 5,501              |
| Net cash used by capital financing activities               | <u>(1,051,725)</u>         | <u>(1,090,789)</u> |
| <b>Cash Flows from Investing Activities:</b>                |                            |                    |
| Purchases of investments                                    | (7,414,841)                | (11,088,324)       |
| Proceeds from sales and maturities of investments           | 7,254,565                  | 10,836,875         |
| Investment income, net of related expenses                  | 232,171                    | 255,189            |
| Net cash provided by investing activities                   | <u>71,895</u>              | <u>3,740</u>       |
| <b>Net Increase (Decrease) in Cash</b>                      | <u>56,996</u>              | <u>(453,501)</u>   |
| Cash and Cash Equivalents - Beginning of Year               | <u>637,430</u>             | <u>1,090,931</u>   |
| Cash and Cash Equivalents - End of Year                     | <u>\$ 694,426</u>          | <u>\$ 637,430</u>  |

**THE OHIO STATE UNIVERSITY**  
**STATEMENTS OF CASH FLOWS, Cont'd**  
**Years Ended June 30, 2026 and June 30, 2025**  
(in thousands)

|                                                                                       | <b>Primary Institution</b> |              |
|---------------------------------------------------------------------------------------|----------------------------|--------------|
|                                                                                       | <b>2026</b>                | <b>2025</b>  |
| <b>Reconciliation of Net Operating Loss to Net Cash Used by Operating Activities:</b> |                            |              |
| Operating loss                                                                        | \$ (389,277)               | \$ (564,510) |
| Adjustments to reconcile net operating loss to net cash used by operating activities: |                            |              |
| Depreciation and amortization expense                                                 | 682,756                    | 634,086      |
| Student aid and federal COVID-19 assistance grants                                    | (157,398)                  | (137,095)    |
| Other nonoperating revenues                                                           | (953)                      | (8,592)      |
| Noncapital transfers to OSU Physicians                                                | (210,701)                  | (158,762)    |
| Changes in assets and liabilities:                                                    |                            |              |
| Accounts receivable, net                                                              | (171,748)                  | (157,716)    |
| Leases receivable, net                                                                | (49,655)                   | (10,168)     |
| Notes receivable, net                                                                 | (278)                      | 2,305        |
| Accrued interest receivable                                                           | (173)                      | 554          |
| Inventories and prepaid expenses                                                      | (55,152)                   | 3,324        |
| Amounts due to/from primary institution                                               | 35,318                     | (36,162)     |
| Amounts due to (from) primary institution - leases                                    | 17,703                     | 7,320        |
| Net other post-employment benefit asset                                               | (143,905)                  | (162,970)    |
| Deferred outflows                                                                     | 233,754                    | 247,647      |
| Accounts payable and accrued liabilities                                              | 224,785                    | 132,365      |
| Self-insurance accruals                                                               | (3,672)                    | 20,281       |
| Amounts due to third-party payors - Health System                                     | 27,454                     | (15,296)     |
| Deposits and advanced payments                                                        | 39,991                     | (4,469)      |
| Compensated absences                                                                  | 12,454                     | 18,619       |
| Refundable advances for Federal Perkins loans                                         | (1,811)                    | (2,779)      |
| Advance from concessionaire                                                           | (21,171)                   | (22,786)     |
| Net pension liability                                                                 | (809,184)                  | (180,657)    |
| Net other post-employment benefit liability                                           | -                          | (653)        |
| Deferred inflows                                                                      | 670,809                    | 5,975        |
| Other liabilities                                                                     | 10,557                     | 16,574       |
| Net cash used by operating activities                                                 | \$ (59,497)                | \$ (373,565) |
| <b>Non-Cash Transactions:</b>                                                         |                            |              |
| Construction in process in accounts payable                                           | \$ (45,409)                | \$ (1,042)   |
| Construction in process in concessionaire payable                                     | 28,610                     | 44,641       |
| Stock gifts                                                                           | 34,266                     | 27,460       |
| Net increase in fair value of investments                                             | 1,286,632                  | 949,532      |
| State capital appropriations                                                          | 83,121                     | 88,756       |
| Refunding of debt                                                                     | 654,785                    | 78,499       |

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

THE OHIO STATE UNIVERSITY  
COMBINING STATEMENTS OF NET POSITION  
FOR DISCRETELY PRESENTED COMPONENT UNITS  
June 30, 2026 and June 30, 2025  
(In thousands)

|                                                             | Ohio State University<br>Physicians |                   | Nonmajor<br>Component Units |                   | Total Discretely Presented<br>Component Units |                     |
|-------------------------------------------------------------|-------------------------------------|-------------------|-----------------------------|-------------------|-----------------------------------------------|---------------------|
|                                                             | 2026                                | 2025              | 2026                        | 2025              | 2026                                          | 2025                |
| <b>ASSETS AND DEFERRED OUTFLOWS:</b>                        |                                     |                   |                             |                   |                                               |                     |
| Current Assets:                                             |                                     |                   |                             |                   |                                               |                     |
| Cash and cash equivalents                                   | \$ 49,617                           | \$ 98,460         | \$ 18,265                   | \$ 43,232         | \$ 67,882                                     | \$ 141,692          |
| Temporary investments                                       | 112,438                             | 107,728           | 2,341                       | 1,996             | 114,779                                       | 109,724             |
| Accounts receivable, net                                    | 100,256                             | 119,626           | 19,000                      | 14,394            | 119,256                                       | 134,020             |
| Inventories and prepaid expenses                            | 9,467                               | 7,805             | 1,004                       | 813               | 10,471                                        | 8,618               |
| Amounts due from primary institution                        | 89,444                              | 45,191            | 5,913                       | 5,329             | 95,357                                        | 50,520              |
| Total Current Assets                                        | 361,222                             | 378,810           | 46,523                      | 65,764            | 407,745                                       | 444,574             |
| Noncurrent Assets:                                          |                                     |                   |                             |                   |                                               |                     |
| Notes receivable, net                                       | -                                   | -                 | 800                         | 800               | 800                                           | 800                 |
| Leases receivable, net                                      | 71                                  | 154               | 50,589                      | 36,364            | 50,660                                        | 36,518              |
| Amounts due from primary institution - leases               | 3,759                               | 3,946             | 81,780                      | 85,180            | 85,539                                        | 89,126              |
| Other noncurrent assets                                     | -                                   | -                 | 81                          | 197               | 81                                            | 197                 |
| Capital assets, net                                         | 165,277                             | 175,898           | 326,221                     | 327,959           | 491,498                                       | 503,857             |
| Total Noncurrent Assets                                     | 169,107                             | 179,998           | 459,471                     | 450,500           | 628,578                                       | 630,498             |
| <b>Total Assets</b>                                         | <b>530,329</b>                      | <b>558,808</b>    | <b>505,994</b>              | <b>516,264</b>    | <b>1,036,323</b>                              | <b>1,075,072</b>    |
| Deferred Outflows:                                          |                                     |                   |                             |                   |                                               |                     |
| Other deferred outflows                                     | -                                   | -                 | 23,375                      | 25,453            | 23,375                                        | 25,453              |
| <b>Total Deferred Outflows</b>                              | <b>-</b>                            | <b>-</b>          | <b>23,375</b>               | <b>25,453</b>     | <b>23,375</b>                                 | <b>25,453</b>       |
| <b>Total Assets and Deferred Outflows</b>                   | <b>\$ 530,329</b>                   | <b>\$ 558,808</b> | <b>\$ 529,369</b>           | <b>\$ 541,717</b> | <b>\$ 1,059,698</b>                           | <b>\$ 1,100,525</b> |
| <b>LIABILITIES, DEFERRED INFLOWS AND NET POSITION:</b>      |                                     |                   |                             |                   |                                               |                     |
| Current Liabilities:                                        |                                     |                   |                             |                   |                                               |                     |
| Accounts payable and accrued expenses                       | \$ 102,530                          | \$ 91,379         | \$ 16,125                   | \$ 12,063         | \$ 118,655                                    | \$ 103,442          |
| Deposits and advance payments for goods and services        | -                                   | -                 | 3,777                       | 3,025             | 3,777                                         | 3,025               |
| Current portion of bonds, notes and leases payable          | 5,395                               | 4,877             | 3,119                       | 3,110             | 8,514                                         | 7,987               |
| Other current liabilities                                   | 13,380                              | 10,620            | -                           | -                 | 13,380                                        | 10,620              |
| Amounts due to primary institution                          | 104,223                             | 91,199            | 7,385                       | 10,890            | 111,608                                       | 102,089             |
| Amounts due to primary institution - leases                 | 10,507                              | 10,177            | 242                         | 229               | 10,749                                        | 10,406              |
| Total Current Liabilities                                   | 236,035                             | 208,252           | 30,648                      | 29,317            | 266,683                                       | 237,569             |
| Noncurrent Liabilities:                                     |                                     |                   |                             |                   |                                               |                     |
| Bonds, notes and leases payable                             | 33,561                              | 25,775            | 11,471                      | 12,698            | 45,032                                        | 38,473              |
| Other noncurrent liabilities                                | -                                   | -                 | 4,575                       | 1,525             | 4,575                                         | 1,525               |
| Amounts due to primary institution                          | -                                   | -                 | 236,490                     | 237,533           | 236,490                                       | 237,533             |
| Amounts due to primary institution - leases                 | 110,924                             | 128,978           | 11,830                      | 11,822            | 122,754                                       | 140,800             |
| Total Noncurrent Liabilities                                | 144,485                             | 154,753           | 264,366                     | 263,578           | 408,851                                       | 418,331             |
| <b>Total Liabilities</b>                                    | <b>380,520</b>                      | <b>363,005</b>    | <b>295,014</b>              | <b>292,895</b>    | <b>675,534</b>                                | <b>655,900</b>      |
| Deferred Inflows:                                           |                                     |                   |                             |                   |                                               |                     |
| Other deferred inflows                                      | 3,491                               | 3,774             | 150,155                     | 160,014           | 153,646                                       | 163,788             |
| <b>Total Deferred Inflows</b>                               | <b>3,491</b>                        | <b>3,774</b>      | <b>150,155</b>              | <b>160,014</b>    | <b>153,646</b>                                | <b>163,788</b>      |
| Net Position:                                               |                                     |                   |                             |                   |                                               |                     |
| Net investment in capital assets                            | 4,890                               | 6,090             | 80,383                      | 77,275            | 85,273                                        | 83,365              |
| Unrestricted                                                | 141,428                             | 185,939           | 3,817                       | 11,533            | 145,245                                       | 197,472             |
| <b>Total Net Position</b>                                   | <b>146,318</b>                      | <b>192,029</b>    | <b>84,200</b>               | <b>88,808</b>     | <b>230,518</b>                                | <b>280,837</b>      |
| <b>Total Liabilities, Deferred Inflows and Net Position</b> | <b>\$ 530,329</b>                   | <b>\$ 558,808</b> | <b>\$ 529,369</b>           | <b>\$ 541,717</b> | <b>\$ 1,059,698</b>                           | <b>\$ 1,100,525</b> |

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

THE OHIO STATE UNIVERSITY  
**COMBINING STATEMENTS OF REVENUES, EXPENSES, AND  
CHANGES IN NET POSITION**  
**FOR DISCRETELY PRESENTED COMPONENT UNITS**  
Years ended June 30, 2026 and June 30, 2025  
(in thousands)

|                                                  | Ohio State University<br>Physicians |                   | Nonmajor<br>Component Units |                  | Total Discretely Presented<br>Component Units |                   |
|--------------------------------------------------|-------------------------------------|-------------------|-----------------------------|------------------|-----------------------------------------------|-------------------|
|                                                  | 2026                                | 2025              | 2026                        | 2025             | 2026                                          | 2025              |
| Operating Revenues:                              |                                     |                   |                             |                  |                                               |                   |
| Federal grants and contracts                     | \$ -                                | \$ -              | \$ 27,119                   | \$ 23,864        | \$ 27,119                                     | \$ 23,864         |
| Private grants and contracts                     | -                                   | -                 | 50,492                      | 47,941           | 50,492                                        | 47,941            |
| Sales and services of educational departments    | -                                   | -                 | 10,480                      | 10,673           | 10,480                                        | 10,673            |
| Sales and services of OSU Physicians, net        | 1,089,829                           | 1,036,031         | -                           | -                | 1,089,829                                     | 1,036,031         |
| Other operating revenues                         | (9,253)                             | (4,924)           | 34,430                      | 38,749           | 25,177                                        | 33,825            |
| Total Operating Revenues                         | <u>1,080,576</u>                    | <u>1,031,107</u>  | <u>122,521</u>              | <u>121,227</u>   | <u>1,203,097</u>                              | <u>1,152,334</u>  |
| Operating Expenses:                              |                                     |                   |                             |                  |                                               |                   |
| Educational and General:                         |                                     |                   |                             |                  |                                               |                   |
| Instruction and departmental research            | -                                   | -                 | 11,145                      | 12,916           | 11,145                                        | 12,916            |
| Separately budgeted research                     | -                                   | -                 | 74,119                      | 30,764           | 74,119                                        | 30,764            |
| Public service                                   | -                                   | -                 | 14,365                      | 10,873           | 14,365                                        | 10,873            |
| Institutional support                            | -                                   | -                 | -                           | 34,613           | -                                             | 34,613            |
| Operation and maintenance of plant               | -                                   | -                 | -                           | 706              | -                                             | 706               |
| OSU Physicians                                   | 1,273,462                           | 1,156,492         | -                           | -                | 1,273,462                                     | 1,156,492         |
| Depreciation and amortization                    | <u>26,991</u>                       | <u>12,025</u>     | <u>20,363</u>               | <u>19,450</u>    | <u>47,354</u>                                 | <u>31,475</u>     |
| Total Operating Expenses                         | <u>1,300,453</u>                    | <u>1,168,517</u>  | <u>119,992</u>              | <u>109,322</u>   | <u>1,420,445</u>                              | <u>1,277,839</u>  |
| Operating Income (loss)                          | (219,877)                           | (137,410)         | 2,529                       | 11,905           | (217,348)                                     | (125,505)         |
| Noncapital Subsidies:                            |                                     |                   |                             |                  |                                               |                   |
| Noncapital transfers to OSU Physicians           | 210,701                             | 158,762           | -                           | -                | 210,701                                       | 158,762           |
| Noncapital transfers from OSU Physicians         | (36,217)                            | (33,316)          | -                           | -                | (36,217)                                      | (33,316)          |
| Gifts for current use                            | -                                   | 14                | -                           | -                | -                                             | 14                |
| Total Noncapital Subsidies                       | <u>174,484</u>                      | <u>125,460</u>    | <u>-</u>                    | <u>-</u>         | <u>174,484</u>                                | <u>125,460</u>    |
| Operating income (loss) and noncapital subsidies | (45,393)                            | (11,950)          | 2,529                       | 11,905           | (42,864)                                      | (45)              |
| Other Nonoperating Revenues and Expenses:        |                                     |                   |                             |                  |                                               |                   |
| Net investment income                            | 7,166                               | 10,053            | 2,173                       | 2,038            | 9,339                                         | 12,091            |
| Capital contributions                            | -                                   | -                 | -                           | 25,000           | -                                             | 25,000            |
| Interest expense on plant debt                   | <u>(7,484)</u>                      | <u>(7,290)</u>    | <u>(9,310)</u>              | <u>(8,989)</u>   | <u>(16,794)</u>                               | <u>(16,279)</u>   |
| Total other nonoperating revenues and expenses   | <u>(318)</u>                        | <u>2,763</u>      | <u>(7,137)</u>              | <u>18,049</u>    | <u>(7,455)</u>                                | <u>20,812</u>     |
| Increase (Decrease) in Net Position              | (45,711)                            | (9,187)           | (4,608)                     | 29,954           | (50,319)                                      | 20,767            |
| Net Position - Beginning of Year                 | <u>192,029</u>                      | <u>201,216</u>    | <u>88,808</u>               | <u>58,854</u>    | <u>280,837</u>                                | <u>260,070</u>    |
| Net Position - End of Year                       | <u>\$ 146,318</u>                   | <u>\$ 192,029</u> | <u>\$ 84,200</u>            | <u>\$ 88,808</u> | <u>\$ 230,518</u>                             | <u>\$ 280,837</u> |

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

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

---

### NOTE 1 — SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

#### Organization

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

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

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

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

#### Basis of Presentation

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

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

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

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

---

The criteria for determining financial accountability include the following circumstances:

- Appointment of a voting majority of an organization's governing authority and the ability of the primary government (i.e., the university) to either impose its will on that organization or the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, or;
- An organization is fiscally dependent on the primary government and provides specific financial benefits to, or imposes specific financial burdens on, the primary government.
- The primary government is financially accountable for an organization if its holding of a majority equity interest in that organization does not meet the definition of an investment.

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

- **Ohio State University Foundation** – The fiscal dependency criteria apply to this not-for-profit fundraising organization, which operates exclusively for the benefit of Ohio State.
- **Ohio State University Health Plan** – The university appoints a voting majority of the board for this organization, which provides medical benefit plan administration services to the university and its faculty and staff.
- **Oval Limited** – The university holds all the voting stock of this captive insurance entity, which was established by the university to provide medical malpractice coverage to physicians in the university's medical center.
- **Pelotonia** – The fiscal dependency criteria apply to this not-for-profit fundraising organization, which operates exclusively for the benefit of Ohio State.
- **Great River Insurance** – The university is the sole member of this captive insurance entity, which was established in fiscal year 2025 to provide coverage for risks that are difficult to insure in the traditional insurance market.

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

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

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

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

---

- **Dental Faculty Practice Association, Inc.** – The university appoints a voting majority of the board for the dental practice group for faculty in the College of Dentistry.
- **Science and Technology Campus Corporation** (SciTech) – This non-profit organization, which was established for further development of the university's Science and Technology Campus, is fiscally dependent on the university.

Summary financial statement information for the university's blended component units is provided in Note 20. Combining financial statements for the university's discretely presented component units are provided immediately following the financial statements for the total university. Audited financial statements for the discretely presented component units considered to be material to the university may be obtained from the Office of the Controller. A total university column in the financial statements is provided as memorandum only for purposes of additional analysis by users.

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

### Basis of Accounting

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

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

- **Net investment in capital assets:** Capital assets, net of accumulated depreciation, and related debt attributable to the acquisition, construction or improvement of those assets.
- **Restricted - nonexpendable:** Amounts subject to externally-imposed stipulations that they be maintained in perpetuity and invested for the purpose of generating present and future income, which may either be expended or added to principal by the university. These assets primarily consist of the original gift corpus of the university's permanent endowments.
- **Restricted - expendable:** Amounts whose use is subject to externally-imposed stipulations that can be fulfilled by actions of the university pursuant to those stipulations or that expire by the passage of time.
- **Unrestricted:** Amounts not subject to externally-imposed stipulations. Substantially all unrestricted balances are internally designated for use by university departments to support working capital needs, to fund related academic or research programs, and to provide for unanticipated shortfalls in revenues and deviations in enrollment.

## **Notes to Financial Statements – Years Ended June 30, 2026 and 2025**

(dollars in thousands)

---

The university first applies resources in restricted net position when an expense or outlay is incurred for purposes for which resources in both restricted and unrestricted net position are available. For internal financial management purposes, the university classifies financial resources into funds that reflect the specific activities, objectives or restrictions of the resources.

### **Cash and Investments**

Cash and cash equivalents consist primarily of petty cash, demand deposit accounts, money market accounts, savings accounts, and investments with original maturities of ninety days or less. Such investments consist primarily of U.S. Government obligations, U.S. Agency obligations, repurchase agreements and money market funds.

Investments are reported at fair value. The average cost method is used for purposes of determining gains and losses on the sale of investments. The specific identification method is used for purposes of determining gains and losses on the sale of gifted securities.

The university holds investments in limited partnerships, private equity and other investments, which are generally reported at net asset value (NAV) of the university's interest used as a practical expedient to estimate fair value. NAVs are generally provided by the management of these limited partnerships. The purpose of this alternative investment class is to increase portfolio diversification and reduce risk due to the low correlation with other asset classes. Because these investments are not readily marketable, the estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had a ready market for the investments existed, and such differences could be material. As of June 30, 2026, the university has made commitments to limited partnerships totaling \$1,964,722 that have not yet been funded. These commitments typically extend up to twelve years.

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

### **Endowment Policy**

All endowments are invested in the university's Long-Term Investment Pool, which consists of 6,784 Board-authorized funds and 219 pending funds. Each named fund is assigned a number of shares in the Long-Term Investment Pool based on the value of the gifts, income-to-principal transfers, or transfers of operating funds to that named fund. For donor restricted endowments, the Uniform Prudent Management of Institutional Funds Act (UPMIFA), as adopted in Ohio, permits the university's Board of Trustees to appropriate an amount of realized and unrealized endowment appreciation as the Board deems prudent. The UPMIFA, as adopted in Ohio, establishes a 5% safe harbor of prudence for funds appropriated for expenditure. Net realized and unrealized appreciation, after the spending rule distributions, is retained in the Long-Term Investment Pool, and the associated net position is generally classified as restricted-expendable.

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

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

---

At June 30, 2026, the fair value of the university and Foundation gifted endowments is \$3,872,877, which is \$1,450,316 above the historical dollar value of \$2,422,561. Although the fair value of the gifted endowments in total exceeds the historical cost at June 30, 2026, there are 33 named funds that remain underwater (excluding income-to-principal transfers, or transfers of operating funds to that named fund). The fair value of these underwater funds at June 30, 2026 is \$9,939, which is \$266 below the historical dollar value of \$10,205.

At June 30, 2025, the fair value of the university and Foundation gifted endowments is \$3,330,135, which is \$1,076,234 above the historical dollar value of \$2,253,901. Although the fair value of the gifted endowments in total exceeds the historical cost at June 30, 2025, there are 82 named funds that remain underwater (excluding income-to-principal transfers, or transfers of operating funds to that named fund). The fair value of these underwater funds at June 30, 2025 is \$23,661, which is \$1,974 below the historical dollar value of \$25,635.

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

### Gift Pledges Receivable

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

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

### Inventories

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

### Capital Assets and Collections

Capital assets are long-lived assets in the service of the university and include land, buildings, improvements, equipment, software and library books. The university applies capitalization thresholds of \$5,000 for moveable equipment, \$100,000 for capital projects, and \$500,000 for software (actual dollar amounts shown). Capital assets are stated at cost or acquisition value at date of gift. Depreciation of capital assets (excluding land and construction in progress) is provided on a straight-line basis over the following estimated useful lives:

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

---

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

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

### Advance Payments for Goods and Services

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

### Derivative Instruments

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

### Operating and Nonoperating Revenues and Expenses

The university reports operating and nonoperating revenues and expenses in accordance with presentation requirements for proprietary funds. Operating revenues and expenses are defined as those revenues and expenses other than nonoperating revenues and expenses. Nonoperating revenues and expenses include subsidies received and provided, contributions to permanent and term endowments, revenues and expenses related to financing, resources from the disposal of capital assets and inventory, and investment income and expenses.

### Tuition, Room and Board

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

## **Notes to Financial Statements – Years Ended June 30, 2026 and 2025**

(dollars in thousands)

---

### **State Support**

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

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

In addition to current operating support, the State of Ohio provides funding for construction and renovation of major plant facilities on the university's campuses. This funding is reported as state capital appropriations, and the related facilities are reported as capital assets.

### **Government Grants and Contracts**

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

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

### **Ohio State Health System Revenue**

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

**Notes to Financial Statements – Years Ended June 30, 2026 and 2025**

(dollars in thousands)

Ohio State Health System patient service revenue amounts recognized from major payor sources (based on primary payor) for the years ended June 30, 2026 and 2025, respectively, are as follows:

| <b>Payor</b>                                        | <b>Primary Institution</b> |                     |
|-----------------------------------------------------|----------------------------|---------------------|
|                                                     | <b>2026</b>                | <b>2025</b>         |
| Medicare                                            | \$ 1,617,817               | \$ 1,430,080        |
| Medicaid                                            | 871,584                    | 665,711             |
| Managed Care:                                       |                            |                     |
| Anthem                                              | 1,025,411                  | 928,625             |
| United Healthcare                                   | 736,453                    | 669,727             |
| MMO                                                 | 267,807                    | 279,718             |
| Aetna                                               | 293,093                    | 245,627             |
| Other                                               | 606,858                    | 542,383             |
| Self Pay                                            | 14,117                     | 8,392               |
| Total net patient service revenue                   | 5,433,140                  | 4,770,263           |
| Add: Other Health System sales and services revenue | 824,401                    | 743,307             |
| Total Health System sales and services, net         | <u>\$ 6,257,541</u>        | <u>\$ 5,513,570</u> |

**Ohio State University Physicians Revenue**

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

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

**Charity Care and Community Benefit**

Care is provided to patients regardless of their ability to pay. A patient is classified as charity care in accordance with policies established by the Ohio State Health System and OSUP. Because collection of amounts determined to qualify as charity care are not pursued, such amounts are written off and not reported as gross patient service revenue. Ohio State Health System and OSUP maintain records to identify and monitor the level of charity care provided, including the amount of charges foregone for services rendered. Net charity care costs for the Ohio State Health System for the years ended June 30, 2026 and 2025 are \$96,409 and \$52,443, respectively, after applying an increase of \$10,224 and decrease of \$19,597, respectively, for support received under the Health Care Assurance Program (HCAP). HCAP is administered by the State of Ohio to help hospitals cover a portion of the cost of providing charity care. Charity care costs for OSUP for the years ended June 30, 2026 and 2025 are \$47,466 and \$37,293, respectively.

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

---

### Management Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses during the reporting periods. Disclosure of contingent assets and liabilities at the dates of the financial statements may also be affected. Actual results could differ from those estimates.

### Newly Issued Accounting Pronouncements

In December 2025, the GASB issued Statement No. 105, *Subsequent Events*. The standard defines subsequent events as transactions or other events that occur after the date of the financial statements but before the date the financial statements are available to be issued. It also requires the date through which subsequent events have been evaluated to be disclosed. The Statement is effective for fiscal years beginning after June 15, 2026 (FY2027).

University management is currently assessing the impact that implementation of GASB Statement No. 105 will have on the university's financial statements.

### Implementation of GASB Statement No. 103

In fiscal year 2026, the university implemented GASB Statement No. 103, *Financial Reporting Model Improvements*. The Statement includes provisions related to the presentation of Management's Discussion and Analysis, the presentation of proprietary fund statements of revenues, expenses and changes in net position and the presentation of major component unit information. The lines and captions of the university's Statement of Revenues, Expenses and Changes in Net Position have been revised to reflect the new presentation requirements, and prior year information has been reclassified accordingly. In addition, combining financial statements for the university's discretely presented component units are now presented immediately following the financial statements for the total university. The adoption of Statement No. 103 resulted in no change in net position as of July 1, 2024 for the primary institution or the discretely presented component units.

### Income Tax Status

As an integral part of the State of Ohio, the university is generally exempt from Federal and state income tax. The university is subject to the unrelated business income tax for activities that are not related to its tax-exempt purposes.

### Related Parties

Members of the Board of Trustees, officers, and employees are subject to the university's conflict of interest policies, under which business and financial relationships must be disclosed and are subject to review and approval. Disclosures about the university's related parties, including its blended and discretely presented component units, are included in notes 1, 20, and 21 to the financial statements.

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

---

### Government Combination

In October 2024, TRC Inc., a discretely presented component unit of the university, completed the acquisition of Automotive Enviro Testing, LLC, a 470-acre winter proving ground based near Baudette, Minnesota. The cold-weather facilities expand the portfolio of testing opportunities for TRC Inc's clients. The total cash consideration for the acquisition was \$40,252. The total net position acquired was \$13,240. Cash consideration provided in excess of net position acquired is reported as a deferred outflow of resources and will be attributed to future periods based on the estimated remaining useful life of the acquired capital assets.

### NOTE 2 — CASH AND CASH EQUIVALENTS

At June 30, 2026, the carrying amount of the primary institution's cash and cash equivalents is \$694,426 as compared to bank balances of \$721,207. The differences in carrying amount and bank balances are caused by outstanding checks and deposits in transit. Of the bank balances, \$2,468 is covered by federal deposit insurance and \$718,739 is uninsured but collateralized by pools of securities pledged by the depository banks and held in the name of the respective banks.

At June 30, 2025, the carrying amount of the primary institution's cash and cash equivalents is \$583,055 as compared to bank balances of \$657,189. The differences in carrying amount and bank balances are caused by outstanding checks and deposits in transit. Of the bank balances, \$3,060 is covered by federal deposit insurance and \$654,129 is uninsured but collateralized by pools of securities pledged by the depository banks and held in the name of the respective banks.

At June 30, 2026, the carrying amount of the discretely presented component units' cash, cash equivalents and restricted cash is \$67,882 as compared to bank balances of \$127,143. The differences in carrying amount and bank balances are caused by outstanding checks and deposits in transit. Of the bank balances, \$1,292 is covered by federal deposit insurance and \$125,851 is uninsured but collateralized by pools of securities pledged by the depository banks and held in the name of the respective banks.

At June 30, 2025, the carrying amount of the discretely presented component units' cash, cash equivalents and restricted cash is \$141,692 as compared to bank balances of \$143,055. The differences in carrying amount and bank balances are caused by outstanding checks and deposits in transit. Of the bank balances, \$1,746 is covered by federal deposit insurance and \$141,309 is uninsured but collateralized by pools of securities pledged by the depository banks and held in the name of the respective banks.

### NOTE 3 — INVESTMENTS

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

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

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

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

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

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

| <b>Asset Class</b>                                          | <b>Range</b> | <b>Benchmark</b>                                                           |
|-------------------------------------------------------------|--------------|----------------------------------------------------------------------------|
| Public Equity                                               | 30-55%       | MSCI All Country World Index (ACWI) – Net Dividend (ND)                    |
| Private Equity (Includes Buyouts, Growth & Venture Capital) | 15-40%       | MSCI ACWI ND - 1-Qtr. Lag                                                  |
| Real Estate & Infrastructure                                | 5-15%        | Cambridge Associates Real Estate (50%) & Infrastructure (50%) – 1 Qtr. Lag |
| Legacy Investments                                          | N/A          | Return of Actual Underlying Funds                                          |
| Hedge Funds (Includes Opportunistic Credit)                 | 0-25%        | HFRI Fund of Funds Composite (Final)                                       |
| Cash & High-Grade Bonds                                     | 0-25%        | Bloomberg Barclays U.S. Aggregate Bond                                     |

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

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

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

**Notes to Financial Statements – Years Ended June 30, 2026 and 2025**

(dollars in thousands)

Total university investments by major category for the primary institution at June 30, 2026 and 2025 are as follows:

|                                           | Primary Institution |               |
|-------------------------------------------|---------------------|---------------|
|                                           | 2026                | 2025          |
| Temporary Investments                     | \$ 2,798,592        | \$ 2,547,137  |
| Long-Term Investment Pool:                |                     |               |
| Gifted Endowment - University             | 1,673,587           | 1,495,153     |
| Gifted Endowment - OSU Foundation         | 2,199,290           | 1,834,983     |
| Quasi Endowment - Operating               | 2,034,517           | 1,876,963     |
| Quasi Endowment - Designated              | 3,836,627           | 3,412,822     |
| Total Long-Term Investment Pool           | 9,744,021           | 8,619,921     |
| Securities Lending Collateral Investments | 410,652             | 925           |
| Other Long-Term Investments               | 335,935             | 264,581       |
| Total Investments                         | \$ 13,289,200       | \$ 11,432,564 |

Certain gifted endowment funds include departmental contributions of unrestricted funds. These unrestricted funds totaled \$134,376 and \$121,070 at June 30, 2026 and June 30, 2025, respectively.

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

Total university investments by investment type for the primary institution at June 30, 2026 are as follows:

|                                       | Primary Institution |                     |                       |                                |                      |
|---------------------------------------|---------------------|---------------------|-----------------------|--------------------------------|----------------------|
|                                       | Temporary           | Long-Term           | Other                 | Securities                     | Total                |
|                                       | Investments         | Investment Pool     | Long-Term Investments | Lending Collateral Investments |                      |
| U.S. equity                           | \$ -                | \$ 1,318,323        | \$ 2,440              | \$ -                           | \$ 1,320,763         |
| International equity                  | -                   | 45,561              | -                     | -                              | 45,561               |
| Equity funds                          | 97,371              | 2,710,937           | 26,715                | -                              | 2,835,023            |
| U.S. government obligations           | 637,734             | 1,690               | 361                   | -                              | 639,785              |
| U.S. government agency obligations    | 475,506             | -                   | -                     | -                              | 475,506              |
| Corporate bonds and notes             | 1,429,111           | -                   | -                     | -                              | 1,429,111            |
| Bond funds                            | 72,429              | 280,898             | 70,302                | -                              | 423,629              |
| Foreign government bonds              | 6,391               | -                   | -                     | -                              | 6,391                |
| Real assets                           | 5                   | 522,698             | 32,734                | -                              | 555,437              |
| Hedge funds                           | -                   | 1,355,106           | -                     | -                              | 1,355,106            |
| Private equity                        | -                   | 3,369,482           | 178,788               | -                              | 3,548,270            |
| Commercial paper                      | 68,540              | -                   | -                     | -                              | 68,540               |
| Cash and cash equivalents             | -                   | 139,326             | -                     | -                              | 139,326              |
| Certificates of deposit               | 3,086               | -                   | -                     | -                              | 3,086                |
| Other                                 | 8,419               | -                   | 24,595                | -                              | 33,014               |
| Securities Lending Collateral Assets: |                     |                     |                       |                                |                      |
| U.S. government obligations           | -                   | -                   | -                     | 325,920                        | 325,920              |
| Corporate bonds and notes             | -                   | -                   | -                     | 84,658                         | 84,658               |
| Cash and other adjustments            | -                   | -                   | -                     | 74                             | 74                   |
|                                       | <u>\$ 2,798,592</u> | <u>\$ 9,744,021</u> | <u>\$ 335,935</u>     | <u>\$ 410,652</u>              | <u>\$ 13,289,200</u> |

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

Total university investments by investment type for the primary institution at June 30, 2025 are as follows:

|                                       | Primary Institution      |                              |                          |                                   |                      |
|---------------------------------------|--------------------------|------------------------------|--------------------------|-----------------------------------|----------------------|
|                                       |                          |                              | Other                    | Securities                        | Total                |
|                                       | Temporary<br>Investments | Long-Term<br>Investment Pool | Long-Term<br>Investments | Lending Collateral<br>Investments |                      |
| U.S. equity                           | \$ 148                   | \$ 1,094,987                 | \$ 6,224                 | \$ -                              | \$ 1,101,359         |
| International equity                  | -                        | 2,229                        | -                        | -                                 | 2,229                |
| Equity funds                          | 95,440                   | 2,312,318                    | 25,210                   | -                                 | 2,432,968            |
| U.S. government obligations           | 635,729                  | 1,604                        | 359                      | -                                 | 637,692              |
| U.S. government agency obligations    | 355,560                  | -                            | -                        | -                                 | 355,560              |
| Corporate bonds and notes             | 1,283,447                | 53,657                       | -                        | -                                 | 1,337,104            |
| Bond funds                            | 64,283                   | 467,588                      | 17,541                   | -                                 | 549,412              |
| Foreign government bonds              | 6,153                    | -                            | -                        | -                                 | 6,153                |
| Real assets                           | 3,555                    | 666,841                      | 29,466                   | -                                 | 699,862              |
| Hedge funds                           | -                        | 1,073,147                    | -                        | -                                 | 1,073,147            |
| Private equity                        | -                        | 2,817,254                    | 167,529                  | -                                 | 2,984,783            |
| Commercial paper                      | 92,135                   | -                            | -                        | -                                 | 92,135               |
| Cash and cash equivalents             | -                        | 130,296                      | -                        | -                                 | 130,296              |
| Certificates of deposit               | 1,826                    | -                            | -                        | -                                 | 1,826                |
| Other                                 | 8,861                    | -                            | 18,252                   | -                                 | 27,113               |
| Securities Lending Collateral Assets: |                          |                              |                          |                                   |                      |
| Cash and other adjustments            | -                        | -                            | -                        | 925                               | 925                  |
|                                       | <u>\$ 2,547,137</u>      | <u>\$ 8,619,921</u>          | <u>\$ 264,581</u>        | <u>\$ 925</u>                     | <u>\$ 11,432,564</u> |

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

|                                           | Primary Institution |                     |
|-------------------------------------------|---------------------|---------------------|
|                                           | 2026                | 2025                |
| Interest and dividends                    | \$ 329,544          | \$ 343,981          |
| Net increase in fair value of investments | 1,286,632           | 949,532             |
| Investment expenses                       | (95,784)            | (86,094)            |
| Total                                     | <u>\$ 1,520,392</u> | <u>\$ 1,207,419</u> |

### Information on Fair Value of Investments

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

Inputs are used in applying the various valuation techniques and take into account the assumptions that market participants use to make valuation decisions. Inputs may include price information, credit data, liquidity statistics, and other factors specific to the financial instrument. Observable inputs

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

---

reflect market data obtained from independent sources. In contrast, unobservable inputs reflect the entity's assumptions about how market participants would value the financial instrument.

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

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

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

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

*Net Asset Value (NAV)* – Investments whose fair value is measured at NAV are excluded from the fair value hierarchy. Investments in non-governmental entities that do not have a readily determinable fair value may be valued at NAV if the NAV is determined in accordance with the fair value measurement principles relevant to investment companies. Interests in investment funds with a NAV reported under an alternative basis or which meet the intent to sell criteria are reflected as Level 3 investments. As of June 30, 2026, the Long-Term Investment Pool does not have any funds held for secondary sale.

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

*Not Leveled* – Cash used for investing purposes is not measured at fair value and thus is not subject to the fair value disclosure requirements. Such cash amounted to \$19,765 and \$45,885 at June 30, 2026 and 2025, respectively.

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

Investments by fair value category for the primary institution at June 30, 2026 are as follows:

|                                       | Primary Institution                                |                                                        |                                                    |                                           |                      |
|---------------------------------------|----------------------------------------------------|--------------------------------------------------------|----------------------------------------------------|-------------------------------------------|----------------------|
|                                       | Quoted Prices<br>in Active<br>Markets<br>(Level 1) | Significant<br>Other Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) | NAV as<br>Practical<br>Expedient<br>(NAV) | Total<br>Fair Value  |
| U.S. equity                           | \$ 1,320,763                                       | \$ -                                                   | \$ -                                               | \$ -                                      | \$ 1,320,763         |
| International equity                  | 45,561                                             | -                                                      | -                                                  | -                                         | 45,561               |
| Equity funds                          | 124,086                                            | -                                                      | -                                                  | 2,710,937                                 | 2,835,023            |
| U.S. government obligations           | 1,690                                              | 638,095                                                | -                                                  | -                                         | 639,785              |
| U.S. government agency<br>obligations | -                                                  | 475,506                                                | -                                                  | -                                         | 475,506              |
| Corporate bonds and notes             | -                                                  | 1,429,111                                              | -                                                  | -                                         | 1,429,111            |
| Bond funds                            | 243,737                                            | -                                                      | -                                                  | 179,892                                   | 423,629              |
| Foreign government bonds              | -                                                  | 6,391                                                  | -                                                  | -                                         | 6,391                |
| Real assets                           | 125,736                                            | -                                                      | 27,049                                             | 402,652                                   | 555,437              |
| Hedge funds                           | -                                                  | -                                                      | -                                                  | 1,355,106                                 | 1,355,106            |
| Private equity                        | -                                                  | -                                                      | 161,505                                            | 3,386,765                                 | 3,548,270            |
| Commercial paper                      | -                                                  | 68,540                                                 | -                                                  | -                                         | 68,540               |
| Cash equivalents                      | 119,561                                            | -                                                      | -                                                  | -                                         | 119,561              |
| Certificates of deposit               | 3,086                                              | -                                                      | -                                                  | -                                         | 3,086                |
| Other                                 | -                                                  | 7,820                                                  | 25,194                                             | -                                         | 33,014               |
| Securities Lending Collateral Assets: |                                                    |                                                        |                                                    |                                           |                      |
| U.S. government obligations           | -                                                  | 325,920                                                | -                                                  | -                                         | 325,920              |
| Corporate bonds and notes             | -                                                  | 84,658                                                 | -                                                  | -                                         | 84,658               |
| Other                                 | -                                                  | 74                                                     | -                                                  | -                                         | 74                   |
|                                       | <u>\$ 1,984,220</u>                                | <u>\$ 3,036,115</u>                                    | <u>\$ 213,748</u>                                  | <u>\$ 8,035,352</u>                       | <u>\$ 13,269,435</u> |

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

Investments by fair value category for the primary institution at June 30, 2025 are as follows:

|                                       | Primary Institution |                     |                   |                     |                      |
|---------------------------------------|---------------------|---------------------|-------------------|---------------------|----------------------|
|                                       | Quoted Prices       | Significant         | Significant       | NAV as              | Total                |
|                                       | in Active           | Other Observable    | Unobservable      | Practical           |                      |
|                                       | Markets             | Inputs              | Inputs            | Expedient           |                      |
|                                       | (Level 1)           | (Level 2)           | (Level 3)         | (NAV)               | Fair Value           |
| U.S. equity                           | \$ 1,101,359        | \$ -                | \$ -              | \$ -                | \$ 1,101,359         |
| International equity                  | 2,229               | -                   | -                 | -                   | 2,229                |
| Equity funds                          | 120,650             | -                   | -                 | 2,312,318           | 2,432,968            |
| U.S. government obligations           | 1,604               | 636,088             | -                 | -                   | 637,692              |
| U.S. government agency obligations    | -                   | 355,560             | -                 | -                   | 355,560              |
| Corporate bonds and notes             | -                   | 1,337,104           | -                 | -                   | 1,337,104            |
| Bond funds                            | 372,346             | -                   | -                 | 177,066             | 549,412              |
| Foreign government bonds              | -                   | 6,153               | -                 | -                   | 6,153                |
| Real assets                           | 157,186             | -                   | 90,521            | 452,155             | 699,862              |
| Hedge funds                           | -                   | -                   | -                 | 1,073,147           | 1,073,147            |
| Private equity                        | -                   | -                   | 103,005           | 2,881,778           | 2,984,783            |
| Commercial paper                      | -                   | 92,135              | -                 | -                   | 92,135               |
| Cash equivalents                      | 84,411              | -                   | -                 | -                   | 84,411               |
| Certificates of deposit               | 1,826               | -                   | -                 | -                   | 1,826                |
| Other                                 | -                   | 8,296               | 18,817            | -                   | 27,113               |
| Securities Lending Collateral Assets: |                     |                     |                   |                     |                      |
| Other                                 | -                   | 925                 | -                 | -                   | 925                  |
|                                       | <u>\$ 1,841,611</u> | <u>\$ 2,436,261</u> | <u>\$ 212,343</u> | <u>\$ 6,896,464</u> | <u>\$ 11,386,679</u> |

### Additional Information on Investments Measured at the NAV

Additional information on fair values, unfunded commitments, remaining life and redemption for investments measured at the NAV for the primary institution at June 30, 2026 is as follows:

|                                                              | Fair Value          | Unfunded            | Remaining  | Redemption Notice Period                             | Redemption Restrictions                                                                                                                                                                                                                     |
|--------------------------------------------------------------|---------------------|---------------------|------------|------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                              |                     | Commitments         | Life       |                                                      |                                                                                                                                                                                                                                             |
| Equity and bond - public                                     | \$ 2,890,829        | 146,750             | No limit   | 1 to 90 days                                         | Lock-up periods range from 0-2 years. Investor-level gates may limit redemptions. Redemption requests typically require 30–90 days' notice. Certain illiquid assets may be held in side pockets, restricting redemptions until realization. |
| Hedge funds - absolute return, credit, long/short equities   | 1,355,106           | -                   | No limit   | 30 to 180 days                                       | Lock-up periods range from 0-2 years. Investor-level gates may limit redemptions. Redemption requests typically require 30–90 days' notice. Certain illiquid assets may be held in side pockets, restricting redemptions until realization. |
| Private equity - private credit, buyouts, venture, secondary | 3,386,765           | 1,389,587           | 1-12 years | Limited Partnerships are not eligible for redemption | Not redeemable                                                                                                                                                                                                                              |
| Real assets - natural resources, real estate, infrastructure | 402,652             | 290,898             | 1-12 years | Limited Partnerships are not eligible for redemption | Not redeemable                                                                                                                                                                                                                              |
|                                                              | <u>\$ 8,035,352</u> | <u>\$ 1,827,235</u> |            |                                                      |                                                                                                                                                                                                                                             |

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

### Additional Risk Disclosures for Investments

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

**Liquidity risk** – The university’s private equity and real asset investments in the Long-Term Investment Pool (LTIP) are illiquid and subject to redemption restrictions in accordance with their respective governing documents. The university’s Investment Policy defines Operating Funds available for liquidity to exclude funds invested in the LTIP, bond proceeds and certain other funds designated by leadership and requires a minimum of 90 days liquidity be maintained at all times (based on the most recent Board of Trustees’ approved budget for total expenditures).

**Interest-rate risk** – Interest-rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments with interest rates that are fixed for longer periods are likely to be subject to more variability in their fair values as a result of future changes in interest rates. University Operating Funds are used to maintain adequate liquidity within an appropriate risk profile. Under the university’s Investment Policy, the short-term working capital pool’s weighted average duration may not exceed one (1) year. The intermediate-term investment pool’s weighted average duration may not exceed five (5) years.

The maturities of the university’s interest-bearing investments for the primary institution at June 30, 2026 are as follows:

|                                        | Primary Institution |                                  |                     |                   |                   |
|----------------------------------------|---------------------|----------------------------------|---------------------|-------------------|-------------------|
|                                        | Fair Value          | Investment Maturities (in years) |                     |                   |                   |
|                                        |                     | Less than 1                      | 1 to 5              | 6 to 10           | More than 10      |
| U.S. government obligations            | \$ 639,785          | \$ 37,500                        | \$ 518,959          | \$ 83,326         | \$ -              |
| U.S. government agency obligations (a) | 467,167             | 12,532                           | 86,264              | 102,338           | 266,033           |
| Corporate bonds and notes              | 1,429,111           | 167,075                          | 889,894             | 190,413           | 181,729           |
| Bond funds                             | 423,629             | 34,750                           | 116,108             | 71,147            | 201,624           |
| Foreign governmental bonds             | 6,391               | 4,317                            | 2,074               | -                 | -                 |
| Commercial paper                       | 68,540              | 68,540                           | -                   | -                 | -                 |
| Certificates of deposit                | 3,086               | 3,086                            | -                   | -                 | -                 |
| Other governmental bonds (b)           | 7,820               | -                                | 1,248               | 3,977             | 2,595             |
| Securities Lending Collateral:         |                     |                                  |                     |                   |                   |
| U.S. government obligations            | 325,920             | 3,030                            | 298,922             | 23,968            | -                 |
| Corporate bonds and notes              | 84,658              | 26,342                           | 50,146              | 8,170             | -                 |
| <b>Total</b>                           | <b>\$ 3,456,107</b> | <b>\$ 357,172</b>                | <b>\$ 1,963,615</b> | <b>\$ 483,339</b> | <b>\$ 651,981</b> |

(a) To Be Announced (TBA) investments of \$8,339 are excluded from this caption as there are no maturities.

(b) Life insurance policies and hospital in investment subsidiaries of \$25,194 are excluded from this caption as there are no maturities.

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

The maturities of the university's interest-bearing investments for the primary institution at June 30, 2025 are as follows:

|                                        | Primary Institution |                                  |              |            |              |
|----------------------------------------|---------------------|----------------------------------|--------------|------------|--------------|
|                                        | Fair Value          | Investment Maturities (in years) |              |            |              |
|                                        |                     | Less than 1                      | 1 to 5       | 6 to 10    | More than 10 |
| U.S. government obligations            | \$ 637,692          | \$ 43,778                        | \$ 508,887   | \$ 85,027  | \$ -         |
| U.S. government agency obligations (a) | 344,114             | 2,305                            | 47,172       | 70,779     | 223,858      |
| Corporate bonds                        | 1,337,104           | 158,301                          | 851,930      | 188,395    | 138,478      |
| Bond funds                             | 549,412             | 31,959                           | 213,734      | 73,259     | 230,460      |
| Foreign governmental bonds             | 6,153               | 5,567                            | 586          | -          | -            |
| Commercial paper                       | 92,135              | 92,135                           | -            | -          | -            |
| Certificates of deposit                | 1,826               | 1,826                            | -            | -          | -            |
| Other governmental bonds (b)           | 8,296               | 1,325                            | 3,016        | 875        | 3,080        |
| Total                                  | \$ 2,976,732        | \$ 337,196                       | \$ 1,625,325 | \$ 418,335 | \$ 595,876   |

(a) TBA investments of \$11,446 are excluded from this caption as there are no maturities.

(b) Life insurance policies and hospital in investment subsidiaries of \$18,817 are excluded from this caption as there are no maturities.

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

**Credit risk** – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the holder of the investment. Credit quality information — as commonly expressed in terms of the credit ratings issued by nationally recognized statistical rating organizations such as Moody's Investors Service, Standard & Poor's, or Fitch Ratings — provides a current depiction of potential variable cash flows and credit risk. The university's Investment Policy requires Operating Funds to be invested in securities that, in aggregate, represent a credit quality of "A" or better (on a weighted average basis). Not more than five percent (5%) of operating funds will be invested in below investment grade securities.

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

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

The credit ratings of the university's interest-bearing investments for the primary institution at June 30, 2026 are as follows:

|                                    | Primary Institution |            |              |            |            |           |          |          |          |      |        |            |
|------------------------------------|---------------------|------------|--------------|------------|------------|-----------|----------|----------|----------|------|--------|------------|
|                                    | Total               | AAA        | AA           | A          | BBB        | BB        | B        | CCC      | CC       | C    | D      | Not Rated  |
| U.S. government obligations        | \$ 639,785          | \$ -       | \$ 639,785   | \$ -       | \$ -       | \$ -      | \$ -     | \$ -     | \$ -     | \$ - | \$ -   | \$ -       |
| U.S. government agency obligations | 475,506             | 2,678      | 238,227      | 9,447      | 858        | -         | -        | -        | -        | -    | -      | 224,296    |
| Corporate bonds                    | 1,429,111           | 160,114    | 64,696       | 417,499    | 460,825    | 14,843    | 883      | -        | -        | -    | -      | 310,251    |
| Bond funds                         | 423,629             | 31,270     | 61,165       | 41,938     | 46,183     | 15,738    | 9,041    | 3,768    | 4,165    | 2    | 131    | 210,228    |
| Foreign government bonds           | 6,391               | 276        | -            | 4,041      | 2,074      | -         | -        | -        | -        | -    | -      | -          |
| Commercial paper                   | 68,540              | -          | -            | 62,758     | -          | -         | -        | -        | -        | -    | -      | 5,782      |
| Certificates of deposit            | 3,086               | -          | -            | -          | -          | -         | -        | -        | -        | -    | -      | 3,086      |
| Other governmental bonds (a)       | 7,820               | 1,952      | 3,814        | 806        | 1,248      | -         | -        | -        | -        | -    | -      | -          |
| Securities Lending Collateral:     |                     |            |              |            |            |           |          |          |          |      |        |            |
| U.S. government obligations        | 325,920             | -          | 325,920      | -          | -          | -         | -        | -        | -        | -    | -      | -          |
| Corporate bonds and notes          | 84,658              | -          | 27,061       | 23,487     | 31,160     | 2,925     | 25       | -        | -        | -    | -      | -          |
| Total                              | \$ 3,464,446        | \$ 196,290 | \$ 1,360,668 | \$ 559,976 | \$ 542,348 | \$ 33,506 | \$ 9,949 | \$ 3,768 | \$ 4,165 | \$ 2 | \$ 131 | \$ 753,643 |

(a) Life insurance policies and hospital in investment subsidiaries of \$25,194 are excluded from this caption as they do not have a credit rating.

The credit ratings of the university's interest-bearing investments for the primary institution at June 30, 2025 are as follows:

|                                    | Primary Institution |            |              |            |            |           |           |          |          |      |        |            |
|------------------------------------|---------------------|------------|--------------|------------|------------|-----------|-----------|----------|----------|------|--------|------------|
|                                    | Total               | AAA        | AA           | A          | BBB        | BB        | B         | CCC      | CC       | C    | D      | Not Rated  |
| U.S. government obligations        | \$ 637,692          | \$ -       | \$ 637,692   | \$ -       | \$ -       | \$ -      | \$ -      | \$ -     | \$ -     | \$ - | \$ -   | \$ -       |
| U.S. government agency obligations | 355,560             | 11,795     | 314,280      | 23,711     | 3,813      | -         | -         | -        | -        | -    | -      | 1,961      |
| Corporate bonds                    | 1,337,104           | 122,274    | 84,251       | 431,863    | 361,453    | 38,828    | 319       | -        | -        | -    | -      | 298,116    |
| Bond funds                         | 549,412             | 25,879     | 87,788       | 24,807     | 48,605     | 32,097    | 21,328    | 4,780    | 6,146    | -    | 515    | 297,467    |
| Foreign government bonds           | 6,153               | 270        | -            | 316        | -          | -         | -         | -        | -        | -    | -      | 5,567      |
| Commercial paper                   | 92,135              | -          | -            | 5,780      | 695        | -         | -         | -        | -        | -    | -      | 85,660     |
| Certificates of deposit            | 1,826               | -          | -            | -          | -          | -         | -         | -        | -        | -    | -      | 1,826      |
| Other governmental bonds (a)       | 8,296               | -          | 4,529        | 3,767      | -          | -         | -         | -        | -        | -    | -      | -          |
| Total                              | \$ 2,988,178        | \$ 160,218 | \$ 1,128,540 | \$ 490,244 | \$ 414,566 | \$ 70,925 | \$ 21,647 | \$ 4,780 | \$ 6,146 | \$ - | \$ 515 | \$ 690,597 |

(a) Life insurance policies and hospital in investment subsidiaries of \$18,817 are excluded from this caption as they do not have a credit rating.

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

There is no investment in issuers other than U. S. government guaranteed securities that represents five percent or more of investments held at June 30, 2026 and June 30, 2025.

**Foreign currency risk** – Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. A portion of the university's investments in limited partnerships are held in Sterling, Euro, and Francs. The university is indirectly invested in additional foreign currencies through commingled funds. Commingled funds may hold a variety of international assets that align with the university's investment strategy. Currency risk can be managed by hedging the foreign currency, but many managers choose to go unhedged and accept the currency risk, which also presents an opportunity if the foreign currency becomes more valuable than the U.S. Dollar on a relative basis.

**Notes to Financial Statements – Years Ended June 30, 2026 and 2025**  
(dollars in thousands)

At June 30, 2026, exposure to foreign currency risk for the primary institution is as follows:

|                            | Primary Institution |                 |               |                                 |                                |                                    |
|----------------------------|---------------------|-----------------|---------------|---------------------------------|--------------------------------|------------------------------------|
|                            | Common<br>Stock     | Equity<br>Funds | Bond<br>Funds | Corporate<br>Bonds and<br>Notes | Foreign<br>Government<br>Bonds | Partnerships<br>and Hedge<br>Funds |
| Australian Dollar          | \$ 7,949            | (10,246)        | 1,148         | 6,059                           | -                              | -                                  |
| Brazilian Real             | -                   | 7,515           | 935           | -                               | -                              | -                                  |
| British Pound Sterling     | 2,748               | 47,649          | 4,925         | 2,592                           | -                              | 276,642                            |
| Canadian Dollar            | 6,799               | 14,157          | 312           | 701                             | -                              | -                                  |
| Chilean Peso               | -                   | (3,730)         | 116           | -                               | -                              | -                                  |
| Chinese Yuan/Yuan Renminbi | -                   | 40,660          | 237           | -                               | -                              | -                                  |
| Colombian Peso             | -                   | 1,160           | 566           | -                               | -                              | -                                  |
| Czech Koruna               | -                   | (1,504)         | 12            | -                               | -                              | -                                  |
| Danish Krone               | -                   | 34,324          | 1             | -                               | -                              | -                                  |
| Dominican Peso             | -                   | -               | 84            | -                               | 1,727                          | -                                  |
| Egyptian Pound             | -                   | (772)           | 121           | -                               | -                              | -                                  |
| Euro                       | 18,416              | 331,071         | 21,336        | 8,323                           | -                              | 304,444                            |
| Hong Kong Dollar           | 3,086               | 57,300          | 540           | -                               | -                              | -                                  |
| Hungarian Forint           | -                   | (3,135)         | 397           | -                               | -                              | -                                  |
| Icelandic Krona            | -                   | 7               | 622           | -                               | -                              | -                                  |
| Indian Rupee               | -                   | 161,200         | 426           | -                               | -                              | -                                  |
| Indonesian Rupiah          | -                   | 7,291           | (2)           | -                               | -                              | -                                  |
| Israeli New Shekel         | -                   | 128             | (79)          | -                               | -                              | -                                  |
| Japanese Yen               | 920                 | 434,082         | 443           | -                               | -                              | -                                  |
| Kazakhstani Tenge          | -                   | 35              | 48            | -                               | -                              | -                                  |
| Kuwaiti Dinar              | -                   | (264)           | (16)          | -                               | -                              | -                                  |
| Malaysian Ringgit          | -                   | 288             | 115           | -                               | -                              | -                                  |
| Mexican Peso               | -                   | (2,360)         | 1,244         | -                               | -                              | -                                  |
| New Taiwan Dollar          | -                   | 103,422         | 50            | -                               | -                              | -                                  |
| New Zealand Dollar         | 2,559               | (9,584)         | (60)          | -                               | -                              | -                                  |
| Nigerian Naira             | -                   | -               | 3             | -                               | -                              | -                                  |
| Norwegian Krone            | -                   | 2,187           | 1             | -                               | -                              | -                                  |
| Pakistan Rupee             | -                   | 11              | -             | -                               | -                              | -                                  |
| Peruvian Nuevo Sol         | -                   | 371             | 8             | -                               | -                              | -                                  |
| Philippine Peso            | -                   | 364             | 1,018         | -                               | -                              | -                                  |
| Polish Zloty               | -                   | (2,213)         | 577           | -                               | -                              | -                                  |
| Qatar Rial                 | -                   | 944             | -             | -                               | -                              | -                                  |
| Romanian New Leu           | -                   | (145)           | 5             | -                               | -                              | -                                  |
| Russian Ruble              | -                   | 14              | -             | -                               | -                              | -                                  |
| Saudi Riyal                | -                   | (1,735)         | -             | -                               | -                              | -                                  |
| Singapore Dollar           | 1,209               | 21,872          | 242           | -                               | -                              | -                                  |
| South African Rand         | -                   | 2,941           | 954           | -                               | -                              | -                                  |
| South Korean Won           | -                   | 116,151         | 70            | -                               | -                              | -                                  |
| Sri Lankan Rupee           | -                   | -               | 16            | -                               | -                              | -                                  |
| Swedish Krona              | -                   | 4,927           | 27            | -                               | -                              | -                                  |
| Swiss Franc                | 1,875               | 24,427          | 83            | -                               | -                              | 36,748                             |
| Thai Baht                  | -                   | 1,319           | 17            | -                               | -                              | -                                  |
| Tunisian Dinar             | -                   | 43              | -             | -                               | -                              | -                                  |
| Turkish Lira               | -                   | 799             | 209           | -                               | -                              | -                                  |
| UAE Dirham                 | -                   | 21,207          | 4             | -                               | -                              | -                                  |
| Uruguayan Peso             | -                   | -               | 39            | -                               | -                              | -                                  |
| Total                      | \$ 45,561           | \$ 1,402,178    | \$ 36,794     | \$ 17,675                       | \$ 1,727                       | \$ 617,834                         |

**Notes to Financial Statements – Years Ended June 30, 2026 and 2025**  
(dollars in thousands)

At June 30, 2025, exposure to foreign currency risk for the primary institution is as follows:

|                              | Primary Institution |            |                    |                     |                    |
|------------------------------|---------------------|------------|--------------------|---------------------|--------------------|
|                              | Equity              | Bond       | Corporate          | Foreign             | Partnerships       |
|                              | Funds               | Funds      | Bonds and<br>Notes | Government<br>Bonds | and Hedge<br>Funds |
| Argentine Peso               | \$ -                | \$ 5       | \$ -               | \$ -                | \$ -               |
| Australian Dollar            | 2,638               | 694        | 11,486             | -                   | 1,345              |
| Brazilian Real               | 8,806               | 753        | -                  | 5,567               | -                  |
| Canadian Dollar              | 18,386              | 199        | 243                | -                   | -                  |
| Cayman Islands Dollar        | 763                 | -          | -                  | -                   | -                  |
| Chilean Peso                 | (515)               | 1          | -                  | -                   | -                  |
| Chinese Yuan/Yuan Renminbi   | 27,920              | 313        | -                  | -                   | -                  |
| Colombian Peso               | 2,197               | 1,798      | -                  | -                   | -                  |
| Czech Koruna                 | (1,111)             | 1,098      | -                  | -                   | -                  |
| Danish Krone                 | 68,106              | 1          | -                  | -                   | -                  |
| Dominican Peso               | -                   | 153        | -                  | -                   | -                  |
| Egyptian Pound               | (955)               | 64         | -                  | -                   | -                  |
| Euro                         | 346,888             | 73,890     | 5,215              | -                   | 322,130            |
| Great Britain Pound Sterling | 60,399              | 15,364     | 2,855              | -                   | 282,236            |
| Hong Kong Dollar             | 56,266              | 154        | -                  | -                   | -                  |
| Hungarian Forint             | 473                 | 101        | -                  | -                   | -                  |
| Iceland Krona                | 10                  | -          | -                  | -                   | -                  |
| Indian Rupee                 | 153,029             | 392        | -                  | -                   | -                  |
| Indonesian Rupiah            | 12,379              | 1,956      | -                  | -                   | -                  |
| Israeli Shekel               | 1,353               | (10)       | -                  | -                   | -                  |
| Japanese Yen                 | 313,385             | 22,556     | -                  | -                   | -                  |
| Kuwaiti Dinar                | (783)               | (11)       | -                  | -                   | -                  |
| Kazakhstani Tenge            | 28                  | 74         | -                  | -                   | -                  |
| Malaysian Ringgit            | 494                 | 1,858      | -                  | -                   | -                  |
| Mexican Peso                 | 652                 | 1,631      | -                  | -                   | -                  |
| Nigerian Naira               | -                   | 13         | -                  | -                   | -                  |
| New Taiwan Dollar            | 38,172              | (67)       | -                  | -                   | -                  |
| New Turkish Lira             | (498)               | 242        | -                  | -                   | -                  |
| New Zealand Dollar           | (456)               | (3)        | -                  | -                   | -                  |
| Norwegian Krone              | 4,462               | 4          | -                  | -                   | -                  |
| Omani Rial                   | (275)               | -          | -                  | -                   | -                  |
| Pakistan Rupee               | 55                  | -          | -                  | -                   | -                  |
| Peruvian Nuevo Sol           | 58                  | 145        | -                  | -                   | -                  |
| Philippine Peso              | (189)               | 1,340      | -                  | -                   | -                  |
| Polish Zloty                 | 5,038               | 1,603      | -                  | -                   | -                  |
| Qatar Rial                   | 334                 | -          | -                  | -                   | -                  |
| Romanian New Leu             | 949                 | 22         | -                  | -                   | -                  |
| Russian Ruble                | 1,400               | -          | -                  | -                   | -                  |
| Saudi Riyal                  | (984)               | -          | -                  | -                   | -                  |
| Singapore Dollar             | 28,458              | 248        | -                  | -                   | -                  |
| South African Rand           | 8,331               | 2,751      | -                  | -                   | -                  |
| South Korean Won             | 43,563              | 408        | -                  | -                   | -                  |
| Swedish Krona                | 5,298               | (1)        | -                  | -                   | -                  |
| Swiss Franc                  | 33,447              | 173        | -                  | -                   | 34,140             |
| Thai Baht                    | (858)               | 792        | -                  | -                   | -                  |
| UAE Dirham                   | 7,451               | -          | -                  | -                   | -                  |
| Uruguay Peso                 | -                   | 31         | -                  | -                   | -                  |
| Total                        | \$ 1,244,564        | \$ 130,735 | \$ 19,799          | \$ 5,567            | \$ 639,851         |

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

---

### Securities Lending

The university engages in a securities lending program through its custodian bank for assets held within the Long-Term Investment Pool and through a third-party lending agent for assets held outside the pool. Securities loaned at June 30, 2026, were comprised of both equities and fixed income securities, and these loans were secured by collateral in the form of repurchase agreements, certificates of deposit, and cash and other adjustments. Under the terms of the lending agreements, collateral is generally maintained at a minimum of 102% of the market value of domestic securities loaned and 105% of the market value of foreign securities loaned, subject to contractual provisions governing collateral valuation, margining, and de minimis collateral deficiencies. Collateral levels are monitored and adjusted as necessary in accordance with the lending agreements.

There is no credit risk on securities loaned due to the fair value of the collateral held being greater than the fair value of securities on loan to each individual broker. The university, the custodian or securities lending agent, and the borrower each maintain the right to terminate a loan. Upon maturity or termination of a loan agreement, the custodian or securities lending agent is contractually obligated to indemnify the university if the borrowers fail to return loaned securities and if liquidation of the collateral is insufficient to replace the value of the securities loaned. Noncash collateral cannot be pledged or sold by the university without a borrower's default. While earning fees received by the university during the loan period, cash collateral is simultaneously invested in short-term, highly liquid securities in order to further increase interest earned while also matching a weighted average maturity of loans which is not to exceed 60 days for the Long-Term Investment Pool program and 185 days for assets held outside the pool.

As of June 30, 2026, securities loaned by the university amounted to a fair value of \$403,457 and were secured by collateral in the amount of \$411,373. The portion of this collateral that was received in cash amounted to \$410,652 and is reflected within the university's Statement of Net Position as a current asset and a corresponding current liability. As of June 30, 2025, securities loaned by the university amounted to a fair value of \$30,526 and were secured by collateral in the amount of \$33,514. The portion of this collateral that was received in cash amounted to \$925 and was reflected within the university's Statement of Net Position as a current asset and a corresponding current liability.

**Notes to Financial Statements – Years Ended June 30, 2026 and 2025**  
(dollars in thousands)

**NOTE 4 — ACCOUNTS, NOTES AND PLEDGES RECEIVABLE**

Accounts receivable for the primary institution at June 30, 2026 and 2025 consist of the following:

|                                                               | <b>Primary Institution</b> |              |
|---------------------------------------------------------------|----------------------------|--------------|
|                                                               | <b>2026</b>                | <b>2025</b>  |
| Patient and other receivables - OSU Health System             | \$ 1,123,925               | \$ 858,285   |
| Grant and contract receivables                                | 224,450                    | 271,842      |
| Tuition and fees receivable                                   | 37,671                     | 24,484       |
| Receivables for departmental and auxiliary sales and services | 29,499                     | 39,134       |
| State and federal receivables                                 | 7,563                      | 17,235       |
| Other receivables                                             | 20,332                     | 17,078       |
| Total receivables                                             | 1,443,440                  | 1,228,058    |
| Less: Allowances for doubtful accounts                        | 158,149                    | 111,307      |
| Total receivables, net                                        | \$ 1,285,291               | \$ 1,116,751 |

Notes receivable consist primarily of Perkins and health professions loans and are net of an allowance for doubtful accounts of \$3,882 and \$5,600 at June 30, 2026 and 2025, respectively. Federal capital contributions to the Perkins loan programs represent advances which are ultimately refundable to the federal government.

The university has recorded \$235,471 in non-endowment pledges receivable and a related allowance for doubtful accounts of \$12,718 at June 30, 2026. The university recorded \$242,825 in non-endowment pledges receivable and a related allowance for doubtful accounts of \$8,243 at June 30, 2025.

Accounts receivable for the discretely presented component units at June 30, 2026 and 2025 consist of the following:

|                                                | <b>Discretely Presented Component Units</b> |             |
|------------------------------------------------|---------------------------------------------|-------------|
|                                                | <b>2026</b>                                 | <b>2025</b> |
| Patient and other receivables - OSU Physicians | \$ 111,453                                  | \$ 130,357  |
| Other receivables                              | 21,472                                      | 16,022      |
| Total receivables                              | 132,925                                     | 146,379     |
| Less: Allowances for doubtful accounts         | 13,669                                      | 12,359      |
| Total receivables, net                         | \$ 119,256                                  | \$ 134,020  |

**Notes to Financial Statements – Years Ended June 30, 2026 and 2025**  
(dollars in thousands)

**NOTE 5 — CAPITAL ASSETS**

Capital assets activity for the primary institution for the year ended June 30, 2026 is summarized as follows:

|                                                                    | Primary Institution  |              |                              |                   |
|--------------------------------------------------------------------|----------------------|--------------|------------------------------|-------------------|
|                                                                    | Beginning<br>Balance | Additions    | Retirements<br>and Transfers | Ending<br>Balance |
| Capital assets not being depreciated:                              |                      |              |                              |                   |
| Land                                                               | \$ 161,305           | \$ 775       | \$ 484                       | \$ 161,596        |
| Intangibles                                                        | 18,465               | -            | -                            | 18,465            |
| Construction in progress                                           | 2,692,068            | 728,837      | 2,496,316                    | 924,589           |
| Total non depreciable assets                                       | 2,871,838            | 729,612      | 2,496,800                    | 1,104,650         |
| Capital assets being depreciated:                                  |                      |              |                              |                   |
| Improvements other than buildings                                  | 1,179,841            | 106,010      | -                            | 1,285,851         |
| Buildings and fixed equipment                                      | 9,189,997            | 2,209,885    | 632                          | 11,399,250        |
| Movable equipment, furniture and software                          | 2,217,226            | 288,921      | 153,967                      | 2,352,180         |
| Library books                                                      | 214,223              | 3,271        | 335                          | 217,159           |
| Total depreciable assets                                           | 12,801,287           | 2,608,087    | 154,934                      | 15,254,440        |
| Less: Accumulated depreciation for                                 |                      |              |                              |                   |
| Improvements other than buildings                                  | 618,477              | 53,435       | -                            | 671,912           |
| Buildings and fixed equipment                                      | 4,589,407            | 357,601      | 219                          | 4,946,789         |
| Movable equipment, furniture and software                          | 1,658,621            | 170,149      | 151,412                      | 1,677,358         |
| Library books                                                      | 193,852              | 4,253        | 335                          | 197,770           |
| Total accumulated depreciation                                     | 7,060,357            | 585,438      | 151,966                      | 7,493,829         |
| Total depreciable assets, net                                      | 5,740,930            | 2,022,649    | 2,968                        | 7,760,611         |
| Capital assets, net excluding lease assets                         | \$ 8,612,768         | \$ 2,752,261 | \$ 2,499,768                 | \$ 8,865,261      |
| Lease and subscription IT assets, net (Note 11)                    |                      |              |                              | 306,767           |
| Total capital assets, net as reported in statement of net position |                      |              |                              | \$ 9,172,028      |

**Notes to Financial Statements – Years Ended June 30, 2026 and 2025**  
(dollars in thousands)

Capital assets activity for the primary institution for the year ended June 30, 2025 is summarized as follows:

|                                                                    | Primary Institution  |            |                              |                   |
|--------------------------------------------------------------------|----------------------|------------|------------------------------|-------------------|
|                                                                    | Beginning<br>Balance | Additions  | Retirements<br>and Transfers | Ending<br>Balance |
| Capital assets not being depreciated:                              |                      |            |                              |                   |
| Land                                                               | \$ 158,711           | \$ 2,594   | \$ -                         | \$ 161,305        |
| Intangibles                                                        | 18,465               | -          | -                            | 18,465            |
| Construction in progress                                           | 2,179,053            | 868,418    | 355,403                      | 2,692,068         |
| Total non depreciable assets                                       | 2,356,229            | 871,012    | 355,403                      | 2,871,838         |
| Capital assets being depreciated:                                  |                      |            |                              |                   |
| Improvements other than buildings                                  | 1,134,355            | 45,486     | -                            | 1,179,841         |
| Buildings and fixed equipment                                      | 8,957,735            | 233,157    | 895                          | 9,189,997         |
| Movable equipment, furniture and software                          | 2,175,139            | 152,968    | 110,881                      | 2,217,226         |
| Library books                                                      | 211,100              | 3,496      | 373                          | 214,223           |
| Total depreciable assets                                           | 12,478,329           | 435,107    | 112,149                      | 12,801,287        |
| Less: Accumulated depreciation for                                 |                      |            |                              |                   |
| Improvements other than buildings                                  | 568,553              | 49,924     | -                            | 618,477           |
| Buildings and fixed equipment                                      | 4,273,608            | 316,642    | 843                          | 4,589,407         |
| Movable equipment, furniture and software                          | 1,597,769            | 168,258    | 107,406                      | 1,658,621         |
| Library books                                                      | 189,707              | 4,518      | 373                          | 193,852           |
| Total accumulated depreciation                                     | 6,629,637            | 539,342    | 108,622                      | 7,060,357         |
| Total depreciable assets, net                                      | 5,848,692            | (104,235)  | 3,527                        | 5,740,930         |
| Capital assets, net excluding lease assets                         | \$ 8,204,921         | \$ 766,777 | \$ 358,930                   | \$ 8,612,768      |
| Lease and subscription IT assets, net (Note 11)                    |                      |            |                              | 327,993           |
| Total capital assets, net as reported in statement of net position |                      |            |                              | \$ 8,940,761      |

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

Capital assets activity for the discretely presented component units for the year ended June 30, 2026 is summarized as follows:

|                                                                    | Discretely Presented Component Units |           |                           |                |
|--------------------------------------------------------------------|--------------------------------------|-----------|---------------------------|----------------|
|                                                                    | Beginning Balance                    | Additions | Retirements and Transfers | Ending Balance |
| Capital assets not being depreciated:                              |                                      |           |                           |                |
| Land                                                               | \$ 34,543                            | 275       | 1,338                     | \$ 33,480      |
| Intangibles                                                        | -                                    | -         | -                         | -              |
| Construction in progress                                           | 13,181                               | 38,046    | 15,327                    | 35,900         |
| Total non depreciable assets                                       | 47,724                               | 38,321    | 16,665                    | 69,380         |
| Capital assets being depreciated:                                  |                                      |           |                           |                |
| Improvements other than buildings                                  | 63,033                               | 5,036     | 93                        | 67,976         |
| Buildings and fixed equipment                                      | 336,690                              | 10,291    | 24,637                    | 322,344        |
| Movable equipment, furniture and software                          | 38,174                               | 3,616     | 3,334                     | 38,456         |
| Total depreciable assets                                           | 437,897                              | 18,943    | 28,064                    | 428,776        |
| Less: Accumulated depreciation for                                 |                                      |           |                           |                |
| Improvements other than buildings                                  | 34,333                               | 10,403    | 15,542                    | 29,194         |
| Buildings and fixed equipment                                      | 84,498                               | 13,256    | 5                         | 97,749         |
| Movable equipment, furniture and software                          | 21,885                               | 4,214     | 1,890                     | 24,209         |
| Total accumulated depreciation and amortization                    | 140,716                              | 27,873    | 17,437                    | 151,152        |
| Total depreciable assets, net                                      | 297,181                              | (8,930)   | 10,627                    | 277,624        |
| Capital assets, net                                                | \$ 344,905                           | \$ 29,391 | \$ 27,292                 | \$ 347,004     |
| Lease and subscription IT assets, net (Note 11)                    |                                      |           |                           | 144,494        |
| Total capital assets, net as reported in statement of net position |                                      |           |                           | \$ 491,498     |

Capital assets activity for the discretely presented component units for the year ended June 30, 2025 is summarized as follows:

|                                                                    | Discretely Presented Component Units |           |                           |                |
|--------------------------------------------------------------------|--------------------------------------|-----------|---------------------------|----------------|
|                                                                    | Beginning Balance                    | Additions | Retirements and Transfers | Ending Balance |
| Capital assets not being depreciated:                              |                                      |           |                           |                |
| Land                                                               | \$ 33,602                            | 941       | -                         | \$ 34,543      |
| Intangibles                                                        | -                                    | -         | -                         | -              |
| Construction in progress                                           | 7,476                                | 23,303    | 17,598                    | 13,181         |
| Total non depreciable assets                                       | 41,078                               | 24,244    | 17,598                    | 47,724         |
| Capital assets being depreciated:                                  |                                      |           |                           |                |
| Improvements other than buildings                                  | 62,449                               | 987       | 403                       | 63,033         |
| Buildings and fixed equipment                                      | 309,512                              | 28,915    | 1,737                     | 336,690        |
| Movable equipment, furniture and software                          | 48,291                               | 171       | 10,288                    | 38,174         |
| Total depreciable assets                                           | 420,252                              | 30,073    | 12,428                    | 437,897        |
| Less: Accumulated depreciation for                                 |                                      |           |                           |                |
| Improvements other than buildings                                  | 28,476                               | 6,197     | 340                       | 34,333         |
| Buildings and fixed equipment                                      | 78,647                               | 7,559     | 1,708                     | 84,498         |
| Movable equipment, furniture and software                          | 33,236                               | 534       | 11,885                    | 21,885         |
| Total accumulated depreciation and amortization                    | 140,359                              | 14,290    | 13,933                    | 140,716        |
| Total depreciable assets, net                                      | 279,893                              | 15,783    | (1,505)                   | 297,181        |
| Capital assets, net                                                | \$ 320,971                           | \$ 40,027 | \$ 16,093                 | \$ 344,905     |
| Lease and subscription IT assets, net (Note 11)                    |                                      |           |                           | 158,952        |
| Total capital assets, net as reported in statement of net position |                                      |           |                           | \$ 503,857     |

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

The university recognized asset retirement obligations (AROs) of \$18,347 at both June 30, 2026 and 2025. Assets with AROs include university facilities in which radioactive materials are used, facilities handling hazardous chemicals or waste and fuel storage tanks, all of which are subject to regulation by the State of Ohio. Liability estimates are based on decommissioning funding plans (for facilities handling radioactive materials) and historical experience (for hazardous waste facilities and fuel storage tanks). The estimated remaining useful lives of these assets range from 0 to 26 years.

### NOTE 6 — ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses for the primary institution at June 30, 2026 and 2025 consist of the following:

|                                               | Primary Institution |            |
|-----------------------------------------------|---------------------|------------|
|                                               | 2026                | 2025       |
| Payables to vendors for supplies and services | \$ 809,202          | \$ 640,763 |
| Accrued compensation and benefits             | 196,845             | 192,107    |
| Retirement system contributions payable       | 89,902              | 84,036     |
| Other accrued expenses                        | 15,101              | 15,256     |
| Total payables and accrued expenses           | \$ 1,111,050        | \$ 932,162 |

### NOTE 7 — DEPOSITS AND ADVANCE PAYMENTS FOR GOODS AND SERVICES

Deposits and advance payments for goods and services for the primary institution at June 30, 2026 and 2025 consist of the following:

|                                               | Primary Institution |            |
|-----------------------------------------------|---------------------|------------|
|                                               | 2026                | 2025       |
| Current deposits and advance payments:        |                     |            |
| Tuition and fees                              | \$ 51,169           | \$ 44,853  |
| Departmental and auxiliary sales and services | 114,703             | 98,441     |
| Affinity agreements                           | 1,354               | 2,000      |
| Advance from concessionaire                   | 23,314              | 24,648     |
| Grant and contract advances                   | 115,458             | 133,805    |
| Health system advances                        | 80,193              | 67,426     |
| Other deposits and advance payments           | 41,268              | 38,307     |
| Total current deposits and advance payments   | \$ 427,459          | \$ 409,480 |
| Noncurrent deposits and advance payments:     |                     |            |
| Advance from concessionaire                   | \$ 899,362          | \$ 920,533 |

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

Deposits and advance payments for goods and services for the discretely presented component units at June 30, 2026 and 2025 consist of the following:

|                                                       | Discretely Presented<br>Component Units |                 |
|-------------------------------------------------------|-----------------------------------------|-----------------|
|                                                       | 2026                                    | 2025            |
| Current deposits and advance payments:                |                                         |                 |
| Unearned rental income and deposits - Campus Partners | \$ 1,600                                | \$ 783          |
| Unearned revenues - Transportation Research Center    | 1,964                                   | 1,889           |
| Unearned rental income - SciTech                      | 213                                     | 353             |
| Total current deposits and advance payments           | <u>\$ 3,777</u>                         | <u>\$ 3,025</u> |
| Non-current deposits and advance payments:            |                                         |                 |
| Unearned rental income and deposits - SciTech         | \$ 4,575                                | \$ 1,525        |
| Total (shown as other non-current liabilities)        | <u>\$ 4,575</u>                         | <u>\$ 1,525</u> |

### NOTE 8 — SELF-INSURANCE ACCRUALS

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

#### Medical Malpractice

The university has established trustee self-insurance funds for professional medical malpractice liability claims with a \$4,000 limit per occurrence and \$18,000 annual aggregate. The university self-insurance funds have insurance in excess of \$4,000 per occurrence through Oval Limited, a blended component unit of the university. Effective July 1, 2024, Oval Limited provides coverage with limits of \$120,000 per occurrence and in the aggregate.

Previous coverage levels for Oval Limited are as follows:

| Accident Period for Oval | Gross Oval Limit<br>(Occurrence and Annual<br>Aggregate) |
|--------------------------|----------------------------------------------------------|
| 7/1/24 – 6/30/26         | \$120,000                                                |
| 7/1/22 – 6/30/24         | \$100,000                                                |
| 7/1/21 – 6/30/22         | \$85,000                                                 |
| 7/1/20 – 6/30/21         | \$80,000                                                 |
| 7/1/16 – 6/30/20         | \$85,000                                                 |
| 7/1/15 – 6/30/16         | \$75,000                                                 |
| 7/1/08 – 6/30/15         | \$55,000                                                 |
| 7/1/06 – 6/30/08         | \$40,000                                                 |
| 7/1/05 – 6/30/06         | \$35,000                                                 |
| 7/1/02 – 6/30/05         | \$25,000                                                 |
| 7/1/97 – 6/30/02         | \$15,000                                                 |
| 9/30/94 – 6/30/97        | \$10,000                                                 |

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

---

The limits are in excess of underlying policies with limits of \$4,000 per occurrence and \$18,000 in the aggregate. For the year ended June 30, 2026, Oval reinsured, in excess of the self-insured retention, 100% of the first \$10,000 of risk to Lloyd's of London. The next \$5,000 was fully ceded to Berkshire Hathaway Specialty Insurance, then \$15,000 ceded to The Medical Protective Insurance Company, \$10,000 ceded to Arch Specialty Insurance Company and Tokio Marine HCC, then \$10,000 ceded to ACE American Insurance Company, with the next \$15,000 of the risk to Coverys Specialty Insurance Company. Above that the Company ceded \$5,000 to Evanston Insurance Company "Markel", then \$10,000 ceded to Ironshore Specialty Insurance Company, \$15,000 ceded to Liberty Specialty Market Bermuda Ltd., then \$10,000 ceded to Ascot Underwriting Bermuda Reinsurance, \$10,000 ceded to Vantage Risk Specialty Insurance Company and the last \$5,000 ceded to Capitol Specialty Insurance Corporation Reinsurance.

The estimated liability and the related contributions to the trustee fund are based upon an independent actuarial determination as of June 30, 2026. Ohio State University Physicians participates in the university self-insurance fund for professional medical malpractice liability claims.

The university's estimate of professional malpractice liability includes provisions for known claims and actuarially determined estimates of incurred but not reported claims and incidents. This liability at June 30, 2026, of the anticipated future payments on gross claims is estimated at its present value of \$62,663 discounted at an estimated rate of 3% (university funds) and an additional \$26,464 discounted at an estimated rate of 3% (Oval Limited).

Although actual experience upon the ultimate disposition of the claims may vary from this estimate, the self-insurance fund assets of \$189,147 (which primarily consist of bond and equity funds, money market funds and U.S. treasury notes) are more than the recorded liability at June 30, 2026, and the surplus of \$100,020 is included in unrestricted net position.

At June 30, 2025, the anticipated future payments on gross claims were estimated at its present value of \$68,106 discounted at an estimated rate of 3% (university funds) and an additional \$25,126 discounted at an estimated rate of 3% (Oval Limited). The self-insurance fund assets of \$188,078 (which primarily consist of bond and equity funds, money market funds and U.S. treasury notes) were more than the recorded liability at June 30, 2025, and the surplus of \$94,846 was included in unrestricted net position.

### Employee Health Insurance

The university is also self-insured for employee health insurance. As of June 30, 2026 and 2025, \$81,016 and \$69,446, respectively, is recorded as a liability relating to both claims received but not paid and estimates of claims incurred but not yet reported.

### Workers' Compensation

Effective January 1, 2013, the university became self-insured for workers' compensation. As of June 30, 2026 and 2025, respectively, \$20,139 and \$19,766, are recorded as a liability relating to both claims received but not paid and estimates of claims incurred but not yet reported.

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

Self-insurance liability activity for the primary institution for the years ended June 30, 2026, and 2025 is as follows:

|                                              | Malpractice      |                  | Health           |                  | Workers' Compensation |                  |
|----------------------------------------------|------------------|------------------|------------------|------------------|-----------------------|------------------|
|                                              | 2026             | 2025             | 2026             | 2025             | 2026                  | 2025             |
| Liability at beginning of fiscal year        | \$ 93,232        | \$ 74,888        | \$ 69,446        | \$ 54,800        | \$ 19,766             | \$ 17,602        |
| Current year (recovery) provision for losses | 12,345           | 30,142           | 673,750          | 628,315          | 5,364                 | 7,005            |
| Claim payments                               | (16,450)         | (11,798)         | (662,180)        | (613,669)        | (4,991)               | (4,841)          |
| Balance at fiscal year end                   | <u>\$ 89,127</u> | <u>\$ 93,232</u> | <u>\$ 81,016</u> | <u>\$ 69,446</u> | <u>\$ 20,139</u>      | <u>\$ 19,766</u> |

### NOTE 9 — DEBT

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

Debt activity for the primary institution for the year ended June 30, 2026, is as follows:

|                                                                       | Primary Institution |                   |                   |                     |                   |
|-----------------------------------------------------------------------|---------------------|-------------------|-------------------|---------------------|-------------------|
|                                                                       | Beginning Balance   | Additions         | Reductions        | Ending Balance      | Current Portion   |
| <b>Direct Borrowings and Direct Placements - Notes:</b>               |                     |                   |                   |                     |                   |
| WOSU                                                                  | \$ 873              | \$ -              | \$ 158            | \$ 715              | \$ 159            |
| OH Air Quality Note Series B                                          | 2,340               | -                 | -                 | 2,340               | -                 |
| St. Stephens Church Note                                              | 1,999               | -                 | 112               | 1,887               | 118               |
| <b>Direct Borrowings and Direct Placements - Other:</b>               |                     |                   |                   |                     |                   |
| Ohio State Energy Partners                                            | 511,031             | 28,610            | 28,314            | 511,327             | 29,743            |
| <b>General Receipts Bonds - Fixed Rate:</b>                           |                     |                   |                   |                     |                   |
| 2010C, due 2040                                                       | 654,785             | -                 | 654,785           | -                   | -                 |
| 2010D, due serially through 2032                                      | 48,460              | -                 | 5,505             | 42,955              | 5,785             |
| 2011, due 2111                                                        | 500,000             | -                 | -                 | 500,000             | -                 |
| 2012A, due 2030                                                       | 6,840               | -                 | 1,285             | 5,555               | 1,320             |
| 2012B, due serially through 2033                                      | 4,800               | -                 | 530               | 4,270               | 550               |
| 2014A, due serially through 2044                                      | 37,165              | -                 | -                 | 37,165              | -                 |
| 2016A, due in 2046 and 2056                                           | 461,567             | -                 | -                 | 461,567             | -                 |
| 2016B, due serially through 2030                                      | 9,790               | -                 | 7,825             | 1,965               | -                 |
| 2017, due serially through 2028                                       | 24,280              | -                 | 7,750             | 16,530              | 8,080             |
| 2020A, due serially through 2030                                      | 109,015             | -                 | 16,535            | 92,480              | 17,930            |
| 2021A, due serially through 2052                                      | 570,285             | -                 | 10,935            | 559,350             | 11,495            |
| 2023B, due serially through 2035                                      | 262,630             | -                 | 3,090             | 259,540             | 3,245             |
| 2023C, due in 2046 and 2056                                           | 111,885             | -                 | -                 | 111,885             | -                 |
| 2024A, due serially through 2040                                      | 63,755              | -                 | 2,925             | 60,830              | 3,075             |
| 2026A, due 2035                                                       | -                   | 560,990           | -                 | 560,990             | -                 |
| <b>General Receipts Bonds - Variable Rate:</b>                        |                     |                   |                   |                     |                   |
| 2023A1, due serially through 2043                                     | 164,410             | -                 | -                 | 164,410             | 164,410           |
| 2023A2, due serially through 2043                                     | 164,410             | -                 | -                 | 164,410             | 164,410           |
| 2023D1, due serially through 2035                                     | 125,000             | -                 | -                 | 125,000             | 125,000           |
| 2023D2, due serially through 2044                                     | 150,000             | -                 | -                 | 150,000             | 150,000           |
| <b>Unamortized Bond Premiums</b>                                      | 185,557             | 94,319            | 20,956            | 258,920             | -                 |
| Total outstanding debt, excluding lease liabilities                   | <u>\$ 4,170,877</u> | <u>\$ 683,919</u> | <u>\$ 760,705</u> | <u>\$ 4,094,091</u> | <u>\$ 685,320</u> |
| Lease and subscription IT liabilities with external parties (Note 11) |                     |                   |                   | 164,249             | 62,527            |
| Total outstanding debt as reported in the statement of net position   |                     |                   |                   | <u>\$ 4,258,340</u> | <u>\$ 747,847</u> |

**Notes to Financial Statements – Years Ended June 30, 2026 and 2025**  
(dollars in thousands)

Debt activity for the primary institution for the year ended June 30, 2025, is as follows:

|                                                                       | Primary Institution  |            |            |                   |                    |
|-----------------------------------------------------------------------|----------------------|------------|------------|-------------------|--------------------|
|                                                                       | Beginning<br>Balance | Additions  | Reductions | Ending<br>Balance | Current<br>Portion |
| <b>Direct Borrowings and Direct Placements - Notes:</b>               |                      |            |            |                   |                    |
| WOSU                                                                  | \$ 1,031             | \$ -       | \$ 158     | \$ 873            | \$ 159             |
| OH Air Quality Note Series B                                          | 2,340                | -          | -          | 2,340             | -                  |
| St. Stephens Church Note                                              | 2,109                | -          | 110        | 1,999             | 113                |
| <b>Direct Borrowings and Direct Placements - Other:</b>               |                      |            |            |                   |                    |
| Ohio State Energy Partners                                            | 492,820              | 44,641     | 26,430     | 511,031           | 28,313             |
| <b>General Receipts Bonds - Fixed Rate:</b>                           |                      |            |            |                   |                    |
| 2010C, due 2040                                                       | 654,785              | -          | -          | 654,785           | -                  |
| 2010D, due serially through 2032                                      | 53,690               | -          | 5,230      | 48,460            | 5,505              |
| 2011, due 2111                                                        | 500,000              | -          | -          | 500,000           | -                  |
| 2012A, due 2030                                                       | 16,015               | -          | 9,175      | 6,840             | 1,285              |
| 2012B, due serially through 2033                                      | 5,310                | -          | 510        | 4,800             | 530                |
| 2014A, due serially through 2044                                      | 112,640              | -          | 75,475     | 37,165            | -                  |
| 2016A, due in 2046 and 2056                                           | 461,567              | -          | -          | 461,567           | -                  |
| 2016B, due serially through 2030                                      | 11,495               | -          | 1,705      | 9,790             | 1,785              |
| 2017, due serially through 2028                                       | 31,715               | -          | 7,435      | 24,280            | 7,750              |
| 2020A, due serially through 2030                                      | 132,070              | -          | 23,055     | 109,015           | 16,535             |
| 2021A, due serially through 2052                                      | 580,690              | -          | 10,405     | 570,285           | 10,935             |
| 2023B, due serially through 2035                                      | 265,570              | -          | 2,940      | 262,630           | 3,090              |
| 2023C, due in 2046 and 2056                                           | 111,885              | -          | -          | 111,885           | -                  |
| 2024A, due serially through 2040                                      | -                    | 63,755     | -          | 63,755            | 2,925              |
| <b>General Receipts Bonds - Variable Rate:</b>                        |                      |            |            |                   |                    |
| 2023A1, due serially through 2043                                     | 164,410              | -          | -          | 164,410           | 164,410            |
| 2023A2, due serially through 2043                                     | 164,410              | -          | -          | 164,410           | 164,410            |
| 2023D1, due serially through 2035                                     | 125,000              | -          | -          | 125,000           | 125,000            |
| 2023D2, due serially through 2044                                     | 150,000              | -          | -          | 150,000           | 150,000            |
| <b>Unamortized Bond Premiums</b>                                      | 197,723              | 9,751      | 21,917     | 185,557           | -                  |
| Total outstanding debt, excluding lease liabilities                   | \$ 4,237,275         | \$ 118,147 | \$ 184,545 | \$ 4,170,877      | \$ 682,745         |
| Lease and subscription IT liabilities with external parties (Note 11) |                      |            |            | 148,222           | 39,502             |
| Total outstanding debt as reported in the statement of net position   |                      |            |            | \$ 4,319,099      | \$ 722,247         |

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

Debt activity for the discretely presented component units for the year ended June 30, 2026, is as follows:

|                                                                       | Discretely Presented Component Units |           |            |                   |                    |
|-----------------------------------------------------------------------|--------------------------------------|-----------|------------|-------------------|--------------------|
|                                                                       | Beginning<br>Balance                 | Additions | Reductions | Ending<br>Balance | Current<br>Portion |
| <b>Direct Borrowings and Direct Placements:</b>                       |                                      |           |            |                   |                    |
| OSU Physicians - Series 2013 Health Care                              |                                      |           |            |                   |                    |
| Facilities Revenue Bond, due through 2035                             | \$ 7,707                             | \$ -      | \$ 679     | \$ 7,028          | \$ 697             |
| TRC Ohio Development Service Agency Note Payable                      | 2,925                                | -         | 331        | 2,594             | 335                |
| SciTech JobsOhio Note Payable                                         | 500                                  | -         | -          | 500               | -                  |
| Total outstanding debt, excluding lease liabilities                   | \$ 11,132                            | \$ -      | \$ 1,010   | \$ 10,122         | \$ 1,032           |
|                                                                       |                                      |           |            |                   |                    |
| Lease and subscription IT liabilities with external parties (Note 11) |                                      |           |            | 43,424            | 7,482              |
| Total outstanding debt as reported in the statement of net position   |                                      |           |            | \$ 53,546         | \$ 8,514           |

Debt activity for the discretely presented component units for the year ended June 30, 2025, is as follows:

|                                                                       | Discretely Presented Component Units |               |               |                   |                    |
|-----------------------------------------------------------------------|--------------------------------------|---------------|---------------|-------------------|--------------------|
|                                                                       | Beginning<br>Balance                 | Additions     | Reductions    | Ending<br>Balance | Current<br>Portion |
| <b>Direct Borrowings and Direct Placements:</b>                       |                                      |               |               |                   |                    |
| OSU Physicians - Series 2013 Health Care                              |                                      |               |               |                   |                    |
| Facilities Revenue Bond, due through 2035                             | \$ 8,370                             | \$ -          | \$ 663        | \$ 7,707          | \$ 680             |
| TRC Ohio Development Service Agency Note Payable                      | 3,253                                | -             | 328           | 2,925             | 331                |
| SciTech JobsOhio Note Payable                                         | -                                    | 500           | -             | 500               | 500                |
| Total outstanding debt, excluding lease liabilities                   | <u>\$ 11,623</u>                     | <u>\$ 500</u> | <u>\$ 991</u> | <u>\$ 11,132</u>  | <u>\$ 1,511</u>    |
| Lease and subscription IT liabilities with external parties (Note 11) |                                      |               |               | <u>35,328</u>     | <u>6,476</u>       |
| Total outstanding debt as reported in the statement of net position   |                                      |               |               | \$ 46,460         | \$ 7,987           |

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

Debt obligations are generally callable by the university, bear interest at fixed and variable rates ranging from 0% to 5.25% and mature at various dates through 2111. Maturities and interest on debt obligations for the next five years and in five-year periods for the primary institution are as follows:

|           | Primary Institution |                     |                                         |                   |  |                     |
|-----------|---------------------|---------------------|-----------------------------------------|-------------------|--|---------------------|
|           | Bonds               |                     | Direct Borrowings and Direct Placements |                   |  | Total               |
|           | Principal           | Interest            | Principal                               | Interest          |  |                     |
| 2027      | \$ 655,300          | \$ 138,320          | \$ 30,020                               | \$ 38,398         |  | \$ 862,038          |
| 2028      | 56,515              | 119,557             | 32,366                                  | 36,128            |  | 244,566             |
| 2029      | 40,655              | 117,146             | 29,825                                  | 33,857            |  | 221,483             |
| 2030      | 64,180              | 114,549             | 28,988                                  | 31,643            |  | 239,360             |
| 2031      | 37,475              | 111,994             | 28,129                                  | 29,491            |  | 207,089             |
| 2032-2036 | 918,390             | 487,257             | 136,540                                 | 116,437           |  | 1,658,624           |
| 2037-2041 | 132,010             | 311,715             | 130,702                                 | 66,116            |  | 640,543             |
| 2042-2046 | 156,150             | 282,073             | 88,370                                  | 22,020            |  | 548,613             |
| 2047-2051 | 483,248             | 192,057             | 11,329                                  | 1,215             |  | 687,849             |
| 2052-2056 | 33,100              | 169,725             | -                                       | -                 |  | 202,825             |
| 2057-2061 | 241,879             | 124,931             | -                                       | -                 |  | 366,810             |
| 2062-2066 | -                   | 120,000             | -                                       | -                 |  | 120,000             |
| 2067-2071 | -                   | 120,000             | -                                       | -                 |  | 120,000             |
| 2072-2076 | -                   | 120,000             | -                                       | -                 |  | 120,000             |
| 2077-2081 | -                   | 120,000             | -                                       | -                 |  | 120,000             |
| 2082-2086 | -                   | 120,000             | -                                       | -                 |  | 120,000             |
| 2087-2091 | -                   | 120,000             | -                                       | -                 |  | 120,000             |
| 2092-2096 | -                   | 120,000             | -                                       | -                 |  | 120,000             |
| 2097-2101 | -                   | 120,000             | -                                       | -                 |  | 120,000             |
| 2102-2106 | -                   | 120,000             | -                                       | -                 |  | 120,000             |
| 2107-2111 | 500,000             | 120,000             | -                                       | -                 |  | 620,000             |
|           | <u>\$ 3,318,902</u> | <u>\$ 3,369,324</u> | <u>\$ 516,269</u>                       | <u>\$ 375,305</u> |  | <u>\$ 7,579,800</u> |

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

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

|           | Discretely Presented Component Units    |               |                  |
|-----------|-----------------------------------------|---------------|------------------|
|           | Direct Borrowings and Direct Placements |               | Total            |
|           | Principal                               | Interest      |                  |
| 2027      | \$ 1,032                                | \$ 196        | \$ 1,228         |
| 2028      | 1,053                                   | 175           | 1,228            |
| 2029      | 1,075                                   | 153           | 1,228            |
| 2030      | 1,098                                   | 130           | 1,228            |
| 2031      | 1,121                                   | 107           | 1,228            |
| 2032-2036 | 4,243                                   | 193           | 4,436            |
|           | <u>\$ 9,622</u>                         | <u>\$ 954</u> | <u>\$ 10,576</u> |

The loan from JobsOhio totaling \$500 is not included in the table above. The loan does not yet have set contractual payment terms but is expected and intended to be repaid as contractual payment terms are agreed by SciTech and JobsOhio.

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

University bond indentures include provisions for Events of Default and Remedies. In general, if the university fails to pay any interest or principal when it is due and payable, the Trustee may, upon the request of the holders of at least 25% of the outstanding principal on the bonds, declare the principal and any accrued interest as immediately due and payable.

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

The outstanding bond indentures do not require mandatory reserves for future payment of principal and interest. However, the university has set aside \$854,213 for future debt service, which is included in unrestricted net position.

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

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

|                         | Amount<br>Defeased | Amount<br>Outstanding at<br>June 30, 2026 |
|-------------------------|--------------------|-------------------------------------------|
| General Receipts Bonds: |                    |                                           |
| Series 2010D            | \$ 3,710           | \$ 1,885                                  |
|                         | <u>\$ 3,710</u>    | <u>\$ 1,885</u>                           |

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

### Variable Rate Demand Bonds

Series 2023A and 2023D variable rate demand bonds bear interest at rates based upon yield evaluations at par of comparable securities. The maximum interest rate allowable and the effective average interest rate from issue date to June 30, 2026 are as follows:

| Series: | Interest Rate Not<br>to Exceed | Effective Average<br>Interest Rate |
|---------|--------------------------------|------------------------------------|
| 2023 A1 | 8%                             | 2.943%                             |
| 2023 A2 | 8%                             | 2.978%                             |
| 2023 D1 | 8%                             | 2.952%                             |
| 2023 D2 | 8%                             | 2.925%                             |

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

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

Although it is the university's intent to repay its variable rate demand bonds in accordance with the maturities set forth in the bond offering circulars, the university does not have "take-out agreements" in place per the GASB Interpretation No. 1 requirements. Accordingly, the university has classified

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

the total outstanding principal balances on its variable rate demand bonds as current liabilities. The obligations totaled \$603,820 at both June 30, 2026 and 2025.

### NOTE 10 – DERIVATIVE INSTRUMENTS

In connection with the June 2023 refunding of the university's Series 2013A Special Purpose General Receipts Bonds, the university issued the Series 2023A-1 and Series 2023A-2 variable rate refunding bonds (together, the Series 2023A Bonds) and entered into two pay fixed/receive floating interest rate swap agreements to convert the variable rates paid on the Series 2023A Bonds to synthetic fixed rates.

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

|                     | Notional<br>Amount | University<br>Pays   | University<br>Receives                                                                                       | Effective<br>Date | Termination<br>Date | Par Cancellation<br>Option         | Counterparty<br>Credit Rating |
|---------------------|--------------------|----------------------|--------------------------------------------------------------------------------------------------------------|-------------------|---------------------|------------------------------------|-------------------------------|
| Swap<br>Agreement 1 | \$ 164,410         | 1.188%<br>Fixed Rate | Variable Rate based<br>on Securities<br>Industry and<br>Financial Markets<br>(SIFMA) Municipal<br>Swap Index | June 1, 2023      | June 1, 2043        | 6/1/2035 at<br>University's option | A1/A+                         |
| Swap<br>Agreement 2 | \$ 164,410         | 1.264%<br>Fixed Rate | Variable Rate based<br>on SIFMA Municipal<br>Swap Index                                                      | June 1, 2023      | June 1, 2043        | 6/1/2035 at<br>University's option | Aa2/A+                        |

The forward-starting pay fixed/receive floating interest rate swap agreements are considered effective hedging derivatives as of June 30, 2026. The fair value of these swaps generally represents the estimated amount that the university would pay to terminate the swap agreements at the statement of net position date taking into account market interest rates as of June 30, 2026. The valuation inputs used to determine the fair value of these instruments are considered Level 2, as they rely on observable inputs other than quoted market prices. The notional amount represents the underlying reference of the instrument and does not represent the amount of the university's settlement obligations.

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

| Effective hedging<br>derivatives: floating-to-<br>fixed interest rate swaps | Amount     | Financial Statement<br>Classification |
|-----------------------------------------------------------------------------|------------|---------------------------------------|
| Fair Value as of June 30, 2026                                              | \$ 52,551  | Other non-current assets              |
| Change in Fair Value for Year<br>Ended June 30, 2026                        | \$ (2,824) | Deferred inflows - other              |

| Effective Hedging<br>derivatives: floating-to-<br>fixed interest rate swaps | Amount    | Financial Statement<br>Classification |
|-----------------------------------------------------------------------------|-----------|---------------------------------------|
| Fair Value as of June 30, 2025                                              | \$ 55,375 | Other non-current assets              |
| Change in Fair Value for Year<br>Ended June 30, 2025                        | \$ 11,205 | Deferred inflows - other              |

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

Using rates in effect as of June 30, 2026, the projected cash flows for the pay fixed/receive floating interest rate swaps deemed effective cash flow hedges, along with the debt service requirements of the associated variable rate debt, are summarized as follows:

| Fiscal Years | Primary Institution  |                  |                    |                   |
|--------------|----------------------|------------------|--------------------|-------------------|
|              | Variable Rate Bonds* |                  | Swap               | Total             |
|              | Principal            | Interest         | Payments, Net      | Payments          |
| 2027         | \$ -                 | \$ 8,779         | \$ (4,748)         | \$ 4,031          |
| 2028         | -                    | 8,779            | (4,748)            | 4,031             |
| 2029         | 11,895               | 8,779            | (4,748)            | 15,926            |
| 2030         | 20,740               | 8,462            | (4,577)            | 24,625            |
| 2031         | 21,020               | 7,908            | (4,277)            | 24,651            |
| 2032-2036    | 109,355              | 30,973           | (16,753)           | 123,575           |
| 2037-2041    | 116,855              | 15,979           | (8,642)            | 124,192           |
| 2042-2046    | 48,955               | 1,965            | (1,063)            | 49,857            |
|              | <u>\$ 328,820</u>    | <u>\$ 91,624</u> | <u>\$ (49,556)</u> | <u>\$ 370,888</u> |

\* Variable rate bond interest based on 06/30/2026 SIFMA rate of 2.67%

### Hedging Derivative Instrument Risk Factors

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

#### Termination Risk

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

#### Credit Risk

Contracts with positive fair values to the university expose the university to credit risk to the extent the counterparty is unable to pay the termination value upon a Termination Event or an Event of Default. As a mitigant to this risk, the university's swaps include non-parallel collateral posting thresholds under which the counterparties must post collateral if the counterparties' ratings fall to the A+/A1 ratings category for fair values in excess of \$75 million, with that threshold declining at each lower ratings category until reaching a threshold of \$5 million at BBB/Baa2. No collateral had been posted at June 30, 2026.

## NOTE 11 — LEASES AND SUBSCRIPTION-BASED IT ARRANGEMENTS

### University as Lessee and Subscription-Based IT Arrangements

The university is a lessee for various noncancellable leases of real estate and equipment. The university also has noncancellable subscription IT arrangements (similar to a lease) for the right-to-use information technology hardware and software (subscription IT arrangements). Lease and subscription IT assets are reported with capital assets. Lease and subscription IT liabilities are reported with long-term debt in the Statement of Net Position.

For leases between the primary institution and the university's discretely presented component units, the related lease receivables and payables are shown separately as amounts due to/from the primary institution in the Statement of Net Position. Transportation Research Center Inc., a discretely presented component unit of the university, entered into a Master Lease agreement and related subleases with Honda of America Manufacturing (HAM) and its affiliates which are considered lease-leaseback transactions under GASB Statement No. 87. In a lease-leaseback transaction, each party is both a lessor and lessee. Because each portion of the transaction is with the same counterparty, a right of offset exists. Lease receivables and deferred inflows associated with the HAM lease and subleases are netted against lease liabilities and lease assets for presentation in the Statement of Net Position.

Intangible right-of-use asset activity for the primary institution for the year ended June 30, 2026, is summarized as follows:

|                                               | Primary Institution |            |                |             |                |
|-----------------------------------------------|---------------------|------------|----------------|-------------|----------------|
|                                               | Beginning Balance   | Additions  | Remeasurements | Retirements | Ending Balance |
| Lease assets:                                 |                     |            |                |             |                |
| Real estate                                   | \$ 227,208          | \$ 18,994  | \$ (17,124)    | \$ 11,254   | \$ 217,824     |
| Equipment                                     | 68,396              | 6,155      | -              | -           | 74,551         |
| Total lease assets                            | 295,604             | 25,149     | (17,124)       | 11,254      | 292,375        |
| Less accumulated amortization - lease assets: |                     |            |                |             |                |
| Real estate                                   | 49,782              | 17,320     | -              | 11,823      | 55,279         |
| Equipment                                     | 46,009              | 3,908      | -              | -           | 49,917         |
| Total accumulated amortization                | 95,791              | 21,228     | -              | 11,823      | 105,196        |
| Total lease assets, net                       | 199,813             | 3,921      | (17,124)       | (569)       | 187,179        |
| Subscription IT assets                        | 359,607             | 64,704     | 3,452          | 213,966     | 213,797        |
| Less accumulated amortization                 | 231,427             | 76,090     | -              | 213,308     | 94,209         |
| Subscription IT assets, net                   | 128,180             | (11,386)   | 3,452          | 658         | 119,588        |
| Total lease and subscription IT assets, net   | \$ 327,993          | \$ (7,465) | \$ (13,672)    | \$ 89       | \$ 306,767     |

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

Intangible right-of-use asset activity for the primary institution for the year ended June 30, 2025, is summarized as follows:

|                                               | Primary Institution |           |                |             |                |
|-----------------------------------------------|---------------------|-----------|----------------|-------------|----------------|
|                                               | Beginning Balance   | Additions | Remeasurements | Retirements | Ending Balance |
| Lease assets:                                 |                     |           |                |             |                |
| Real estate                                   | \$ 207,396          | \$ 26,303 | \$ (1,157)     | \$ 5,334    | \$ 227,208     |
| Equipment                                     | 64,614              | 3,782     | -              | -           | 68,396         |
| Total lease assets                            | 272,010             | 30,085    | (1,157)        | 5,334       | 295,604        |
| Less accumulated amortization - lease assets: |                     |           |                |             |                |
| Real estate                                   | 39,073              | 16,816    | -              | 6,107       | 49,782         |
| Equipment                                     | 39,822              | 6,187     | -              | -           | 46,009         |
| Total accumulated amortization                | 78,895              | 23,003    | -              | 6,107       | 95,791         |
| Total lease assets, net                       | 193,115             | 7,082     | (1,157)        | (773)       | 199,813        |
| Subscription IT assets                        | 309,989             | 83,580    | (4,939)        | 29,023      | 359,607        |
| Less accumulated amortization                 | 188,709             | 71,741    | -              | 29,023      | 231,427        |
| Subscription IT assets, net                   | 121,280             | 11,839    | (4,939)        | -           | 128,180        |
| Total lease and subscription IT assets, net   | \$ 314,395          | \$ 18,921 | \$ (6,096)     | \$ (773)    | \$ 327,993     |

Lease liability activity for the primary institution includes both leases with external parties and leases with discretely presented component units. Lease liability activity for the primary institution for the year ended June 30, 2026, is summarized as follows:

|                                                                      | Primary Institution |           |                |            |                |                 |
|----------------------------------------------------------------------|---------------------|-----------|----------------|------------|----------------|-----------------|
|                                                                      | Beginning Balance   | Additions | Remeasurements | Reductions | Ending Balance | Current Portion |
| Lease liabilities                                                    | \$ 145,207          | \$ 17,246 | \$ 4,972       | \$ 14,495  | \$ 152,930     | \$ 13,969       |
| Subscription IT liabilities                                          | 92,141              | 57,155    | -              | 52,438     | 96,858         | 51,446          |
| Subtotal - gross lease and subscription IT liabilities               | 237,348             | 74,401    | 4,972          | 66,933     | 249,788        | 65,415          |
| Less: Amounts due to discretely presented component units            |                     |           |                |            | (85,539)       |                 |
| Lease and subscription IT liabilities with external parties (Note 9) |                     |           |                |            | \$ 164,249     | \$ 62,527       |

Lease liability activity for the primary institution for the year ended June 30, 2025, is summarized as follows:

|                                                                      | Primary Institution |           |                |            |                |                 |
|----------------------------------------------------------------------|---------------------|-----------|----------------|------------|----------------|-----------------|
|                                                                      | Beginning Balance   | Additions | Remeasurements | Reductions | Ending Balance | Current Portion |
| Lease liabilities                                                    | \$ 132,887          | \$ 22,471 | \$ 1,456       | \$ 11,607  | \$ 145,207     | \$ 8,860        |
| Subscription IT liabilities                                          | 46,973              | 85,271    | -              | 40,103     | 92,141         | 33,596          |
| Subtotal - gross lease and subscription IT liabilities               | 179,860             | 107,742   | 1,456          | 51,710     | 237,348        | 42,456          |
| Less: Amounts due to discretely presented component units            |                     |           |                |            | (89,126)       |                 |
| Lease and subscription IT liabilities with external parties (Note 9) |                     |           |                |            | \$ 148,222     | \$ 39,502       |

**Notes to Financial Statements – Years Ended June 30, 2026 and 2025**  
(dollars in thousands)

Future annual lease payments for the primary institution are as follows:

|                      | Primary Institution |                  |                   |
|----------------------|---------------------|------------------|-------------------|
|                      | Principal           | Interest         | Total             |
| Year Ending June 30, |                     |                  |                   |
| 2027                 | \$ 13,969           | \$ 6,731         | \$ 20,700         |
| 2028                 | 12,755              | 6,170            | 18,925            |
| 2029                 | 7,475               | 5,734            | 13,209            |
| 2030                 | 4,701               | 5,478            | 10,179            |
| 2031                 | 4,093               | 5,282            | 9,375             |
| 2032-2036            | 18,246              | 23,868           | 42,114            |
| 2037-2041            | 20,160              | 19,284           | 39,444            |
| 2042-2046            | 23,427              | 14,291           | 37,718            |
| 2047-2051            | 33,792              | 7,497            | 41,289            |
| 2052-2056            | 12,136              | 1,321            | 13,457            |
| 2057-2061            | 965                 | 403              | 1,368             |
| 2062-2066            | 1,211               | 146              | 1,357             |
|                      | <u>\$ 152,930</u>   | <u>\$ 96,205</u> | <u>\$ 249,135</u> |

Future annual subscription IT payments for the primary institution are as follows:

|                      | Primary Institution |                 |                   |
|----------------------|---------------------|-----------------|-------------------|
|                      | Principal           | Interest        | Total             |
| Year Ending June 30, |                     |                 |                   |
| 2027                 | \$ 51,446           | \$ 2,643        | \$ 54,089         |
| 2028                 | 24,134              | 1,138           | 25,272            |
| 2029                 | 16,370              | 298             | 16,668            |
| 2030                 | 3,407               | 82              | 3,489             |
| 2031                 | 1,201               | 14              | 1,215             |
| 2032-2036            | 300                 | -               | 300               |
|                      | <u>\$ 96,858</u>    | <u>\$ 4,175</u> | <u>\$ 101,033</u> |

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

Intangible right-of-use asset activity for the discretely presented component units for the year ended June 30, 2026, is summarized as follows:

|                                                                        | Discretely Presented Component Units |            |                |             |                |
|------------------------------------------------------------------------|--------------------------------------|------------|----------------|-------------|----------------|
|                                                                        | Beginning Balance                    | Additions  | Remeasurements | Retirements | Ending Balance |
| Lease assets:                                                          |                                      |            |                |             |                |
| Real estate                                                            | \$ 224,197                           | \$ 15,972  | \$ -           | \$ 15,222   | \$ 224,947     |
| Equipment                                                              | 1,424                                | 773        | -              | 353         | 1,844          |
| Total lease assets                                                     | 225,621                              | 16,745     | -              | 15,575      | 226,791        |
| Less accumulated amortization:                                         |                                      |            |                |             |                |
| Real estate                                                            | 55,817                               | 17,874     | -              | 1,902       | 71,789         |
| Equipment                                                              | 786                                  | 388        | -              | 353         | 821            |
| Total accumulated amortization                                         | 56,603                               | 18,262     | -              | 2,255       | 72,610         |
| Total lease assets, net                                                | 169,018                              | (1,517)    | -              | 13,320      | 154,181        |
| Subscription IT assets                                                 | 7,205                                | 138        | -              | 2,066       | 5,277          |
| Less accumulated amortization                                          | 3,767                                | 1,219      | -              | 2,066       | 2,920          |
| Subscription IT assets, net                                            | 3,438                                | (1,081)    | -              | -           | 2,357          |
| Total lease and subscription IT assets, net                            | \$ 172,456                           | \$ (2,598) | \$ -           | \$ 13,320   | \$ 156,538     |
| Less: Lease assets netted against deferred inflows for lease-leaseback |                                      |            |                |             | \$ 12,044      |
| Total lease assets, net, as presented on Statement of Net Position     |                                      |            |                |             | \$ 144,494     |

Intangible right-of-use asset activity for the discretely presented component units for the year ended June 30, 2025, is summarized as follows:

|                                                                        | Discretely Presented Component Units |           |                |             |                |
|------------------------------------------------------------------------|--------------------------------------|-----------|----------------|-------------|----------------|
|                                                                        | Beginning Balance                    | Additions | Remeasurements | Retirements | Ending Balance |
| Lease assets:                                                          |                                      |           |                |             |                |
| Real estate                                                            | \$ 225,596                           | \$ 25,724 | \$ (26,802)    | \$ 321      | \$ 224,197     |
| Equipment                                                              | 1,405                                | 19        | -              | -           | 1,424          |
| Total lease assets                                                     | 227,001                              | 25,743    | (26,802)       | 321         | 225,621        |
| Less accumulated amortization:                                         |                                      |           |                |             |                |
| Real estate                                                            | 47,034                               | 15,964    | -              | 7,181       | 55,817         |
| Equipment                                                              | 653                                  | 133       | -              | -           | 786            |
| Total accumulated amortization                                         | 47,687                               | 16,097    | -              | 7,181       | 56,603         |
| Total lease assets, net                                                | 179,314                              | 9,646     | (26,802)       | (6,860)     | 169,018        |
| Subscription IT assets                                                 | 4,140                                | 2,296     | 769            | -           | 7,205          |
| Less accumulated amortization                                          | 2,679                                | 1,088     | -              | -           | 3,767          |
| Subscription IT assets, net                                            | 1,461                                | 1,208     | 769            | -           | 3,438          |
| Total lease and subscription IT assets, net                            | \$ 180,775                           | \$ 10,854 | \$ (26,033)    | \$ (6,860)  | \$ 172,456     |
| Less: Lease assets netted against deferred inflows for lease-leaseback |                                      |           |                |             | \$ 13,504      |
| Total lease assets, net, as presented on Statement of Net Position     |                                      |           |                |             | \$ 158,952     |

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

Lease liability activity for the discretely presented component units includes both leases with external parties and leases with the primary institution. Total lease liability activity for the discretely presented component units for the year ended June 30, 2026 is summarized as follows:

|                                                                           | Discretely Presented Component Units |           |                |            |                |                 |
|---------------------------------------------------------------------------|--------------------------------------|-----------|----------------|------------|----------------|-----------------|
|                                                                           | Beginning Balance                    | Additions | Remeasurements | Reductions | Ending Balance | Current Portion |
| Lease liabilities                                                         | \$ 192,177                           | \$ 20,876 | \$ (14,032)    | \$ 16,208  | \$ 182,813     | \$ 17,227       |
| Subscription IT liabilities                                               | 3,210                                | (148)     | -              | 826        | 2,236          | 756             |
| Subtotal - gross lease and subscription IT liabilities                    | 195,387                              | 20,728    | (14,032)       | 17,034     | 185,049        | 17,983          |
| Less: Lease liabilities netted against receivables for lease-leaseback    |                                      |           |                |            | (8,122)        |                 |
| Less: Amounts due to primary institution                                  |                                      |           |                |            | (133,503)      |                 |
| Lease and subscription IT liabilities with external parties, net (Note 9) |                                      |           |                |            | \$ 43,424      | \$ 7,482        |

Lease liability activity for the discretely presented component units for the year ended June 30, 2025 is summarized as follows:

|                                                                           | Discretely Presented Component Units |           |                |            |                |                 |
|---------------------------------------------------------------------------|--------------------------------------|-----------|----------------|------------|----------------|-----------------|
|                                                                           | Beginning Balance                    | Additions | Remeasurements | Reductions | Ending Balance | Current Portion |
| Lease liabilities                                                         | \$ 199,688                           | \$ 33,455 | \$ (26,460)    | \$ 14,506  | \$ 192,177     | \$ 15,705       |
| Subscription IT liabilities                                               | 1,466                                | 2,331     | -              | 587        | 3,210          | 1,044           |
| Subtotal - gross lease and subscription IT liabilities                    | 201,154                              | 35,786    | (26,460)       | 15,093     | 195,387        | 16,749          |
| Less: Lease liabilities netted against receivables for lease-leaseback    |                                      |           |                |            | (8,853)        |                 |
| Less: Amounts due to primary institution                                  |                                      |           |                |            | (151,206)      |                 |
| Lease and subscription IT liabilities with external parties, net (Note 9) |                                      |           |                |            | \$ 35,328      | \$ 6,476        |

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

Future annual lease payments for the discretely presented component units are as follows:

| Year Ending June 30, | Discretely Presented Component Units |                  |                   |
|----------------------|--------------------------------------|------------------|-------------------|
|                      | Principal                            | Interest         | Total             |
| 2027                 | \$ 17,227                            | \$ 8,048         | \$ 25,275         |
| 2028                 | 18,433                               | 7,255            | 25,688            |
| 2029                 | 17,725                               | 6,448            | 24,173            |
| 2030                 | 14,169                               | 5,732            | 19,901            |
| 2031                 | 13,445                               | 5,099            | 18,544            |
| 2032-2036            | 49,299                               | 17,856           | 67,155            |
| 2037-2041            | 35,398                               | 8,070            | 43,468            |
| 2042-2046            | 3,022                                | 3,410            | 6,432             |
| 2047-2051            | 1                                    | 3,329            | 3,330             |
| 2052-2056            | (485)                                | 3,392            | 2,907             |
| 2057-2061            | (287)                                | 3,484            | 3,197             |
| 2062-2066            | (2)                                  | 3,519            | 3,517             |
| 2067-2071            | 395                                  | 3,474            | 3,869             |
| 2072-2076            | 938                                  | 3,318            | 4,256             |
| 2077-2081            | 1,670                                | 3,011            | 4,681             |
| 2082-2086            | 2,646                                | 2,504            | 5,150             |
| 2087-2091            | 3,935                                | 1,729            | 5,664             |
| 2092-2096            | 5,284                                | 606              | 5,890             |
|                      | <u>\$ 182,813</u>                    | <u>\$ 90,284</u> | <u>\$ 273,097</u> |

Future annual subscription IT payments for the discretely presented component units are as follows:

| Year Ending June 30, | Discretely Presented Component Units |               |                 |
|----------------------|--------------------------------------|---------------|-----------------|
|                      | Principal                            | Interest      | Total           |
| 2027                 | \$ 756                               | \$ 75         | \$ 831          |
| 2028                 | 466                                  | 52            | 518             |
| 2029                 | 491                                  | 31            | 522             |
| 2030                 | 523                                  | 8             | 531             |
|                      | <u>\$ 2,236</u>                      | <u>\$ 166</u> | <u>\$ 2,402</u> |

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

### University as Lessor

The university is lessor for various noncancellable leases of real estate. Lease-related revenues recognized by the primary institution and the discretely presented component units for the years ended June 30, 2026 and 2025 are as follows:

|                  | Primary Institution |                  | Discretely Presented<br>Component Units |                  |
|------------------|---------------------|------------------|-----------------------------------------|------------------|
|                  | 2026                | 2025             | 2026                                    | 2025             |
| Lease revenue    | \$ 17,350           | \$ 15,707        | \$ 18,954                               | \$ 17,755        |
| Interest revenue | 9,065               | 8,019            | 6,618                                   | 5,939            |
|                  | <u>\$ 26,415</u>    | <u>\$ 23,726</u> | <u>\$ 25,572</u>                        | <u>\$ 23,694</u> |

### NOTE 12 — COMPENSATED ABSENCES

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

Classified civil service employees may accrue vacation benefits up to a maximum of three years credit. Administrative and professional staff and faculty may accrue vacation benefits up to a maximum of 240 hours. For all classes of employees, any earned but unused vacation benefit is payable upon termination. The university accrues compensated absence liability for unused vacation time, up to the benefit maximums outlined above.

Sick leave may be accrued without limit. Additions (accruals) and deductions (use) of sick hours are reflected in employees' total sick leave balances. There is no policy or statutory requirement for employees to use their "oldest" hours first. Unused sick leave hours are payable only upon retirement from the university with ten or more years of service with the state. The amount of sick leave benefit payable at retirement is one fourth of the value of the accrued but unused sick leave up to a maximum of 240 hours.

The university reviews historical patterns of accruals, usage, pay outs and forfeitures of sick leave hours to determine whether sick leave balances are more likely than not (MLTN) to be used as paid leave or paid out upon retirement. Based on historical trends related to accrual and usage of sick leave hours, management has determined that employees are not more likely than not to use sick leave hours already earned and accrued. As a result, the university does not recognize a compensated absence liability for MLTN usage of accrued sick time.

The university accrues compensated absence liability for sick leave balances that are considered more likely than not to be paid out on retirement using a termination payment method. Under this method, the university calculates a ratio, Sick Leave Termination Cost per Year Worked, that is based on the university's actual historical experience of sick leave payouts to terminated employees. This ratio is then applied to the total years-of-service for current employees.

Certain employees of the university (mostly classified civil service employees) receive compensation time in lieu of overtime pay, which must be paid to the employee at termination or retirement. The university accrues compensated absence liability for all unused compensatory time.

**Notes to Financial Statements – Years Ended June 30, 2026 and 2025**  
(dollars in thousands)

**NOTE 13 — OTHER LIABILITIES**

Other liability activity for the primary institution for the year ended June 30, 2026, is as follows:

|                                               | Primary Institution  |                   |                   |                     |                    |
|-----------------------------------------------|----------------------|-------------------|-------------------|---------------------|--------------------|
|                                               | Beginning<br>Balance | Additions         | Reductions        | Ending<br>Balance   | Current<br>Portion |
| Compensated absences                          | \$ 276,907           | \$ 40,476         | \$ 25,753         | \$ 291,630          | \$ 25,753          |
| Self-insurance accruals                       | 182,444              | 691,459           | 683,621           | 190,282             | 86,383             |
| Amounts due to third party payors             | 79,247               | 28,567            | 2,874             | 104,940             | 13,629             |
| Irrevocable split-interest agreements         | 38,540               | 3,200             | 1,089             | 40,651              | 2,522              |
| Refundable advances for Federal Perkins loans | 15,362               | -                 | 1,811             | 13,551              | -                  |
| Other noncurrent liabilities                  | 411,962              | 80,597            | 24,717            | 467,842             | -                  |
| Other current liabilities                     | 171                  | -                 | 30                | 141                 | 141                |
|                                               | <u>\$ 1,004,633</u>  | <u>\$ 844,299</u> | <u>\$ 739,895</u> | <u>\$ 1,109,037</u> | <u>\$ 128,428</u>  |

Other liability activity for the primary institution for the year ended June 30, 2025, is as follows:

|                                               | Primary Institution  |                   |                   |                     |                    |
|-----------------------------------------------|----------------------|-------------------|-------------------|---------------------|--------------------|
|                                               | Beginning<br>Balance | Additions         | Reductions        | Ending<br>Balance   | Current<br>Portion |
| Compensated absences                          | \$ 255,355           | \$ 45,036         | \$ 23,484         | \$ 276,907          | \$ 23,484          |
| Self-insurance accruals                       | 147,290              | 665,462           | 630,308           | 182,444             | 74,873             |
| Amounts due to third party payors             | 97,928               | -                 | 18,681            | 79,247              | 15,390             |
| Irrevocable split-interest agreements         | 35,294               | 9,375             | 6,129             | 38,540              | 2,271              |
| Refundable advances for Federal Perkins loans | 18,141               | -                 | 2,779             | 15,362              | -                  |
| Other noncurrent liabilities                  | 360,250              | 54,788            | 3,076             | 411,962             | -                  |
| Other current liabilities                     | 94                   | 77                | -                 | 171                 | 171                |
|                                               | <u>\$ 914,352</u>    | <u>\$ 774,738</u> | <u>\$ 684,457</u> | <u>\$ 1,004,633</u> | <u>\$ 116,189</u>  |

**NOTE 14 — OPERATING EXPENSES BY OBJECT**

In accordance with requirements set forth by the Ohio Board of Regents, the university reports operating expenses by functional classification on the Statement of Revenues, Expenses and Changes in Net Position.

**Notes to Financial Statements – Years Ended June 30, 2026 and 2025**  
(dollars in thousands)

Operating expenses by object for the primary institution for the years ended June 30, 2026 and 2025 are summarized as follows:

**Year Ended June 30, 2026**

|                                       | Primary Institution             |                             |                                    |              |              |
|---------------------------------------|---------------------------------|-----------------------------|------------------------------------|--------------|--------------|
|                                       | Compensation<br>and<br>Benefits | Supplies<br>and<br>Services | Scholarships<br>and<br>Fellowships | Depreciation | Total        |
| Instruction and departmental research | \$ 1,212,485                    | \$ 203,822                  | \$ -                               | \$ -         | \$ 1,416,307 |
| Separately budgeted research          | 418,464                         | 251,184                     | -                                  | -            | 669,648      |
| Public service                        | 108,249                         | 91,967                      | -                                  | -            | 200,216      |
| Academic support                      | 246,021                         | 125,468                     | -                                  | -            | 371,489      |
| Student services                      | 107,633                         | 28,944                      | -                                  | -            | 136,577      |
| Institutional support                 | 232,233                         | 135,152                     | -                                  | -            | 367,385      |
| Operation and maintenance of plant    | 51,045                          | 118,277                     | -                                  | -            | 169,322      |
| Scholarships and fellowships          | 11,392                          | 1,978                       | 105,824                            | -            | 119,194      |
| Auxiliary enterprises                 | 235,165                         | 272,777                     | -                                  | -            | 507,942      |
| OSU Health System                     | 2,848,836                       | 2,375,587                   | -                                  | -            | 5,224,423    |
| Depreciation                          | -                               | -                           | -                                  | 682,756      | 682,756      |
| Total operating expenses              | \$ 5,471,523                    | \$ 3,605,156                | \$ 105,824                         | \$ 682,756   | \$ 9,865,259 |

**Year Ended June 30, 2025**

|                                       | Primary Institution             |                             |                                    |              |              |
|---------------------------------------|---------------------------------|-----------------------------|------------------------------------|--------------|--------------|
|                                       | Compensation<br>and<br>Benefits | Supplies<br>and<br>Services | Scholarships<br>and<br>Fellowships | Depreciation | Total        |
| Instruction and departmental research | \$ 1,142,789                    | \$ 200,886                  | \$ -                               | \$ -         | \$ 1,343,675 |
| Separately budgeted research          | 416,099                         | 272,440                     | -                                  | -            | 688,539      |
| Public service                        | 110,938                         | 84,993                      | -                                  | -            | 195,931      |
| Academic support                      | 243,489                         | 123,476                     | -                                  | -            | 366,965      |
| Student services                      | 108,596                         | 28,347                      | -                                  | -            | 136,943      |
| Institutional support                 | 202,095                         | 79,747                      | -                                  | -            | 281,842      |
| Operation and maintenance of plant    | 50,165                          | 99,740                      | -                                  | -            | 149,905      |
| Scholarships and fellowships          | 12,321                          | 2,324                       | 105,230                            | -            | 119,875      |
| Auxiliary enterprises                 | 232,681                         | 269,386                     | -                                  | -            | 502,067      |
| OSU Health System                     | 2,642,598                       | 2,167,186                   | -                                  | -            | 4,809,784    |
| Depreciation                          | -                               | -                           | -                                  | 634,086      | 634,086      |
| Total operating expenses              | \$ 5,161,771                    | \$ 3,328,525                | \$ 105,230                         | \$ 634,086   | \$ 9,229,612 |

**NOTE 15 — RETIREMENT PLANS**

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

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

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

In accordance with GASB Statements Nos. 68 and 75, employers participating in cost-sharing multiple-employer plans are required to recognize a proportionate share of the collective net pension and OPEB liabilities of the plans. Although changes in the net pension and OPEB liabilities generally are recognized as expense in the current period, certain items are deferred and recognized as expense in future periods. Deferrals for differences between projected and actual investment returns are amortized to pension expense over five years. Deferrals for employer contributions subsequent to the measurement date are amortized in the following period (one year). Other deferrals are amortized over the estimated remaining service lives of both active and inactive employees (amortization periods range from 2 to 11 years).

### Defined Benefit Pension and OPEB Plans – Year Ended June 30, 2026

The collective net pension liabilities of the retirement systems and the university's proportionate share of these liabilities as of June 30, 2026, are as follows:

|                                                      | STRS Ohio     | OPERS         | Total        |
|------------------------------------------------------|---------------|---------------|--------------|
| Net pension liability - all employers                | \$ 18,184,962 | \$ 17,251,621 |              |
| Proportion of the net pension liability - university | 5.1%          | 11.3%         |              |
| Proportionate share of net pension liability         | \$ 930,712    | \$ 1,948,672  | \$ 2,879,384 |

The collective net OPEB liabilities (assets) of the retirement systems and the university's proportionate share of these liabilities (assets) as of June 30, 2026, are as follows:

|                                                           | STRS Ohio      | OPERS          | Total        |
|-----------------------------------------------------------|----------------|----------------|--------------|
| Net OPEB (asset) liability - all employers                | \$ (1,211,780) | \$ (3,863,693) |              |
| Proportion of the net OPEB (asset) liability - university | 5.1%           | 11.4%          |              |
| Proportionate share of net OPEB (asset) liability         | \$ (62,019)    | \$ (439,554)   | \$ (501,573) |

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

Deferred outflows of resources and deferred inflows of resources for pensions were related to the following sources as of June 30, 2026:

|                                                                                  | STRS Ohio         | OPERS             | Total             |
|----------------------------------------------------------------------------------|-------------------|-------------------|-------------------|
| <b>Deferred Outflows of Resources:</b>                                           |                   |                   |                   |
| Differences between expected and actual experience                               | \$ 92,136         | \$ 87,885         | \$ 180,021        |
| Changes in assumptions                                                           | 589               | 648               | 1,237             |
| Changes in proportion of university contributions                                | 678               | 4                 | 682               |
| University contributions subsequent to the measurement date                      | 109,869           | 160,719           | 270,588           |
| <b>Total</b>                                                                     | <b>\$ 203,272</b> | <b>\$ 249,256</b> | <b>\$ 452,528</b> |
| <b>Deferred Inflows of Resources:</b>                                            |                   |                   |                   |
| Differences between expected and actual experience                               | \$ (19)           | \$ 1,927          | \$ 1,908          |
| Changes of assumptions                                                           | 589               | -                 | 589               |
| Net difference between projected and actual earnings on pension plan investments | 128,984           | 546,503           | 675,487           |
| Changes in proportion of university contributions                                | 1,836             | 2,383             | 4,219             |
| <b>Total</b>                                                                     | <b>\$ 131,390</b> | <b>\$ 550,813</b> | <b>\$ 682,203</b> |

Deferred outflows of resources and deferred inflows of resources for OPEB were related to the following sources as of June 30, 2026:

|                                                                                  | STRS Ohio        | OPERS             | Total             |
|----------------------------------------------------------------------------------|------------------|-------------------|-------------------|
| <b>Deferred Outflows of Resources:</b>                                           |                  |                   |                   |
| Differences between expected and actual experience                               | \$ 3,532         | \$ -              | \$ 3,532          |
| Changes in assumptions                                                           | 46,271           | 241               | 46,512            |
| Changes in proportion of university contributions                                | 3                | 471               | 474               |
| <b>Total</b>                                                                     | <b>\$ 49,806</b> | <b>\$ 712</b>     | <b>\$ 50,518</b>  |
| <b>Deferred Inflows of Resources:</b>                                            |                  |                   |                   |
| Differences between expected and actual experience                               | \$ 10,872        | \$ 12,924         | \$ 23,796         |
| Changes in assumptions                                                           | 33,040           | 8,043             | 41,083            |
| Net difference between projected and actual earnings on pension plan investments | 6,953            | 133,407           | 140,360           |
| Changes in proportion of university contributions                                | 46               | -                 | 46                |
| <b>Total</b>                                                                     | <b>\$ 50,911</b> | <b>\$ 154,374</b> | <b>\$ 205,285</b> |

Amounts reported as deferred outflows of resources related to pensions resulting from university contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2027. Other amounts reported as deferred outflows of

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

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

|                     | STRS Ohio          | OPERS               | Total               |
|---------------------|--------------------|---------------------|---------------------|
| 2027                | \$ 71,332          | \$ 203,630          | \$ 274,962          |
| 2028                | (41,266)           | (277,922)           | (319,188)           |
| 2029                | (35,186)           | (215,207)           | (250,393)           |
| 2030                | (32,866)           | (174,776)           | (207,642)           |
| 2031                | -                  | 448                 | 448                 |
| 2032 and Thereafter | -                  | 1,550               | 1,550               |
| <b>Total</b>        | <b>\$ (37,986)</b> | <b>\$ (462,277)</b> | <b>\$ (500,263)</b> |

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

|                     | STRS Ohio         | OPERS               | Total               |
|---------------------|-------------------|---------------------|---------------------|
| 2027                | \$ (3,788)        | \$ (14,522)         | \$ (18,310)         |
| 2028                | (5,334)           | (65,838)            | (71,172)            |
| 2029                | (4,469)           | (42,227)            | (46,696)            |
| 2030                | (3,017)           | (31,077)            | (34,094)            |
| 2031                | 6,333             | -                   | 6,333               |
| 2032 and Thereafter | 9,172             | -                   | 9,172               |
| <b>Total</b>        | <b>\$ (1,103)</b> | <b>\$ (153,664)</b> | <b>\$ (154,767)</b> |

The following table provides additional details on the benefit formulas, contribution requirements and significant assumptions used in the measurement of total pension and OPEB liabilities for the retirement systems for the year ended June 30, 2026 (information below applies to both pensions and OPEB unless otherwise indicated).

|                            | STRS Ohio                      | OPERS                         |
|----------------------------|--------------------------------|-------------------------------|
| <b>Statutory Authority</b> | Ohio Revised Code Chapter 3307 | Ohio Revised Code Chapter 145 |

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

|                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Benefit Formula</b></p> | <p><b>Pensions</b> – The Define Benefit (DB) Plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. The calculation is 2.2% of final average salary for the five highest years of earnings multiplied by all years of credited service. Effective June 1, 2025, through May 1, 2030, any member can retire with unreduced benefits with 32 years of service credit at any age or five years of service credit and age 65. Retirement eligibility for reduced benefits is 27 years of service credit at any age; or five years of service credit and age 60. Effective June 1, 2030, through May 1, 2032, any member can retire with unreduced benefits with 33 years of service credit at any age or five years of service credit and age 65. Retirement eligibility for reduced benefits is 28 years of service credit at any age; or five years of service credit and age 60. Effective on or after June 1, 2032, any member can retire with unreduced benefits with 34 years of service credit at any age or five years of service credit and age 65. Retirement eligibility for reduced benefits is 29 years of service credit at any age; or five years of service credit and age 60.</p> <p><b>OPEB</b> – Ohio law authorizes the State Teachers Retirement Board to offer a cost-sharing, multiple-employer health care plan. STRS Ohio provides access to health care coverage to eligible retirees who participated in the Defined Benefit or Combined Plans and their eligible dependents.</p> <p>Coverage under the current program includes hospitalization, physicians' fees and prescription drugs and partial reimbursement of the monthly Medicare Part B premiums. Pursuant to the Ohio Revised Code, the Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by the plan. All benefit recipients pay a portion of the health care costs in the form of a monthly premium. Benefit recipients contributed \$134.8 million or 27% of the total health care costs in fiscal</p> | <p><b>Pensions</b> – Benefits are calculated on the basis of age, final average salary (FAS), and service credit. State and Local members in transition Groups A and B are eligible for retirement benefits at age 60 with five years of service credit or at age 55 with 25 or more years of service credit. Group C for State and Local is eligible for retirement at age 57 with 25 years of service or at age 62 with five years of service. For Groups A and B, the annual benefit is based on 2.2% of FAS multiplied by the actual years of service for the first 30 years of service credit and 2.5% for years of service in excess of 30 years. For Group C, the annual benefit applies a factor of 2.2% for the first 35 years and a factor of 2.5% for the years of service in excess of 35. FAS represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career. The base amount of a member's pension benefit is locked in upon receipt of the initial benefit payment for calculation of annual cost-of-living adjustment.</p> <p><b>OPEB</b> – The Ohio Revised Code permits, but does not require, OPERS to offer post-employment health care coverage. The ORC allows a portion of the employers' contributions to be used to fund health care coverage. Eligibility requirements for access to the OPERS health care options have changed over the history of the program for Traditional Pension Plan members.</p> <p>Beginning January 1, 2015, the service eligibility criteria for health care coverage increased to 20 years with a minimum age of 60, or, generally, 30 years of qualifying service at any age. Effective January 1, 2022, retirees must generally be at least age 65 with a minimum of 20 years of qualifying service credit, or a minimum of 30 years of qualifying service credit at any age, to qualify for health care benefits.</p> <p>Beginning 2016 for Medicare retirees enrolled in Medicare A and B, and beginning 2022 for non-Medicare retirees, eligible retirees were able to participate in the OPERS Connector (Connector) as OPERS ceased providing</p> |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

# Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

|                                           | STRS Ohio                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | OPERS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                           | <p>2025 (excluding deductibles, coinsurance and copayments).</p> <p>Medicare Part D is a federal program to help cover the costs of prescription drugs for Medicare beneficiaries. This program allows STRS Ohio to recover part of the cost for providing prescription coverage since all eligible STRS Ohio health care plans include creditable prescription drug coverage. For the year ended June 30, 2025, STRS Ohio received \$148.1 million in Medicare Part D government reimbursements.</p> | <p>comprehensive health care coverage. The Connector, a vendor selected by OPERS, assists eligible retirees in the evaluation, selection and purchase of a health care plan on the open market. Eligible retirees may receive a monthly allowance in their health reimbursement arrangement (HRA) account that can be used to reimburse eligible health care expenses.</p>                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Cost-of-Living Adjustments (COLAs)</b> | <p>Effective July 1, 2017, the COLA was reduced to 0%.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                            | <p>Once a benefit recipient retired under the Traditional Pension Plan has received benefits for 12 months, the member is eligible for an annual cost-of-living adjustment. This cost-of-living adjustment is calculated on the member's original base retirement benefit at the date of retirement and is not compounded. Members retiring under the Combined Plan division receive a cost-of-living adjustment on the defined benefit portion of their retirement benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3%. For those retiring on or after January 7, 2013, beginning in 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3%.</p> |
| <b>Contribution Rates</b>                 | <p>Employer and member contribution rates are established by the Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The employer and member contribution rates are 14% of covered payroll. Under Ohio law, funds to pay health care costs may be deducted from employer contributions. For the year ended June 30, 2025, no employer allocation was made to the health care fund.</p>                                                                                             | <p>Employee and member contribution rates are established by the OPERS Board and limited by Chapter 145 of the Ohio Revised Code. For 2024, employer rates for the State and Local Divisions were 14% of covered payroll (and 18.1% for the Law Enforcement and Public Safety Divisions). Member rates for the State and Local Divisions were 10% of covered payroll (13% for Law Enforcement and 12% for Public Safety).</p>                                                                                                                                                                                                                                                                                                                  |
| <b>Measurement Date</b>                   | <p>June 30, 2025</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <p>December 31, 2025 (OPEB is rolled forward from December 31, 2024 actuarial valuation date)</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

# Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

|                                      | STRS Ohio                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | OPERS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Actuarial Assumptions</b>         | <p><b>Valuation Date:</b> June 30, 2025, for pensions and OPEB</p> <p><b>Actuarial Cost Method:</b> Individual entry age</p> <p><b>Investment Rate of Return:</b> 7.00%</p> <p><b>Inflation:</b> 2.50%</p> <p><b>Projected Salary Increases:</b> Varies by service from 2.5% to 8.5%</p> <p><b>Cost-of-Living Adjustments:</b> 0% effective July 1, 2017</p> <p><b>Payroll Increases:</b> 3.00%</p> <p><b>Health Care Cost Trends:</b> 7.00% to 86.77% initial; 3.94% ultimate in 2045</p>                                                                                                                   | <p><b>Valuation Date:</b> December 31, 2025, for pensions; December 31, 2024, for OPEB</p> <p><b>Actuarial Cost Method:</b> Individual entry age</p> <p><b>Investment Rate of Return:</b> 6.9% for pensions; 6.0% for OPEB</p> <p><b>Inflation:</b> 2.75%</p> <p><b>Projected Salary Increases:</b> 2.75% - 10.75%</p> <p><b>Cost-of-Living Adjustments:</b><br/>Pre-1/7/2013 Retirees: 3.00%<br/>Post-1/7/2013 Retirees: 2.60% Simple for calendar year 2026, then 2.05% thereafter</p> <p><b>Health Care Cost Trends:</b> 5.50% initial; 3.50% ultimate in 2040</p>                                                                                                                                                                                                                                                                        |
| <b>Mortality Rates</b>               | <p>For healthy retirees the post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.</p> | <p>Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.</p> |
| <b>Date of Last Experience Study</b> | June 30, 2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | December 31, 2020                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

**Notes to Financial Statements – Years Ended June 30, 2026 and 2025**  
(dollars in thousands)

|                                      | STRS Ohio                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | OPERS                      |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|-------------------|----------------------------|-----------------|-------|-------|----------------------|-------|-------|--------------|-------|-------|--------------|-------|-------|-------------|-------|-------|--------------------|------|-------|--------------|-------------|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------------|----------------------------|--------------|-------|-------|-------------------|-------|-------|-------------|-------|-------|----------------|-------|-------|------------------------|-------|-------|-------------|------|-------|-------------------|------|-------|--------------|---------------|--|-------------|-------------------|----------------------------|--------------|-------|-------|-------------------|-------|-------|-------|------|-------|------------------------|-------|-------|-------------|------|-------|-------------------|-------|-------|--------------|---------------|--|
| <b>Investment Return Assumptions</b> | <p>The 10-year expected real rate of return on defined benefit pension and health care plan investments was determined by STRS Ohio's investment consultant by developing best estimates of expected future real rates of return for each major asset class. The target allocation and long-term expected real rate of return for each major asset class are summarized as follows:</p> <table> <tr> <th>Asset Class</th><th>Target Allocation</th><th>Long Term Expected Return*</th></tr> <tr> <td>Domestic Equity</td><td>26.0%</td><td>6.90%</td></tr> <tr> <td>International Equity</td><td>22.0%</td><td>7.70%</td></tr> <tr> <td>Alternatives</td><td>19.0%</td><td>9.10%</td></tr> <tr> <td>Fixed Income</td><td>22.0%</td><td>4.50%</td></tr> <tr> <td>Real Estate</td><td>10.0%</td><td>5.10%</td></tr> <tr> <td>Liquidity Reserves</td><td>1.0%</td><td>2.40%</td></tr> <tr> <td><b>Total</b></td><td><b>100%</b></td><td></td></tr> </table> <p>* Returns presented as geometric means</p> | Asset Class                | Target Allocation | Long Term Expected Return* | Domestic Equity | 26.0% | 6.90% | International Equity | 22.0% | 7.70% | Alternatives | 19.0% | 9.10% | Fixed Income | 22.0% | 4.50% | Real Estate | 10.0% | 5.10% | Liquidity Reserves | 1.0% | 2.40% | <b>Total</b> | <b>100%</b> |  | <p>The long term expected rates of return on defined benefit pension and health care investment assets were determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.</p> <p>The following table displays the Board-approved asset allocation policy for defined benefit pension assets for 2025 and the long-term expected real rates of return:</p> <table> <tr> <th>Asset Class</th><th>Target Allocation</th><th>Long Term Expected Return*</th></tr> <tr> <td>Fixed Income</td><td>21.0%</td><td>2.97%</td></tr> <tr> <td>Domestic Equities</td><td>21.0%</td><td>5.70%</td></tr> <tr> <td>Real Estate</td><td>13.0%</td><td>5.75%</td></tr> <tr> <td>Private Equity</td><td>15.0%</td><td>8.50%</td></tr> <tr> <td>International Equities</td><td>20.0%</td><td>6.00%</td></tr> <tr> <td>Risk Parity</td><td>2.0%</td><td>4.70%</td></tr> <tr> <td>Other Investments</td><td>8.0%</td><td>2.63%</td></tr> <tr> <td><b>Total</b></td><td><b>100.0%</b></td><td></td></tr> </table> <p>* Returns presented as geometric means</p> <p>The following table displays the Board-approved asset allocation policy for health care assets for 2025 and the long-term expected real rates of return:</p> <table> <tr> <th>Asset Class</th><th>Target Allocation</th><th>Long Term Expected Return*</th></tr> <tr> <td>Fixed Income</td><td>37.0%</td><td>2.85%</td></tr> <tr> <td>Domestic Equities</td><td>22.0%</td><td>5.70%</td></tr> <tr> <td>REITs</td><td>2.0%</td><td>5.10%</td></tr> <tr> <td>International Equities</td><td>23.0%</td><td>6.00%</td></tr> <tr> <td>Risk Parity</td><td>3.0%</td><td>4.70%</td></tr> <tr> <td>Other Investments</td><td>13.0%</td><td>2.18%</td></tr> <tr> <td><b>Total</b></td><td><b>100.0%</b></td><td></td></tr> </table> <p>* Returns presented as geometric means</p> | Asset Class | Target Allocation | Long Term Expected Return* | Fixed Income | 21.0% | 2.97% | Domestic Equities | 21.0% | 5.70% | Real Estate | 13.0% | 5.75% | Private Equity | 15.0% | 8.50% | International Equities | 20.0% | 6.00% | Risk Parity | 2.0% | 4.70% | Other Investments | 8.0% | 2.63% | <b>Total</b> | <b>100.0%</b> |  | Asset Class | Target Allocation | Long Term Expected Return* | Fixed Income | 37.0% | 2.85% | Domestic Equities | 22.0% | 5.70% | REITs | 2.0% | 5.10% | International Equities | 23.0% | 6.00% | Risk Parity | 3.0% | 4.70% | Other Investments | 13.0% | 2.18% | <b>Total</b> | <b>100.0%</b> |  |
| Asset Class                          | Target Allocation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Long Term Expected Return* |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| Domestic Equity                      | 26.0%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 6.90%                      |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| International Equity                 | 22.0%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 7.70%                      |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| Alternatives                         | 19.0%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 9.10%                      |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| Fixed Income                         | 22.0%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 4.50%                      |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| Real Estate                          | 10.0%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 5.10%                      |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| Liquidity Reserves                   | 1.0%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 2.40%                      |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| <b>Total</b>                         | <b>100%</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                            |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| Asset Class                          | Target Allocation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Long Term Expected Return* |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| Fixed Income                         | 21.0%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 2.97%                      |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| Domestic Equities                    | 21.0%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 5.70%                      |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| Real Estate                          | 13.0%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 5.75%                      |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| Private Equity                       | 15.0%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 8.50%                      |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| International Equities               | 20.0%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 6.00%                      |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| Risk Parity                          | 2.0%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 4.70%                      |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| Other Investments                    | 8.0%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 2.63%                      |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| <b>Total</b>                         | <b>100.0%</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                            |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| Asset Class                          | Target Allocation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Long Term Expected Return* |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| Fixed Income                         | 37.0%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 2.85%                      |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| Domestic Equities                    | 22.0%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 5.70%                      |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| REITs                                | 2.0%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 5.10%                      |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| International Equities               | 23.0%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 6.00%                      |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| Risk Parity                          | 3.0%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 4.70%                      |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| Other Investments                    | 13.0%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 2.18%                      |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |
| <b>Total</b>                         | <b>100.0%</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                            |                   |                            |                 |       |       |                      |       |       |              |       |       |              |       |       |             |       |       |                    |      |       |              |             |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |                   |                            |              |       |       |                   |       |       |             |       |       |                |       |       |                        |       |       |             |      |       |                   |      |       |              |               |  |             |                   |                            |              |       |       |                   |       |       |       |      |       |                        |       |       |             |      |       |                   |       |       |              |               |  |

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

|                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Discount Rate</b></p> | <p><b>Pensions</b> – The discount rate used to measure the total pension liability was 7.00% as of June 30, 2025. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with the rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS Ohio's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2025. Therefore, the long-term expected rate of return on pension plan investments of 7.00% was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2025.</p> <p><b>OPEB</b> – The discount rate used to measure the total OPEB liability was 7.00% as of June 30, 2025. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members as of June 30, 2025. Therefore, the long-term expected rate of return on health care plan investments of 7.00% was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2025.</p> | <p><b>Pensions</b> – The discount rate used to measure the total pension liability was 6.9% for the Traditional Pension Plan and Member-Directed Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.</p> <p><b>OPEB</b> – A single discount rate of 6.00% was used to measure the total OPEB liability on the measurement date of December 31, 2025. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). The single discount rate was based on the actuarial assumed rate of return of 6.00%. The projection of cash flows used to determine this single discount rate assumed that, for 2026 and beyond, no portion of the employer contribution will be allocated to health care for the Traditional Pension Plan (excluding the Combined Plan division). The employer contribution as a percentage of covered payroll deposited for the Combined Plan division is expected to be 2.0%. Assuming the actual rate of return of 6.00% is achieved, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2125. As a result, the single discount rate was set as the actuarial assumed long-term expected rate of return on health care investments and was applied to projected costs through the year</p> |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

|                                                                | STRS Ohio                                                                                                                                                                                                                                                                                                                                                                                                                                     | OPERS                                                                                                                                                                                                                                 |
|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                               | 2125, the duration of the projection period through which projected health care payments are fully funded. The tax-exempt municipal bond rate was not needed in the determination of the single discount rate.                        |
| <b>Changes in Assumptions Since the Prior Measurement Date</b> | <p><b>Pensions</b> – There were no changes in assumptions since the prior measurement date of June 30, 2024.</p> <p><b>OPEB</b> – Health care trends were updated to reflect emerging claims and recoveries experience as well as benefit changes effective January 1, 2026. The larger Medicare trends for Years 2027 and 2028 reflect the assumed impact of the expiration of current Medicare Advantage contract on December 31, 2028.</p> | <p><b>Pensions</b> – There were no changes in assumptions since the prior measurement date of December 31, 2024.</p> <p><b>OPEB</b> – There were no changes in assumptions since the prior measurement date of December 31, 2024.</p> |

# Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

|                                                                         | STRS Ohio                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | OPERS                                                                                                                                                                                                                                     |                         |                        |              |            |            |                                                                                                                                                                                                      |                        |                         |                        |              |              |            |
|-------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|------------------------|--------------|------------|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|-------------------------|------------------------|--------------|--------------|------------|
| <b>Benefit Term Changes Since the Prior Measurement Date</b>            | <p><b>Pensions</b> – Effective July 1, 2025, a 1.5% one-time ad-hoc Cost-of-Living Adjustment (COLA) of the base benefit was granted to eligible benefit recipients. The COLA will be added to the base benefit on the retirement anniversary date and each month thereafter.</p> <p>A one-time supplemental benefit payment for eligible benefit recipients who started receiving benefits in or prior to January 2024. The supplemental benefit of \$302 million was paid in December 2024.</p> <p>Effective June 1, 2025, through May 1, 2030, any member can retire with unreduced benefits with 32 years of service credit at any age or five years of service credit and age 65. Retirement eligibility for reduced benefits is 27 years of service credit at any age; or five years of service credit and age 60.</p> <p>Effective June 1, 2030, through May 1, 2032, any member can retire with unreduced benefits with 33 years of service credit at any age or five years of service credit and age 65. Retirement eligibility for reduced benefits is 28 years of service credit at any age; or five years of service credit and age 60.</p> <p>Effective on or after June 1, 2032, any member can retire with unreduced benefits with 34 years of service credit at any age or five years of service credit and age 65. Retirement eligibility for reduced benefits is 29 years of service credit at any age; or five years of service credit and age 60.</p> <p><b>OPEB</b> – There were no changes in benefit terms since the prior measurement date of June 30, 2024.</p> | <p><b>Pensions</b> – There were no changes in benefit terms since the prior measurement date of December 31, 2024.</p> <p><b>OPEB</b> – There were no changes in benefit terms since the prior measurement date of December 31, 2024.</p> |                         |                        |              |            |            |                                                                                                                                                                                                      |                        |                         |                        |              |              |            |
| <b>Sensitivity of Net Pension Liability to Changes in Discount Rate</b> | <table> <tr> <th>1% Decrease<br/>(6.00%)</th><th>Current Rate<br/>(7.00%)</th><th>1% Increase<br/>(8.00%)</th></tr> <tr> <td>\$ 1,552,846</td><td>\$ 930,712</td><td>\$ 404,618</td></tr> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 1% Decrease<br>(6.00%)                                                                                                                                                                                                                    | Current Rate<br>(7.00%) | 1% Increase<br>(8.00%) | \$ 1,552,846 | \$ 930,712 | \$ 404,618 | <table> <tr> <th>1% Decrease<br/>(5.90%)</th><th>Current Rate<br/>(6.90%)</th><th>1% Increase<br/>(7.90%)</th></tr> <tr> <td>\$ 3,765,415</td><td>\$ 1,948,672</td><td>\$ 439,728</td></tr> </table> | 1% Decrease<br>(5.90%) | Current Rate<br>(6.90%) | 1% Increase<br>(7.90%) | \$ 3,765,415 | \$ 1,948,672 | \$ 439,728 |
| 1% Decrease<br>(6.00%)                                                  | Current Rate<br>(7.00%)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 1% Increase<br>(8.00%)                                                                                                                                                                                                                    |                         |                        |              |            |            |                                                                                                                                                                                                      |                        |                         |                        |              |              |            |
| \$ 1,552,846                                                            | \$ 930,712                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | \$ 404,618                                                                                                                                                                                                                                |                         |                        |              |            |            |                                                                                                                                                                                                      |                        |                         |                        |              |              |            |
| 1% Decrease<br>(5.90%)                                                  | Current Rate<br>(6.90%)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 1% Increase<br>(7.90%)                                                                                                                                                                                                                    |                         |                        |              |            |            |                                                                                                                                                                                                      |                        |                         |                        |              |              |            |
| \$ 3,765,415                                                            | \$ 1,948,672                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | \$ 439,728                                                                                                                                                                                                                                |                         |                        |              |            |            |                                                                                                                                                                                                      |                        |                         |                        |              |              |            |

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

|                                                                            | STRS Ohio                    |                         |                              | OPERS                        |                         |                              |
|----------------------------------------------------------------------------|------------------------------|-------------------------|------------------------------|------------------------------|-------------------------|------------------------------|
| Sensitivity of Net OPEB Liability (Asset) to Changes in Discount Rate      | 1% Decrease<br>(6.00%)       | Current Rate<br>(7.00%) | 1% Increase<br>(8.00%)       | 1% Decrease<br>(5.00%)       | Current Rate<br>(6.00%) | 1% Increase<br>(7.00%)       |
|                                                                            | \$ (38,140)                  | \$ (62,019)             | \$ (82,658)                  | \$ (303,843)                 | \$ (439,554)            | \$ (552,400)                 |
| Sensitivity of Net OPEB Liability (Asset) to Changes in Medical Trend Rate | 1% Decrease in<br>Trend Rate | Current<br>Trend Rate   | 1% Increase in<br>Trend Rate | 1% Decrease in<br>Trend Rate | Current<br>Trend Rate   | 1% Increase in<br>Trend Rate |
|                                                                            | \$ (83,965)                  | \$ (62,019)             | \$ (35,590)                  | \$ (443,535)                 | \$ (439,554)            | \$ (435,004)                 |

### Defined Benefit Pension and OPEB Plans – Year Ended June 30, 2025

The collective net pension liabilities of the retirement systems and the university's proportionate share of these liabilities as of June 30, 2025, are as follows:

|                                                      | STRS Ohio |            | OPERS |            | Total        |
|------------------------------------------------------|-----------|------------|-------|------------|--------------|
| Net pension liability - all employers                | \$        | 19,241,616 | \$    | 24,500,325 |              |
| Proportion of the net pension liability - university |           | 5.0%       |       | 11.1%      |              |
| Proportionate share of net pension liability         | \$        | 963,961    | \$    | 2,724,607  | \$ 3,688,568 |

The collective net OPEB liabilities (assets) of the retirement systems and the university's proportionate share of these liabilities (assets) as of June 30, 2025, are as follows:

|                                                           | STRS Ohio |             | OPERS |             | Total        |
|-----------------------------------------------------------|-----------|-------------|-------|-------------|--------------|
| Net OPEB (asset) liability - all employers                | \$        | (1,896,809) | \$    | (2,344,234) |              |
| Proportion of the net OPEB (asset) liability - university |           | 5.0%        |       | 11.2%       |              |
| Proportionate share of net OPEB (asset) liability         | \$        | (95,026)    | \$    | (262,642)   | \$ (357,668) |

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

Deferred outflows of resources and deferred inflows of resources for pensions were related to the following sources as of June 30, 2025:

|                                                                                  | STRS Ohio         | OPERS             | Total             |
|----------------------------------------------------------------------------------|-------------------|-------------------|-------------------|
| <b>Deferred Outflows of Resources:</b>                                           |                   |                   |                   |
| Differences between expected and actual experience                               | \$ 60,704         | \$ 57,097         | \$ 117,801        |
| Changes in assumptions                                                           | 44,425            | 1,043             | 45,468            |
| Net difference between projected and actual earnings on pension plan investments | -                 | 299,661           | 299,661           |
| Changes in proportion of university contributions                                | 1,340             | 2                 | 1,342             |
| University contributions subsequent to the measurement date                      | 103,719           | 151,005           | 254,724           |
| <b>Total</b>                                                                     | <b>\$ 210,188</b> | <b>\$ 508,808</b> | <b>\$ 718,996</b> |
| <b>Deferred Inflows of Resources:</b>                                            |                   |                   |                   |
| Differences between expected and actual experience                               | \$ 528            | \$ 2,977          | \$ 3,505          |
| Changes of assumptions                                                           | 33,439            | -                 | 33,439            |
| Net difference between projected and actual earnings on pension plan investments | 82,881            | -                 | 82,881            |
| Changes in proportion of university contributions                                | 1,492             | 2,979             | 4,471             |
| <b>Total</b>                                                                     | <b>\$ 118,340</b> | <b>\$ 5,956</b>   | <b>\$ 124,296</b> |

Deferred outflows of resources and deferred inflows of resources for OPEB were related to the following sources as of June 30, 2025:

|                                                                                  | STRS Ohio        | OPERS            | Total             |
|----------------------------------------------------------------------------------|------------------|------------------|-------------------|
| <b>Deferred Outflows of Resources:</b>                                           |                  |                  |                   |
| Differences between expected and actual experience                               | \$ 4,131         | \$ -             | \$ 4,131          |
| Changes in assumptions                                                           | 11,696           | -                | 11,696            |
| Net difference between projected and actual earnings on OPEB plan investments    | -                | 1,600            | 1,600             |
| Changes in proportion of university contributions                                | 8                | 108              | 116               |
| <b>Total</b>                                                                     | <b>\$ 15,835</b> | <b>\$ 1,708</b>  | <b>\$ 17,543</b>  |
| <b>Deferred Inflows of Resources:</b>                                            |                  |                  |                   |
| Differences between expected and actual experience                               | \$ 10,240        | \$ 12,782        | \$ 23,022         |
| Changes in assumptions                                                           | 42,855           | 37,888           | 80,743            |
| Net difference between projected and actual earnings on pension plan investments | 4,080            | -                | 4,080             |
| Changes in proportion of university contributions                                | 48               | -                | 48                |
| <b>Total</b>                                                                     | <b>\$ 57,223</b> | <b>\$ 50,670</b> | <b>\$ 107,893</b> |

Amounts reported as deferred outflows of resources related to pensions resulting from university contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense during the years ending June 30 as follows:

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

|                     | STRS Ohio          | OPERS             | Total             |
|---------------------|--------------------|-------------------|-------------------|
| 2026                | \$ (54,572)        | \$ 178,871        | \$ 124,299        |
| 2027                | 87,273             | 335,053           | 422,326           |
| 2028                | (25,326)           | (123,814)         | (149,140)         |
| 2029                | (19,246)           | (39,913)          | (59,159)          |
| 2030                | -                  | 517               | 517               |
| 2031 and Thereafter | -                  | 1,133             | 1,133             |
| <b>Total</b>        | <b>\$ (11,871)</b> | <b>\$ 351,847</b> | <b>\$ 339,976</b> |

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

|                     | STRS Ohio          | OPERS              | Total              |
|---------------------|--------------------|--------------------|--------------------|
| 2026                | \$ (14,889)        | \$ (28,309)        | \$ (43,198)        |
| 2027                | (6,638)            | 22,142             | 15,504             |
| 2028                | (8,184)            | (31,644)           | (39,828)           |
| 2029                | (7,318)            | (11,151)           | (18,469)           |
| 2030                | (5,867)            | -                  | (5,867)            |
| 2031 and Thereafter | 1,506              | -                  | 1,506              |
| <b>Total</b>        | <b>\$ (41,390)</b> | <b>\$ (48,962)</b> | <b>\$ (90,352)</b> |

The following table provides additional details on the benefit formulas, contribution requirements and significant assumptions used in the measurement of total pension and OPEB liabilities for the retirement systems for the year ended June 30, 2025 (information below applies to both pensions and OPEB unless otherwise indicated).

|                            | STRS Ohio                      | OPERS                         |
|----------------------------|--------------------------------|-------------------------------|
| <b>Statutory Authority</b> | Ohio Revised Code Chapter 3307 | Ohio Revised Code Chapter 145 |

# Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

|                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Benefit Formula</b></p> | <p><b>Pensions</b> – The Defined Benefit (DB) Plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. The calculation is 2.2% of final average salary for the five highest years of earnings multiplied by all years of credited service. Effective Aug. 1, 2023, any member can retire with unreduced benefits with 34 years of services credit at any age; or five years of service credit and age 65. Effective June 1, 2025 - July 1, 2027, any member can retire with unreduced benefits with 33 years of service credit at any age; or five years of service credit and age 65. Effective on or after Aug. 1, 2027, any member can retire with unreduced benefits with 34 years of service credit at any age; or five years of service credit and age 65.</p> <p>Eligibility changes for DB Plan members who retire with actuarially reduced benefits effective Aug. 1, 2023, can retire with 29 years of service credit at any age; or five years of service credit and age 60. Effective June 1, 2025 - July 1, 2027, retirement eligibility for reduced benefits is 28 years of service credit at any age; or five years of service credit and age 60. Effective on or after Aug. 1, 2027, retirement eligibility for reduced benefits is 29 years of service credit at any age; or five years of service credit and age 60.</p> <p>OPEB – Ohio law authorizes the State Teachers Retirement Board to offer a cost-sharing, multiple-employer health care plan. STRS Ohio provides access to health care coverage to eligible retirees who participated in the Defined Benefit or Combined Plans and their eligible dependents.</p> <p>Coverage under the current program includes hospitalization, physicians' fees and prescription drugs and partial reimbursement of the monthly Medicare Part B premiums. Pursuant to the Ohio Revised Code, the Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by the plan. All benefit recipients pay a portion of the health care</p> | <p><b>Pensions</b> – Benefits are calculated on the basis of age, final average salary (FAS), and service credit. State and Local members in transition Groups A and B are eligible for retirement benefits at age 60 with five years of service credit or at age 55 with 25 or more years of service credit. Group C for State and Local is eligible for retirement at age 57 with 25 years of service or at age 62 with five years of service. For Groups A and B, the annual benefit is based on 2.2% of FAS multiplied by the actual years of service for the first 30 years of service credit and 2.5% for years of service in excess of 30 years. For Group C, the annual benefit applies a factor of 2.2% for the first 35 years and a factor of 2.5% for the years of service in excess of 35. FAS represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career. The base amount of a member's pension benefit is locked in upon receipt of the initial benefit payment for calculation of annual cost-of-living adjustment.</p> <p>OPEB – The Ohio Revised Code permits, but does not require, OPERS to offer post-employment health care coverage. The ORC allows a portion of the employers' contributions to be used to fund health care coverage. Eligibility requirements for access to the OPERS health care options have changed over the history of the program for Traditional Pension Plan members.</p> <p>Beginning January 1, 2015, the service eligibility criteria for health care coverage increased to 20 years with a minimum age of 60, or, generally, 30 years of qualifying service at any age. Effective January 1, 2022, retirees must generally be at least age 65 with a minimum of 20 years of qualifying service credit, or a minimum of 30 years of qualifying service credit at any age, to qualify for health care benefits.</p> <p>Beginning 2016 for Medicare retirees enrolled in Medicare A and B, and beginning 2022 for non-Medicare retirees, eligible retirees were able to participate in the OPERS Connector (Connector) in lieu of comprehensive health</p> |
|-------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

# Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

|                                           | <b>STRS Ohio</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>OPERS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                           | <p>costs in the form of a monthly premium. Benefit recipients contributed \$150.6 million or 45% of the total health care costs in fiscal 2024 (excluding deductibles, coinsurance and copayments).</p> <p>Medicare Part D is a federal program to help cover the costs of prescription drugs for Medicare beneficiaries. This program allows STRS Ohio to recover part of the cost for providing prescription coverage since all eligible STRS Ohio health care plans include creditable prescription drug coverage. For the year ended June 30, 2024, STRS Ohio received \$91.9 million in Medicare Part D government reimbursements.</p> | <p>care coverage. The Connector, a vendor selected by OPERS, assists eligible retirees in the evaluation, selection and purchase of a health care plan on the open market. Eligible retirees may receive a monthly allowance in their health reimbursement arrangement (HRA) account that can be used to reimburse eligible health care expenses.</p>                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Cost-of-Living Adjustments (COLAs)</b> | <p>Effective July 1, 2017, the COLA was reduced to 0%.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <p>Once a benefit recipient retired under the Traditional Pension Plan has received benefits for 12 months, the member is eligible for an annual cost-of-living adjustment. This cost-of-living adjustment is calculated on the member's original base retirement benefit at the date of retirement and is not compounded. Members retiring under the Combined Plan division receive a cost-of-living adjustment on the defined benefit portion of their retirement benefit. For those who retired prior to January 7, 2013, the cost-of-living adjustment is 3%. For those retiring on or after January 7, 2013, beginning in 2019, the adjustment is based on the average percentage increase in the Consumer Price Index, capped at 3%.</p> |
| <b>Contribution Rates</b>                 | <p>Employer and member contribution rates are established by the Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The employer and member contribution rates are 14% of covered payroll. Under Ohio law, funds to pay health care costs may be deducted from employer contributions. For the year ended June 30, 2024, no employer allocation was made to the health care fund.</p>                                                                                                                                                                                                                                   | <p>Employee and member contribution rates are established by the OPERS Board and limited by Chapter 145 of the Ohio Revised Code. For 2024, employer rates for the State and Local Divisions were 14% of covered payroll (and 18.1% for the Law Enforcement and Public Safety Divisions). Member rates for the State and Local Divisions were 10% of covered payroll (13% for Law Enforcement and 12% for Public Safety).</p>                                                                                                                                                                                                                                                                                                                  |
| <b>Measurement Date</b>                   | <p>June 30, 2024</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <p>December 31, 2024 (OPEB is rolled forward from December 31, 2023 actuarial valuation date)</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

# Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

|                                      | STRS Ohio                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | OPERS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Actuarial Assumptions</b>         | <b>Valuation Date:</b> June 30, 2024 for pensions and OPEB<br><b>Actuarial Cost Method:</b> Individual entry age<br><b>Investment Rate of Return:</b> 7.00%<br><b>Inflation:</b> 2.50%<br><b>Projected Salary Increases:</b> Varies by service from 2.5% to 8.5%<br><b>Cost-of-Living Adjustments:</b> 0% effective July 1, 2017<br><b>Payroll Increases:</b> 3.00%<br><b>Health Care Cost Trends:</b> -112.22% to 8.00% initial; 3.94% ultimate in 2044                                                                                                                                              | <b>Valuation Date:</b> December 31, 2024 for pensions; December 31, 2023 for OPEB<br><b>Actuarial Cost Method:</b> Individual entry age<br><b>Investment Rate of Return:</b> 6.9% for pensions; 6.0% for OPEB<br><b>Inflation:</b> 2.75%<br><b>Projected Salary Increases:</b> 2.75% - 10.75%<br><b>Cost-of-Living Adjustments:</b><br>Pre-1/7/2013 Retirees: 3.00% Simple<br>Post-1/7/2013 Retirees: 2.90% Simple for calendar year 2025, then 2.05% Simple<br><b>Health Care Cost Trends:</b> 5.50% initial; 3.50% ultimate in 2039                                                                                                                                                                                                                                                                                                 |
| <b>Mortality Rates</b>               | For healthy retirees the post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020. | Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables. |
| <b>Date of Last Experience Study</b> | June 30, 2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | December 31, 2020                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

**Notes to Financial Statements – Years Ended June 30, 2026 and 2025**  
(dollars in thousands)

|                               | STRS Ohio                                                                                                                                                                                                                                                                                                                                                                        | OPERS                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Investment Return Assumptions | The 10-year expected real rate of return on defined benefit pension and health care plan investments was determined by STRS Ohio's investment consultant by developing best estimates of expected future real rates of return for each major asset class. The target allocation and long-term expected real rate of return for each major asset class are summarized as follows: | The long-term expected rates of return on defined benefit pension and health care investment assets were determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  | The following table displays the Board-approved asset allocation policy for defined benefit pension assets for 2024 and the long-term expected real rates of return:                                                                                                                                                                                                                                                                                                  |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                               |                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

|                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Discount Rate</b></p> | <p><b>Pensions</b> – The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with the rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS Ohio's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2024. Therefore, the long-term expected rate of return on pension plan investments of 7.00% was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2024.</p> <p><b>OPEB</b> – The discount rate used to measure the total OPEB liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members as of June 30, 2024. Therefore, the long-term expected rate of return on health care plan investments of 7.00% was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2024.</p> | <p><b>Pensions</b> – The discount rate used to measure the total pension liability was 6.9% for the Traditional Pension Plan and Member-Directed Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.</p> <p><b>OPEB</b> – A single discount rate of 6.00% was used to measure the total OPEB liability on the measurement date of December 31, 2024; however, the single discount rate used at the beginning of the year was 5.70%. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). The single discount rate was based on the actuarial assumed rate of return of 6.00%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2124. As a result, the single discount rate was set as the actuarial assumed long-term expected rate of return on health care investments and was applied to projected costs through the year 2124, the duration of the projection period through which projected health care payments are fully funded. The tax-exempt municipal bond</p> |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

# Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

|                                                                                   | STRS Ohio                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | OPERS                                                                                                                                                                                                                                                                                 |                         |                              |              |             |              |                                                                                                                                                                                                                  |                              |                         |                              |              |              |              |
|-----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|------------------------------|--------------|-------------|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-------------------------|------------------------------|--------------|--------------|--------------|
|                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | rate was not needed in the determination of the single discount rate.                                                                                                                                                                                                                 |                         |                              |              |             |              |                                                                                                                                                                                                                  |                              |                         |                              |              |              |              |
| <b>Changes in Assumptions Since the Prior Measurement Date</b>                    | <p><b>Pensions</b> – Demographic assumptions were changed based on the actuarial experience study for the period July 1, 2015 through June 30, 2021.</p> <p><b>OPEB</b> – Health care trends were updated to reflect emerging claims and recoveries experience as well as benefit changes effective January 1, 2025. The larger Medicare trends for Years 2027 and 2028 reflect the assumed impact of the expiration of current Medicare Advantage contract on December 31, 2028.</p> | <p><b>Pensions</b> – There were no changes in assumptions since the prior measurement date of December 31, 2023.</p> <p><b>OPEB</b> – Amounts reported in 2025 reflect an adjustment of the discount rate from 5.70% to 6.00%.</p>                                                    |                         |                              |              |             |              |                                                                                                                                                                                                                  |                              |                         |                              |              |              |              |
| <b>Benefit Term Changes Since the Prior Measurement Date</b>                      | <p><b>Pensions</b> – Retirement rates were extended to younger ages intended to ensure that the ranges in retirement eligibility impacted participants at such ages.</p> <p><b>OPEB</b> – There were no changes in benefit terms since the prior measurement date of June 30, 2023.</p>                                                                                                                                                                                               | <p><b>Pensions</b> – Effective January 1, 2024, the Combined Plan was consolidated into the Traditional Pension Plan, as approved by the legislature in HB 33.</p> <p><b>OPEB</b> – There were no changes in benefit terms since the prior measurement date of December 31, 2023.</p> |                         |                              |              |             |              |                                                                                                                                                                                                                  |                              |                         |                              |              |              |              |
| <b>Sensitivity of Net Pension Liability to Changes in Discount Rate</b>           | <table> <tr> <th>1% Decrease<br/>(6.00%)</th><th>Current Rate<br/>(7.00%)</th><th>1% Increase<br/>(8.00%)</th></tr> <tr> <td>\$ 1,555,038</td><td>\$ 963,961</td><td>\$ 464,011</td></tr> </table>                                                                                                                                                                                                                                                                                    | 1% Decrease<br>(6.00%)                                                                                                                                                                                                                                                                | Current Rate<br>(7.00%) | 1% Increase<br>(8.00%)       | \$ 1,555,038 | \$ 963,961  | \$ 464,011   | <table> <tr> <th>1% Decrease<br/>(5.90%)</th><th>Current Rate<br/>(6.90%)</th><th>1% Increase<br/>(7.90%)</th></tr> <tr> <td>\$ 4,457,397</td><td>\$ 2,724,607</td><td>\$ 1,284,783</td></tr> </table>           | 1% Decrease<br>(5.90%)       | Current Rate<br>(6.90%) | 1% Increase<br>(7.90%)       | \$ 4,457,397 | \$ 2,724,607 | \$ 1,284,783 |
| 1% Decrease<br>(6.00%)                                                            | Current Rate<br>(7.00%)                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 1% Increase<br>(8.00%)                                                                                                                                                                                                                                                                |                         |                              |              |             |              |                                                                                                                                                                                                                  |                              |                         |                              |              |              |              |
| \$ 1,555,038                                                                      | \$ 963,961                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | \$ 464,011                                                                                                                                                                                                                                                                            |                         |                              |              |             |              |                                                                                                                                                                                                                  |                              |                         |                              |              |              |              |
| 1% Decrease<br>(5.90%)                                                            | Current Rate<br>(6.90%)                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 1% Increase<br>(7.90%)                                                                                                                                                                                                                                                                |                         |                              |              |             |              |                                                                                                                                                                                                                  |                              |                         |                              |              |              |              |
| \$ 4,457,397                                                                      | \$ 2,724,607                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | \$ 1,284,783                                                                                                                                                                                                                                                                          |                         |                              |              |             |              |                                                                                                                                                                                                                  |                              |                         |                              |              |              |              |
| <b>Sensitivity of Net OPEB Liability (Asset) to Changes in Discount Rate</b>      | <table> <tr> <th>1% Decrease<br/>(6.00%)</th><th>Current Rate<br/>(7.00%)</th><th>1% Increase<br/>(8.00%)</th></tr> <tr> <td>\$ (77,262)</td><td>\$ (95,026)</td><td>\$ (110,484)</td></tr> </table>                                                                                                                                                                                                                                                                                  | 1% Decrease<br>(6.00%)                                                                                                                                                                                                                                                                | Current Rate<br>(7.00%) | 1% Increase<br>(8.00%)       | \$ (77,262)  | \$ (95,026) | \$ (110,484) | <table> <tr> <th>1% Decrease<br/>(5.00%)</th><th>Current Rate<br/>(6.00%)</th><th>1% Increase<br/>(7.00%)</th></tr> <tr> <td>\$ (130,424)</td><td>\$ (262,642)</td><td>\$ (373,010)</td></tr> </table>           | 1% Decrease<br>(5.00%)       | Current Rate<br>(6.00%) | 1% Increase<br>(7.00%)       | \$ (130,424) | \$ (262,642) | \$ (373,010) |
| 1% Decrease<br>(6.00%)                                                            | Current Rate<br>(7.00%)                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 1% Increase<br>(8.00%)                                                                                                                                                                                                                                                                |                         |                              |              |             |              |                                                                                                                                                                                                                  |                              |                         |                              |              |              |              |
| \$ (77,262)                                                                       | \$ (95,026)                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$ (110,484)                                                                                                                                                                                                                                                                          |                         |                              |              |             |              |                                                                                                                                                                                                                  |                              |                         |                              |              |              |              |
| 1% Decrease<br>(5.00%)                                                            | Current Rate<br>(6.00%)                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 1% Increase<br>(7.00%)                                                                                                                                                                                                                                                                |                         |                              |              |             |              |                                                                                                                                                                                                                  |                              |                         |                              |              |              |              |
| \$ (130,424)                                                                      | \$ (262,642)                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | \$ (373,010)                                                                                                                                                                                                                                                                          |                         |                              |              |             |              |                                                                                                                                                                                                                  |                              |                         |                              |              |              |              |
| <b>Sensitivity of Net OPEB Liability (Asset) to Changes in Medical Trend Rate</b> | <table> <tr> <th>1% Decrease in<br/>Trend Rate</th><th>Current<br/>Trend Rate</th><th>1% Increase in<br/>Trend Rate</th></tr> <tr> <td>\$ (111,528)</td><td>\$ (95,026)</td><td>\$ (75,180)</td></tr> </table>                                                                                                                                                                                                                                                                        | 1% Decrease in<br>Trend Rate                                                                                                                                                                                                                                                          | Current<br>Trend Rate   | 1% Increase in<br>Trend Rate | \$ (111,528) | \$ (95,026) | \$ (75,180)  | <table> <tr> <th>1% Decrease in<br/>Trend Rate</th><th>Current<br/>Trend Rate</th><th>1% Increase in<br/>Trend Rate</th></tr> <tr> <td>\$ (266,676)</td><td>\$ (262,642)</td><td>\$ (258,160)</td></tr> </table> | 1% Decrease in<br>Trend Rate | Current<br>Trend Rate   | 1% Increase in<br>Trend Rate | \$ (266,676) | \$ (262,642) | \$ (258,160) |
| 1% Decrease in<br>Trend Rate                                                      | Current<br>Trend Rate                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 1% Increase in<br>Trend Rate                                                                                                                                                                                                                                                          |                         |                              |              |             |              |                                                                                                                                                                                                                  |                              |                         |                              |              |              |              |
| \$ (111,528)                                                                      | \$ (95,026)                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | \$ (75,180)                                                                                                                                                                                                                                                                           |                         |                              |              |             |              |                                                                                                                                                                                                                  |                              |                         |                              |              |              |              |
| 1% Decrease in<br>Trend Rate                                                      | Current<br>Trend Rate                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 1% Increase in<br>Trend Rate                                                                                                                                                                                                                                                          |                         |                              |              |             |              |                                                                                                                                                                                                                  |                              |                         |                              |              |              |              |
| \$ (266,676)                                                                      | \$ (262,642)                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | \$ (258,160)                                                                                                                                                                                                                                                                          |                         |                              |              |             |              |                                                                                                                                                                                                                  |                              |                         |                              |              |              |              |

## Defined Contribution Plans

ARP is a defined contribution pension plan. Full-time administrative and professional staff and faculty may choose enrollment in ARP in lieu of OPERS or STRS Ohio. Classified civil service employees hired on or after August 1, 2005, are also eligible to participate in ARP. ARP does not provide disability benefits, annual cost-of-living adjustments, post-retirement health care benefits or death

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

---

benefits to plan members and beneficiaries. Benefits are entirely dependent on the sum of contributions and investment returns earned by each participant's choice of investment options.

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

STRS Ohio also offers a defined contribution plan in addition to its long-established defined benefit plan. All employee contributions and employer contributions at a rate of 11.09% are placed in an investment account directed by the employee. Disability benefits are limited to the employee's account balance. Employees electing the defined contribution plan receive no post-retirement health care benefits.

### Combined Plans

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

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

### Summary of Employer Pension and OPEB Expense

Total employer contributions for pensions for the years ended June 30, 2026 and 2025 were \$547,751 and \$509,099, respectively. There were no contributions associated with OPEB. For the years ended June 30, 2026 and 2025, the university recognized pension and OPEB expense (benefit) of \$483,453 and \$426,518, respectively. Pension and OPEB expenses are allocated to institutional functions on the Statement of Revenues, Expenses and Changes in Net Position.

Both STRS Ohio and OPERS issue separate, publicly available financial reports that include financial statements and required supplemental information. These reports may be obtained by contacting the two organizations.

#### **STRS Ohio**

275 East Broad Street  
Columbus, OH 43215-3371  
<https://www.strsoh.org/about/reports.html>

#### **OPERS**

277 East Town Street  
Columbus, OH 43215-4642  
<https://www.opers.org/financial/reports.shtml>

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

### Ohio State University Physicians Retirement Plan

Retirement benefits are provided for the employees of OSUP through a tax-sheltered 403(b) and 401(a) defined contribution plan administered by an insurance company. OSUP is required to make nondiscretionary contributions of no less than 7.5% under the Interim Retirement Plan; however, some subsidiaries make an additional discretionary contribution of up to 17.5%, for a range of total employer contributions of 7.5% to 25%. Employees are allowed, but not required, to make contributions to the 403(b) plan. OSUP's share of the cost of these benefits was \$14,976 and \$12,900 for the years ended June 30, 2026 and 2025, respectively. Employee contributions were \$8,064 and \$6,600 for the years ended June 30, 2026 and 2025, respectively.

### 415(m) Plans

The university maintains two supplemental 415(m) retirement plans. These plans are unfunded and constitute an unsecured promise by the university to make benefit payments in the future from its general assets. The university sets aside assets for the 415(m) plans, which are invested primarily in mutual funds. These assets totaled \$382,523 and \$304,383 at June 30, 2026 and 2025, respectively, and are reported as Other Noncurrent Assets and Other Noncurrent Liabilities in the Statement of Net Position.

### NOTE 16 — CAPITAL PROJECT COMMITMENTS

At June 30, 2026, the university is committed to future contractual obligations for capital expenditures of approximately \$263,102 for the primary institution and zero for discretely presented component units. These projects are funded by the following sources:

|                            | Primary<br>Institution | Discretely Presented<br>Component Units |
|----------------------------|------------------------|-----------------------------------------|
| State appropriations       | \$ 17,274              | \$ -                                    |
| Internal and other sources | 245,828                | -                                       |
| Total                      | <u>\$ 263,102</u>      | <u>\$ -</u>                             |

The above Primary Institution total at June 30, 2026, includes approximately \$146,688 for the Ohio State Health System.

### NOTE 17 — CONTINGENCIES AND RISK MANAGEMENT

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

The university is self-insured for the Ohio State Health System's professional malpractice liability, employee health benefits, workers' compensation and employee life, accidental death and dismemberment benefits. Additional details regarding these self-insurance arrangements are provided in Note 8. The university also carries commercial insurance policies for various property,

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

---

casualty and excess liability risks. Over the past three years, settlement amounts related to these insured risks have not exceeded the university's coverage amounts.

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

### **NOTE 18 — PARKING LEASE AND CONCESSION AGREEMENT**

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

Subsequent to the original agreement, the Ohio State Wexner Medical Center funded the construction of several new parking facilities to facilitate its growth. The university and CampusParc entered into Memorandums of Understanding pertaining to the interim operation of these facilities, which are collectively referred to as the MOU Garages.

On June 7, 2024, QIC GI and other Equity Participants transferred 100% of their equity interests in the lease and concession agreement to Ardian Infrastructure. Upon closing of this transaction, the university and CampusParc LP entered into a sixth amendment of the lease and concession agreement, under which the MOU Garages will be "included in the Parking System subject to the terms of the Concession Agreement". In consideration for the inclusion of the MOU Garages in the Parking System, CampusParc made an upfront payment to the university of \$70,000.

The unamortized lump-sum payments under this service concession arrangement are reported as a deferred inflow of resources and are being amortized to operating revenue over the life of the agreement. Deferred inflows related to the parking agreement were \$415,443 and \$426,917 at June 30, 2026 and 2025, respectively. The university reports the parking lots and garages as capital assets with a carrying amount of \$236,453 and \$242,369 at June 30, 2026 and 2025, respectively.

### **NOTE 19 — UTILITY SYSTEM LEASE AND CONCESSION AGREEMENT**

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

## Notes to Financial Statements – Years Ended June 30, 2026 and 2025

(dollars in thousands)

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

The university recognized fixed and O&M utility fees totaling \$71,340 and \$69,171, respectively for the years ended June 30, 2026 and 2025. The carrying amounts of OSEP capital investments and related payable to the concessionaire at June 30, 2026 and 2025 were \$511,327 and \$511,031, respectively.

### NOTE 20 — COMBINING INFORMATION FOR BLENDED COMPONENT UNITS

As indicated in the Basis of Presentation in Note 1, the university consolidates certain component units in a blended presentation. Condensed combining financial information for the years ended June 30, 2026 and 2025 is presented below.

#### Condensed Combining Information – Year Ended June 30, 2026

|                                                      | Ohio State University<br>Foundation | Other Blended<br>Component<br>Units | Eliminations       |
|------------------------------------------------------|-------------------------------------|-------------------------------------|--------------------|
| <b>Condensed statements of net position:</b>         |                                     |                                     |                    |
| Current assets                                       | \$ 60,653                           | \$ 97,913                           | \$ (12,755)        |
| Capital assets, net                                  | -                                   | 3,286                               | -                  |
| Other assets                                         | 2,438,816                           | 1,608                               | (12,840)           |
| Amounts receivable from the university               | -                                   | 92                                  | -                  |
| Total assets                                         | <u>\$ 2,499,469</u>                 | <u>\$ 102,899</u>                   | <u>\$ (25,595)</u> |
| Current liabilities                                  | \$ 2,522                            | \$ 4,485                            | \$ -               |
| Noncurrent liabilities                               | 41,272                              | 54,590                              | (25,595)           |
| Amounts payable to the university                    | -                                   | 92                                  | -                  |
| Deferred inflows                                     | 13,016                              | -                                   | -                  |
| Total liabilities and deferred inflows               | <u>56,810</u>                       | <u>59,167</u>                       | <u>(25,595)</u>    |
| Net investment in capital assets                     | -                                   | 1,102                               | -                  |
| Restricted:                                          |                                     |                                     |                    |
| Nonexpendable                                        | 1,573,991                           | -                                   | -                  |
| Expendable                                           | 850,288                             | -                                   | (25,595)           |
| Unrestricted                                         | 18,380                              | 42,630                              | 25,595             |
| Total net position                                   | <u>2,442,659</u>                    | <u>43,732</u>                       | <u>-</u>           |
| Total liabilities, deferred inflows and net position | <u>\$ 2,499,469</u>                 | <u>\$ 102,899</u>                   | <u>\$ (25,595)</u> |

**Notes to Financial Statements – Years Ended June 30, 2026 and 2025**  
(dollars in thousands)

|                                                                                    | Ohio State University<br>Foundation | Other Blended<br>Component<br>Units | Eliminations |
|------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|--------------|
| <b>Condensed statements of revenues, expenses<br/>and changes in net position:</b> |                                     |                                     |              |
| Operating revenues:                                                                |                                     |                                     |              |
| Other sales, services and rental income                                            | \$ 3,997                            | \$ 20,357                           | \$ -         |
| Other operating                                                                    | 476                                 | 33                                  | -            |
| Total operating revenues                                                           | 4,473                               | 20,390                              | -            |
| Operating expenses, excluding depreciation                                         | 19,752                              | 10,655                              | -            |
| Depreciation expense                                                               | -                                   | (969)                               | -            |
| Total operating expenses                                                           | 19,752                              | 9,686                               | -            |
| Net operating income (loss)                                                        | (15,279)                            | 10,704                              | -            |
| Noncapital subsidies:                                                              |                                     |                                     |              |
| Gifts for current use                                                              | 209,292                             | 1,222                               | -            |
| Transfers from (to) the university                                                 | (315,833)                           | 9,533                               | -            |
| Total noncapital subsidies                                                         | (106,541)                           | 10,755                              | -            |
| Net operating income (loss) and noncapital subsidies                               | (121,820)                           | 21,459                              | -            |
| Other nonoperating revenues:                                                       |                                     |                                     |              |
| Net investment income                                                              | 299,550                             | 6,842                               | -            |
| Capital contributions and additions to<br>permanent endowments                     | 182,538                             | -                                   | -            |
| Total other nonoperating revenues                                                  | 482,088                             | 6,842                               | -            |
| Change in net position                                                             | 360,268                             | 28,301                              | -            |
| Beginning net position                                                             | 2,082,391                           | 15,431                              | -            |
| Ending net position                                                                | \$ 2,442,659                        | \$ 43,732                           | \$ -         |
| <b>Condensed statements of cash flows:</b>                                         |                                     |                                     |              |
| Net cash provided (used) by:                                                       |                                     |                                     |              |
| Operating activities                                                               | \$ (16,561)                         | \$ 9,686                            | \$ -         |
| Noncapital financing activities                                                    | 31,560                              | 480                                 | -            |
| Capital and related financing activities                                           | 45,895                              | 33                                  | -            |
| Investing activities                                                               | (60,872)                            | 854                                 | -            |
| Net increase in cash                                                               | 22                                  | 11,053                              | -            |
| Beginning cash and cash equivalents                                                | 70                                  | 20,548                              | -            |
| Ending cash and cash equivalents                                                   | \$ 92                               | \$ 31,601                           | \$ -         |

**Notes to Financial Statements – Years Ended June 30, 2026 and 2025**  
(dollars in thousands)

**Condensed Combining Information – Year Ended June 30, 2025**

|                                                      | Ohio State University<br>Foundation | Other Blended<br>Component<br>Units | Eliminations       |
|------------------------------------------------------|-------------------------------------|-------------------------------------|--------------------|
| <b>Condensed statements of net position:</b>         |                                     |                                     |                    |
| Current assets                                       | \$ 65,131                           | \$ 81,872                           | \$ (12,704)        |
| Capital assets, net                                  | -                                   | 3,477                               | -                  |
| Other assets                                         | 2,089,524                           | 1,525                               | (25,615)           |
| Amounts receivable from the university               | -                                   | 64                                  | -                  |
| Total assets                                         | <u>\$ 2,154,655</u>                 | <u>\$ 86,938</u>                    | <u>\$ (38,319)</u> |
| Current liabilities                                  | \$ 2,271                            | \$ 4,441                            | \$ -               |
| Noncurrent liabilities                               | 60,258                              | 67,002                              | (38,319)           |
| Amounts payable to the university                    | (5)                                 | 64                                  | -                  |
| Deferred inflows                                     | 9,740                               | -                                   | -                  |
| Total liabilities and deferred inflows               | <u>72,264</u>                       | <u>71,507</u>                       | <u>(38,319)</u>    |
| Net investment in capital assets                     | -                                   | 58                                  | -                  |
| Restricted:                                          |                                     |                                     |                    |
| Nonexpendable                                        | 1,418,436                           | -                                   | -                  |
| Expendable                                           | 643,936                             | 1                                   | (38,319)           |
| Unrestricted                                         | 20,019                              | 15,372                              | 38,319             |
| Total net position                                   | <u>2,082,391</u>                    | <u>15,431</u>                       | <u>-</u>           |
| Total liabilities, deferred inflows and net position | <u>\$ 2,154,655</u>                 | <u>\$ 86,938</u>                    | <u>\$ (38,319)</u> |

**Notes to Financial Statements – Years Ended June 30, 2026 and 2025**  
(dollars in thousands)

|                                                                                    | Ohio State University<br>Foundation | Other Blended<br>Component<br>Units | Eliminations |
|------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|--------------|
| <b>Condensed statements of revenues, expenses<br/>and changes in net position:</b> |                                     |                                     |              |
| Operating revenues:                                                                |                                     |                                     |              |
| Other sales, services and rental income                                            | \$ 69                               | \$ (515)                            | \$ -         |
| Other operating                                                                    | 6,029                               | -                                   | -            |
| Total operating revenues                                                           | 6,098                               | (515)                               | -            |
| Operating expenses, excluding depreciation                                         | 14,828                              | 32,661                              | -            |
| Depreciation expense                                                               | -                                   | 1,306                               | -            |
| Total operating expenses                                                           | 14,828                              | 33,967                              | -            |
| Net operating loss                                                                 | (8,730)                             | (34,482)                            | -            |
| Noncapital subsidies:                                                              |                                     |                                     |              |
| Gifts for current use                                                              | 203,494                             | 17,869                              | -            |
| Transfers from (to) the university                                                 | (322,143)                           | 16,009                              | -            |
| Total noncapital subsidies                                                         | (118,649)                           | 33,878                              | -            |
| Net operating loss and noncapital subsidies                                        | (127,379)                           | (604)                               | -            |
| Other nonoperating revenues:                                                       |                                     |                                     |              |
| Net investment income                                                              | 193,016                             | 6,031                               | -            |
| Capital contributions and additions to<br>permanent endowments                     | 127,332                             | -                                   | -            |
| Total other nonoperating revenues                                                  | 320,348                             | 6,031                               | -            |
| Change in net position                                                             | 192,969                             | 5,427                               | -            |
| Beginning net position                                                             | 1,889,422                           | 10,004                              | -            |
| Ending net position                                                                | \$ 2,082,391                        | \$ 15,431                           | \$ -         |
| <b>Condensed statements of cash flows:</b>                                         |                                     |                                     |              |
| Net cash provided (used) by:                                                       |                                     |                                     |              |
| Operating activities                                                               | \$ (14,912)                         | \$ (29,626)                         | \$ -         |
| Noncapital financing activities                                                    | 6,016                               | 17,665                              | -            |
| Capital and related financing activities                                           | 30,986                              | -                                   | -            |
| Investing activities                                                               | (22,277)                            | 4,651                               | -            |
| Net decrease in cash                                                               | (187)                               | (7,310)                             | -            |
| Beginning cash and cash equivalents                                                | 257                                 | 27,858                              | -            |
| Ending cash and cash equivalents                                                   | \$ 70                               | \$ 20,548                           | \$ -         |

**NOTE 21 — SUBSEQUENT EVENTS**

**Planned Medical Group Practice Transition**

Prior to June 30, 2026, Medical Center leadership approved a plan to transition the clinical departments of OSU Physicians, Inc. (OSUP) to the Health System and establish a new Medical Group Practice (MGP) business unit within the Health System. The transition is expected to become effective on July 1, 2027 (FY2028) and is expected to include the transfer of certain assets, liabilities, operations, and net position associated with the clinical departments. The transaction is expected to be accounted for in accordance with GASB Statement No. 69, Government Combinations and Disposals of Government Operations. No assets, liabilities, operations, or net position were transferred as of June 30, 2026. Management continues to evaluate the accounting and financial reporting implications of the transition, and the ultimate financial effect has not yet been determined.

**The Ohio State University**  
**Required Supplementary Information on GASB 68 Pension Liabilities (Unaudited)**  
**Year Ended June 30, 2026**

The schedule of the university's proportionate shares of STRS Ohio and OPERS net pension liabilities are presented below:

| <i>(dollars in thousands)</i>                                                                        | 2017         | 2018         | 2019         | 2020         | 2021         | 2022         | 2023         | 2024         | 2025         | 2026         |
|------------------------------------------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>STRS Ohio:</b>                                                                                    |              |              |              |              |              |              |              |              |              |              |
| University's proportion of the net pension liability                                                 | 4.5%         | 4.6%         | 4.6%         | 4.7%         | 4.9%         | 5.0%         | 5.0%         | 4.8%         | 5.0%         | 5.1%         |
| University's proportionate share of the net pension liability                                        | \$ 1,510,814 | \$ 1,081,053 | \$ 1,019,690 | \$ 1,040,149 | \$ 1,175,835 | \$ 638,605   | \$ 1,107,005 | \$ 1,036,827 | \$ 963,961   | \$ 930,712   |
| University's covered payroll                                                                         | \$ 392,797   | \$ 412,149   | \$ 434,106   | \$ 452,084   | \$ 476,374   | \$ 492,780   | \$ 494,613   | \$ 535,500   | \$ 559,924   | \$ 595,472   |
| University's proportionate share of the net pension liability as a percentage of its covered payroll | 385%         | 262%         | 235%         | 230%         | 247%         | 130%         | 224%         | 194%         | 172%         | 156%         |
| Plan fiduciary net position as a percentage of the total pension liability                           | 66.8%        | 75.3%        | 77.3%        | 77.4%        | 75.5%        | 87.8%        | 78.9%        | 80.0%        | 82.5%        | 84.1%        |
| <b>OPERS:</b>                                                                                        |              |              |              |              |              |              |              |              |              |              |
| University's proportion of the net pension liability                                                 | 9.1%         | 9.4%         | 9.9%         | 10.2%        | 10.4%        | 10.4%        | 10.6%        | 11.0%        | 11.1%        | 11.3%        |
| University's proportionate share of the net pension liability                                        | \$ 2,054,548 | \$ 1,466,955 | \$ 2,695,368 | \$ 1,984,881 | \$ 1,503,497 | \$ 859,188   | \$ 3,107,816 | \$ 2,832,398 | \$ 2,724,607 | \$ 1,948,672 |
| University's covered payroll                                                                         | \$ 1,289,346 | \$ 1,381,054 | \$ 1,521,447 | \$ 1,574,490 | \$ 1,704,763 | \$ 1,669,918 | \$ 1,793,823 | \$ 1,930,711 | \$ 2,096,700 | \$ 2,247,038 |
| University's proportionate share of the net pension liability as a percentage of its covered payroll | 159%         | 106%         | 177%         | 126%         | 88%          | 51%          | 173%         | 147%         | 130%         | 87%          |
| Plan fiduciary net position as a percentage of the total pension liability                           | 77.4%        | 84.9%        | 74.9%        | 82.4%        | 87.2%        | 93.0%        | 76.1%        | 79.4%        | 81.0%        | 87.0%        |

The schedule of the university's contributions to STRS Ohio and OPERS are presented below:

| <i>(dollars in thousands)</i>                                        | 2017         | 2018         | 2019         | 2020         | 2021         | 2022         | 2023         | 2024         | 2025         | 2026         |
|----------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>STRS Ohio:</b>                                                    |              |              |              |              |              |              |              |              |              |              |
| Contractually required contribution                                  | \$ 70,373    | \$ 74,356    | \$ 77,781    | \$ 82,576    | \$ 86,909    | \$ 88,264    | \$ 95,318    | \$ 93,140    | \$ 99,343    | \$ 104,944   |
|                                                                      | \$ 70,373    | \$ 74,356    | \$ 77,781    | \$ 82,576    | \$ 86,909    | \$ 88,264    | \$ 95,318    | \$ 93,140    | \$ 99,343    | \$ 104,944   |
| Contribution deficiency (excess)                                     | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| University's covered payroll                                         | \$ 412,149   | \$ 434,106   | \$ 452,084   | \$ 476,374   | \$ 498,344   | \$ 494,613   | \$ 535,500   | \$ 559,924   | \$ 595,472   | \$ 626,929   |
| Contributions as a percentage of covered payroll                     | 17.1%        | 17.1%        | 17.2%        | 17.3%        | 17.4%        | 17.8%        | 17.8%        | 16.6%        | 16.7%        | 16.7%        |
| <b>OPERS:</b>                                                        |              |              |              |              |              |              |              |              |              |              |
| Contractually required contribution                                  | \$ 188,762   | \$ 201,072   | \$ 220,062   | \$ 231,977   | \$ 240,142   | \$ 247,351   | \$ 268,821   | \$ 289,735   | \$ 312,723   | \$ 333,605   |
| Contributions in relation to the contractually required contribution | \$ 188,762   | \$ 201,072   | \$ 220,062   | \$ 231,977   | \$ 240,142   | \$ 247,351   | \$ 268,821   | \$ 289,735   | \$ 312,723   | \$ 333,605   |
| Contribution deficiency (excess)                                     | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| University's covered payroll                                         | \$ 1,334,350 | \$ 1,421,367 | \$ 1,525,502 | \$ 1,607,469 | \$ 1,664,980 | \$ 1,714,708 | \$ 1,864,293 | \$ 2,014,529 | \$ 2,174,418 | \$ 2,318,975 |
| Contributions as a percentage of covered payroll                     | 14.1%        | 14.1%        | 14.4%        | 14.4%        | 14.4%        | 14.4%        | 14.4%        | 14.4%        | 14.4%        | 14.4%        |

**The Ohio State University**  
**Required Supplementary Information on GASB 75 Net OPEB Liabilities (Unaudited)**  
**Year Ended June 30, 2026**

The schedule of the university's proportionate shares of STRS Ohio and OPERS net OPEB liabilities (assets) are presented below:

| <i>(dollars in thousands)</i>                                                                             | 2018         | 2019         | 2020         | 2021         | 2022         | 2023         | 2024         | 2025         | 2026         |
|-----------------------------------------------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>STRS Ohio:</b>                                                                                         |              |              |              |              |              |              |              |              |              |
| University's proportion of the net OPEB (asset) liability                                                 | 4.6%         | 4.6%         | 4.7%         | 4.9%         | 5.0%         | 5.0%         | 4.8%         | 5.0%         | 5.1%         |
| University's proportionate share of the net OPEB (asset) liability                                        | \$ 177,556   | \$ (74,520)  | \$ (77,901)  | \$ (85,406)  | \$ (105,307) | \$ (128,942) | \$ (93,638)  | \$ (95,026)  | \$ (62,019)  |
| University's covered payroll                                                                              | \$ 412,149   | \$ 434,106   | \$ 452,084   | \$ 452,084   | \$ 492,780   | \$ 494,613   | \$ 535,500   | \$ 559,924   | \$ 595,472   |
| University's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll | 43%          | -17%         | -17%         | -19%         | -21%         | -26%         | -17%         | -17%         | -10%         |
| Plan fiduciary net position as a percentage of the total OPEB (asset) liability                           | 47.1%        | 176.0%       | 174.7%       | 182.1%       | 174.7%       | 230.7%       | 168.5%       | 158.0%       | 128.3%       |
| <b>OPERS:</b>                                                                                             |              |              |              |              |              |              |              |              |              |
| University's proportion of the net OPEB (asset) liability                                                 | 9.7%         | 10.1%        | 10.4%        | 10.7%        | 10.7%        | 10.8%        | 11.2%        | 11.2%        | 11.4%        |
| University's proportionate share of the net OPEB (asset) liability                                        | \$ 1,055,239 | \$ 1,321,019 | \$ 1,436,889 | \$ (189,776) | \$ (335,820) | \$ 68,101    | \$ (101,060) | \$ (262,642) | \$ (439,554) |
| University's covered payroll                                                                              | \$ 1,381,054 | \$ 1,521,447 | \$ 1,574,490 | \$ 1,704,763 | \$ 1,669,918 | \$ 1,793,823 | \$ 1,930,711 | \$ 2,096,700 | \$ 2,247,038 |
| University's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll | 76%          | 87%          | 91%          | -11%         | -20%         | 4%           | -5%          | -13%         | -20%         |
| Plan fiduciary net position as a percentage of the total OPEB (asset) liability                           | 54.1%        | 46.3%        | 47.8%        | 115.6%       | 128.2%       | 94.8%        | 107.8%       | 121.5%       | 135.3%       |

**The Ohio State University**  
**Notes to Required Supplementary Information (Unaudited)**  
**Year Ended June 30, 2026**

**STRS Ohio - Pensions:**

*Changes of benefit terms.* Effective June 1, 2025, through May 1, 2030, any member can retire with unreduced benefits with 32 years of service credit at any age or five years of service credit and age 65. Retirement eligibility for reduced benefits is 27 years of service credit at any age; or five years of service credit and age 60. The plan was amended in May 2023 to establish one-time 1% COLA increase effective on the anniversary of a benefit recipient's retirement date during Fiscal Year 2024 for participants who retired prior to July 1, 2019; and to add unreduced retirement benefits to those with 34 Years of Service, which extends through Fiscal Year 2028. Amounts reported in 2023 reflect plan amendments to provide a one-time 3% COLA for fiscal year 2023 and to eliminate age 60 requirement for unreduced retirement effective August 1, 2026. Amounts reported in 2019 reflect a reduction in the COLA rate to 0%, effective July 1, 2017.

*Changes of assumptions.* Amounts reported in 2023 reflect updates to demographic assumptions related to mortality, retirement, turnover, pension payment form election and salary increases, based on the actuarial experience study for the period from July 1, 2015, through June 30, 2021. Amounts reported in 2022 reflect an adjustment of the discount rate from 7.45% to 7.00%. Amounts reported in 2018 also reflect an adjustment of mortality assumptions based on the use of the RF-2014 Annuitant Mortality Table rather than the RP-2000 Combined Mortality Table. Amounts reported in 2017 reflect an adjustment of the discount rate from 7.75% to 7.45%.

**OPERS – Pensions:**

*Changes of assumptions.* Effective January 1, 2024, the Combined Plan was consolidated into the Traditional Pension Plan. During 2023, the Ohio General Assembly passed bill HB 33 allowing OPERS to consolidate Combined and Traditional Defined Benefit Plans at the discretion of OPERS. OPERS Board voted to consolidate the plans effective January 1, 2024. Amounts reported in 2022 reflect an adjustment of the discount rate from 7.20% to 6.90%. Amounts reported in 2019 reflect an adjustment of the discount rate from 7.50% to 7.20%. Amounts reported in 2017 reflect an adjustment of the discount rate from 8.00% to 7.50%. Amounts reported in 2017 also reflect updated healthy and disabled mortality assumptions, based on the RP-2014 mortality tables with generational improvement scale MP-2016. Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

**STRS Ohio – OPEB:**

*Changes of benefit terms.* The plan was amended as of June 30, 2023, to increase the subsidy percentage for non-Medicare retirees from 2.2% to 2.5% effective January 1, 2023; to remove the freeze on the non-Medicare subsidy base premium effective January 1, 2024; and to remove the 6% cap on the year over year increase in Medicare subsidy effective January 1, 2024. Amounts reported in 2023 reflect health care program changes for the 2023 plan year to increase subsidy level for health care premiums, modify Medicare Part B reimbursements and adjust certain co-pays and out-of-pocket limits. Amounts reported in 2020 reflect postponement of the Medicare Part B monthly reimbursement elimination date to January 1, 2021. Amounts reported in 2019 reflect adoption of a new premium subsidy plan for 2019 and future years that is intended to extend the fund's solvency to 2047. Amounts reported in 2019 also reflect postponement of the Medicare Part B monthly reimbursement elimination date to January 1, 2020. Amounts reported in 2018 reflect discontinuation

of Medicare Part B premium reimbursements for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements, beginning January 2019.

*Changes of assumptions.* Amounts reported in 2026 reflect updated health care trends related to emerging claims and recoveries experience as well as benefit changes effective January 1, 2026. Amounts reported in 2024 reflect updated health care trends related to emerging claims and recovery experience as well as benefit changes effective January 1, 2024. Amounts reported in 2023 reflect updates to demographic assumptions related to mortality, retirement, turnover, pension payment form election, OPEB participation and salary increases, based on the actuarial experience study for the period from July 1, 2015, through June 30, 2021. Amounts reported in 2022 reflect an adjustment of the discount rate from 7.45% to 7.00%. Amounts reported in 2019 reflect an adjustment of the discount rate from 4.13% to 7.45%. Amounts reported in 2018 reflect an adjustment of the discount rate from 3.26% to 4.13%. Amounts reported in 2018 also reflect an adjustment of mortality assumptions based on the use of the RF-2014 Annuitant Mortality Table rather than the RP-2000 Combined Mortality Table.

#### **OPERS – OPEB:**

*Changes of benefit terms.* Amounts reported in 2021 reflect several changes to the health care plan offered to Medicare and non-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes, which were approved by the OPERS Board on January 15, 2020, are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for non-Medicare retirees with monthly allowances.

*Changes of assumptions.* Amounts reported in 2025 reflect an adjustment of the discount rate from 5.70% to 6.00%. Amounts reported in 2024 reflect an adjustment of the discount rate from 5.22% to 5.70% and changes in health care trend rates. Amounts reported in 2023 reflect an adjustment of the discount rate from 6.00% to 5.22%. Amounts reported in 2021 reflect an adjustment of the discount rate from 3.16% to 6.00%. Amounts reported in 2020 reflect an adjustment of the discount rate from 3.96% to 3.16%. Amounts reported in 2019 reflect an adjustment of the discount rate from 3.85% to 3.96%.

**The Ohio State University**  
**Supplementary Information on the Long-Term Investment Pool (Unaudited)**  
**Year Ended June 30, 2026**

The following section of the financial report provides additional information on the university's Long-Term Investment Pool, including a summary of changes in market value, investment returns and related expenses. Additional details on university investments, including asset allocations, endowment distribution policies, investment by type and risk disclosures, are provided in Notes 1 and 3 to the Financial Statements.

In 2026, the market value of the university's Long-Term Investment Pool — which includes gifted endowments, long-term investments of university operating funds and other funds internally designated to function as endowments — increased \$1,124 million, to \$9.74 billion at June 30, 2026. The Long-Term Investment Pool activity for 2026 is summarized below:

**Long-Term Investment Pool Activity (in thousands)**

|                                       | <u>Gifted Endowments</u>   |                            | <u>Quasi-Endowments</u>    |                            | <u>Total</u>               |
|---------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
|                                       | <u>University</u>          | <u>Foundation</u>          | <u>Operating</u>           | <u>Designated</u>          |                            |
| <b>Balance at June 30, 2025</b>       | <b>\$ 1,495,154</b>        | <b>\$ 1,834,984</b>        | <b>\$ 1,876,962</b>        | <b>\$ 3,412,821</b>        | <b>\$ 8,619,921</b>        |
| Net Principal Additions (Withdrawals) | 14,159                     | 154,500                    | (44,748)                   | 39,989                     | 163,900                    |
| Change in Fair Value                  | 218,529                    | 277,728                    | 268,740                    | 496,802                    | 1,261,799                  |
| Income Earned                         | 33,820                     | 42,938                     | 41,768                     | 77,355                     | 195,881                    |
| Distributions                         | (59,116)                   | (74,099)                   | (72,438)                   | (133,318)                  | (338,971)                  |
| Expenses                              | <u>(28,959)</u>            | <u>(36,759)</u>            | <u>(35,770)</u>            | <u>(57,021)</u>            | <u>(158,509)</u>           |
| <b>Balance at June 30, 2026</b>       | <b><u>\$ 1,673,587</u></b> | <b><u>\$ 2,199,292</u></b> | <b><u>\$ 2,034,514</u></b> | <b><u>\$ 3,836,628</u></b> | <b><u>\$ 9,744,021</u></b> |

**Net principal additions (withdrawals)** for gifted endowments include new endowment gifts and reinvestment of unused endowment distributions. **Change in fair value** includes realized gains and losses for assets sold during the year and unrealized gains and losses for assets held in the pool at June 30, 2026. **Income earned** includes interest and dividends and is used primarily to fund **distributions**. **Expenses** include investment management expenses (\$96.0 million), University Development related expenses (\$61.8 million) and other investment related expenses (\$0.7 million).

**Investment Returns and Expenses:**

The investment return for the Long-Term Investment Pool was 16.03% for fiscal year 2026. The annualized investment returns for the three-year and five-year periods were 12.85% and 9.17%, respectively. These returns — which are net of investment management expenses as defined by Cambridge Associates in its annual survey — are used for comparison purposes with other endowments and various benchmarks. In addition to the \$96.0 million of investment management expenses, which reduced the pool by 1.1% in fiscal year 2026, the \$61.8 million of University Development expenses and \$0.7 million of other investment-related expenses further reduced the pool by 0.7%.

**Additional Information:**

For more information on how the Long-Term Investment Pool is invested, please visit the Office of Investments website at: [investments.osu.edu](https://investments.osu.edu).

**Independent Auditors' 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***

The Board of Trustees  
The Ohio 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, the financial statements of the business-type activities and the aggregate discretely presented component units of The Ohio State University (the University) as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated October 28, 2026.

**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.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the University's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

[(signed) KPMG LLP]

Columbus, Ohio  
October 28, 2026

## Acknowledgements

---

The 2026 Financial Report and the included financial statements are prepared by the staff of the Office of the Controller.

Robert D. Booker

Sherri K. Laisure

Natalie H. Darner

Blair L. Lozier

Allison M. Dodson

Ruth E. McCollum

Thomas F. Ewing

Lisa A. Plaga

Rachel R. Ford

Kathryn M. Seay

Ken C. Gast

Brady T. Siddall

Kirsten L. Gerhard

Elizabeth M. Simon

Mitch P. Gill

Herman Singh

April L. Horne

Jan E. Soboslai

Christopher A. Kropp

Timothy A. Thibodeau

## Board of Trustees

---

The expiration date of each trustee's term is given in parentheses.

Jeff M.S. Kaplan, Chair, Galena (2028)

Elizabeth P. Kessler, Vice Chair, New Albany (2027)

Gary R. Heminger, Findlay (2027)

M. Katherine Holcombe, Worthington (2028)

Elizabeth A. Harsh, Radnor (2029)

Reginald A. Wilkinson, Columbus (2029)

Suzanne R. Kiggin, Powell (2030)

Tomislav B. Mitevski, Galena (2030)

Pierre Bigby, Lewis Center (2031)

Juan Jose Perez, Westerville (2031)

Bradley R. Kastan, Bexley (2032)

George A. Skestos, Columbus (2032)

Kara J. Trott, Columbus (2033)

Patrick J. Tiberi, Genoa Township (2034)

Patrick C. Arp, Undergraduate Student Trustee, Mason (2027)

Annabelle B. Feibel, Graduate/Professional Student Trustee, Bexley (2028)

Amy Werner Chronis, Charter Trustee, Houston, TX (2027)

## Highlights of 2026 external audit results

We have completed our audit of the University's financial statements, with unmodified opinions on the financial statements of the University and on those of the component units within the scope of our engagement.

- No significant unusual transactions were identified during our audit.
- The key areas of focus in our audit of the University included:
  - Marketable securities
  - Alternative investments
  - Pension and other post-employment benefit plans
  - Valuation of net patient care receivables
- One uncorrected misstatement was noted. While this item exceeded our audit posting threshold, it is not material and, consistent with prior years, reflects a true-up of certain investment balances for which final fourth quarter values are not available until after preparation of the financial statements is complete.
- No significant deficiencies or material weakness in internal control were reported.
- Procedures related to our fiscal 2026 Single Audit of the University, which includes the audit of several major programs, are ongoing. We expect to finalize our procedures and issue our reports prior to the required due date, subject to OMB's issuance of the 2026 Compliance Supplement.



# The Ohio State University

## Discussion with those charged with governance

Audit results and required communications for the year ended June 30, 2026

October 28, 2026

# Audit Results

Date: October 28, 2026  
To: Finance, Audit, and Investment Committee of the Board of Trustees  
From: David Gagnon, Lead Engagement Partner  
Subject: External Audit – Fiscal 2026 Results

## Purpose

To communicate to the Committee, in accordance with our professional standards, the results of KPMG's external audits of the University's financial statements and certain of its component units, which are prepared in accordance with U.S. generally accepted accounting principles (GAAP) as of and for the fiscal year ended June 30, 2026. We have substantially completed our audits as of the date of this presentation

## Committee Action

No action needed.

## Executive Summary

- We expect to issue unmodified opinions on the financial statements of the University and its significant component units in the scope of our engagement. Our report on internal control and compliance and other matters required by *Government Auditing Standards* is also unmodified.
- No significant unusual transactions were identified during our audit.
- Key areas of focus in our audit of the University included:
  - Evaluation of and response to significant risks, including:
    - Risk of management override of controls (a presumed risk in all audits)
  - Significant management estimates in the following areas were assessed:
    - Marketable securities
    - Alternative investments
    - Pension and other post-employment benefit plans
    - Valuation of net patient care receivables
- The University's summary of significant accounting and reporting policies is consistent with prior year, except as to the adoption of GASB 103 in fiscal 2026, which did not have a material effect on the financial statements but did result in certain reclassifications of prior year revenues, expenses, and changes in net position to conform with the current year presentation.
- Certain uncorrected misstatements were noted (see page 13).
- Although we are not required under professional standards to test or report on the University's internal control over financial reporting, no reportable control findings were noted.
- Other required communications are included on pages 4 and 5 of these materials.



# Required communications to those charged with governance

Prepared on October 15, 2026

Presented on October 28, 2026

# Audit results required communications and other matters

| Matters to communicate                                    |   | Response      |
|-----------------------------------------------------------|---|---------------|
| Significant unusual transactions                          | X |               |
| Uncorrected audit misstatements                           | ✓ | Page 13       |
| Corrected audit misstatements                             | X |               |
| Financial statement presentation and disclosure omissions | X |               |
| Non-GAAP policies and practices                           | X |               |
| Auditors' report                                          | X |               |
| Changes to our risk assessment and planned audit strategy | X |               |
| Significant accounting policies and practices             | ✓ | Page 7        |
| Significant accounting estimates                          | ✓ | Pages 8 to 11 |
| Significant financial statement disclosures               | ✓ | Page 12       |
| Group audit engagement considerations                     | X |               |

| Matters to communicate                                                                     |   | Response |
|--------------------------------------------------------------------------------------------|---|----------|
| Related parties                                                                            | X |          |
| Going concern                                                                              | X |          |
| Other information                                                                          | X |          |
| Subsequent events                                                                          | X |          |
| Noncompliance with laws and regulations                                                    | X |          |
| Significant difficulties encountered during the audit                                      | X |          |
| Significant findings or issues discussed, or the subject of correspondence with management | X |          |
| Management's consultation with other accountants                                           | X |          |
| Disagreements with management                                                              | X |          |
| Other significant matters                                                                  | X |          |

✓ = Matters to report    X = No matters to report

# Audit results required communications and other matters

## Matters to communicate

|                        |                                                                                                                                                                                                                                                                                                                                                                   |
|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Consultations          | Consistent with professional standards and firm policy, we were required to consult with our Department of Professional Practice regarding certain civil investigative demands involving federal regulations. We concur with management's determination that the matters are not material to the financial statements as of and for the year ended June 30, 2026. |
| Illegal acts or fraud  | No actual or suspected fraud involving management, employees with significant roles in system of internal control, or where fraud results in a material misstatement in the financial statements were identified during the audit.                                                                                                                                |
| Written communications | Our engagement letter was previously provided under separate cover. Management's representation letter is included on pages 18-23.                                                                                                                                                                                                                                |
| Independence           | In accordance with our audits, KPMG and relevant KPMG professionals have complied with ethical requirements regarding independence, as the term is defined by the professional standards, and we are independent under applicable professional standards.                                                                                                         |
| Inquires               | See page 16                                                                                                                                                                                                                                                                                                                                                       |

# Significant Risk

| Risk of management override of internal controls                                                                                                                                                                                                                                                                                                                                                                                                                                     |  | Susceptibility to: |       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------|-------|
| Management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Although the level of risk of management override of controls will vary from entity to entity, the risk nonetheless is present at all entities.                                                                                                 |  | Error              | Fraud |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |  |                    | Yes   |
| Professional standards require us to perform procedures sufficiently responsive to address the risk of override. Such procedures include:                                                                                                                                                                                                                                                                                                                                            |  |                    |       |
| <ul style="list-style-type: none"><li>• Inquiries of management and governance</li><li>• Assessing the effectiveness of entity-level controls</li><li>• Considering potential fraud risks affecting financial reporting</li><li>• Understanding and evaluating the journal entry process and the completeness of journal entry activity</li><li>• Identifying and testing high-risk journal entries</li><li>• Considering the results of other audit procedures performed.</li></ul> |  |                    |       |

## Findings

No reportable matters were noted.



# Significant accounting policies and practices

| Description of significant accounting policies and practices                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Audit findings                                                                                                                                                                                                                  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The significant accounting policies used by the University are described in Note 1 to the financial statements.</p> <p>In fiscal 2026, the University implemented GASB issued Statement No. 103, <i>Financial Reporting Model Improvements</i>, which establishes new accounting and financial reporting, and modifies existing requirements, related to management's discussion and analysis, unusual or infrequent items, presentation of proprietary fund statement of revenues, expenses, and changes in fund net position, information about major component units, budgetary comparison information, and financial trends information in statistical section.</p> | <p>The adoption of this new standard did not have a material effect on the University's financial statements but did affect the classification and presentation of certain revenues, expenses, and changes in net position.</p> |

# Significant accounting estimates

## Valuation of marketable securities

- Valuation of marketable securities: Included in the University's financial statements are certain marketable securities presented at fair value based on quoted market prices. Such securities are reported within temporary investments, unexpended bond proceeds, the long-term investment pool, other long-term investments, and other noncurrent assets on the statement of net position.

## Audit findings

### Management's process used to develop the estimates

- Management's estimate of the fair value of marketable investment securities held directly by the University, e.g., equity and fixed income securities, is determined based on quoted market prices in active markets or significant other observable inputs.

### Significant assumptions used

- Pricing sources and methodologies used

### Indicators of possible management bias

- No indicators of possible management bias

## Conclusions

- Based on the procedures performed, KPMG did not identify any indicators of possible management bias. Further, methodologies used for this estimate were consistently applied for the items tested. Management's estimate of the fair value of such assets is fairly stated in relation to the basic financial statements as a whole.

# Significant accounting estimates (continued)

## Valuation of alternative investments

- Valuation of alternative investments: Included in the University's financial statements are certain alternative investments, such as private equity, real assets, and absolute return funds, for which quoted market prices may not be available. Such investments are reported within the long-term investment pool and other long-term investments on the statement of net position, generally using the funds' net asset values (NAVs) as a practical expedient to estimate fair value.

## Audit findings

### Management's process used to develop the estimates

- Management's estimate of the fair value of investments in commingled funds, which may include private equity, real asset, absolute return, and other strategies, is generally determined based on NAVs provided by the funds' managers. Such NAVs represent the University's proportionate interests in these funds' holdings. NAV may be used as a practical expedient to estimate the fair value of an investment if certain eligibility criteria under GAAP are met. Additionally, the University's NAV measurement date (June 30) is generally different than the calendar year-end date used by a majority of the funds for their financial statement audits.

### Significant assumptions used

- Ability to meet eligibility criteria to use NAV as a practical expedient for specific investments
- Accuracy and reliability of the NAVs used as of the University's measurement date, which is different than the funds' audit date

### Indicators of possible management bias

- No indicators of possible management bias

## Conclusions

- Based on the procedures performed, KPMG did not identify any indicators of possible management bias. Further, methodologies used for this estimate were consistently applied for the items tested. Management's estimate of the fair value of such assets is fairly stated in relation to the basic financial statements as a whole.

# Significant accounting estimates (continued)

## Pension and other post-employment benefit plans

- Management's estimates of amounts recorded for its pension and other post-employment benefit plans are based on a variety of actuarial assumptions related to participant mortality, as well as interest rates, historical experience, and provisions of the related benefit programs. While these determinations are made by the State of Ohio in conjunction with its specialists, the University must reflect the information in its financial statements in accordance with GAAP.

## Audit findings

### Management's process used to develop the estimates

- Management's estimates of amounts recorded for its pension plan and other post-employment health benefit plans are based on schedules prepared by the State of Ohio pension systems (STRS and OPERS), which allocate the net pension and OPEB liabilities/assets to the various plan employers. These allocation schedules are derived from each plan's actuarial valuation. The actuarial valuations for each plan include a variety of assumptions, which are determined and reviewed on a regular basis by the State's pension systems and their external actuaries.

### Significant assumptions used that have a high degree of subjectivity

- Discount rate
- Mortality
- Retirement rates
- Expected long-term rate of return on plan assets
- Health care cost trend rate
- Per capita claims cost
- Participation rate

### Indicators of possible management bias

- No indicators of possible management bias (estimates recorded are from the State)

## Conclusions

- Based on the procedures performed, KPMG did not identify any indicators of possible management bias. Further, methodologies used for this estimate were consistently applied for the items tested. Management's estimates are fairly stated in relation to the basic financial statements as a whole.

# Significant accounting estimates (continued)

## Valuation of net patient care receivables (healthcare entities)

- Management's estimate of the valuation of net patient care receivables involves significant judgment and a number of significant assumptions.

## Audit findings

### Management's process used to develop the estimates

- Management's estimate of allowances used to value patient care receivables is based on analysis of open accounts receivable, average historical collection experience, and other relevant factors to arrive at an overall assessment of collectible net accounts receivable. We note that management at OSU Health System uses a third-party analytics tool to facilitate its analysis.
- Net patient care receivables recorded in the University's statement of financial position aggregated to \$942 million and were comprised of \$852 million at OSU Health System and \$90 million at OSU Physicians as of June 30, 2026.

### Significant assumptions used that have a high degree of subjectivity

- Contractual allowances for billed and unbilled services
- Charity care allowance estimation based on historical experience
- Evaluation of historical collections experience and related data

### Indicators of possible management bias

- No indicators of possible management bias

## Conclusions

- Based on the procedures performed, KPMG did not identify any indicators of possible management bias. Further, methodologies used for this estimate were consistently applied for the items tested. Management's estimates are fairly stated in relation to the basic financial statements as a whole.

# Significant financial statement disclosures

| Description of significant financial statement disclosures                                                                                                            | Audit findings                                                                                                                         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li>• Investments (note 3)</li><li>• Capital assets (note 5)</li><li>• Debt (note 9)</li><li>• Retirement plans (note 15)</li></ul> | <ul style="list-style-type: none"><li>• Disclosures appear reasonable and in accordance with GAAP, in all material respects.</li></ul> |

# Uncorrected audit misstatements

We identified the following uncorrected misstatements relative to the University, which are not material to the financial statements but above our reporting threshold.

| (\$ in thousands)                                                                                                                                                                                                                |           |          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----------|
| Description of misstatement                                                                                                                                                                                                      | Debit     | Credit   |
| <b>To record increase in net asset value (NAV) as of June 30, 2026 for alternative investments initially recorded using March 31, 2026 NAVs on a lagged basis (including effect of reversal of comparable prior year entry):</b> |           |          |
| LTIP – Alternative investments                                                                                                                                                                                                   | \$135,686 |          |
| Net investment income                                                                                                                                                                                                            |           | \$18,459 |
| Opening net position                                                                                                                                                                                                             |           | 117,227  |

Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even if we have concluded that the uncorrected misstatements are immaterial to the financial statements under audit.

# Status of audit deliverables

| University and related audits                               | Components                                                                           | Status (as of October 15)          | Deliverables                                                                                                                                                               |
|-------------------------------------------------------------|--------------------------------------------------------------------------------------|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Primary Institution – financial statements                  | The Ohio State University (OSU)                                                      | Completed                          | Auditors' reports on the financial statements<br><br>Reports on internal control and compliance and other matters in accordance with <i>Government Auditing Standards</i>  |
|                                                             | OSU Wexner Medical Center Health System (OSU Health System)                          | Completed                          |                                                                                                                                                                            |
|                                                             | OSU Foundation                                                                       | Completed                          |                                                                                                                                                                            |
| Discretely Presented Component Units – financial statements | OSU Physicians                                                                       | Completed                          |                                                                                                                                                                            |
|                                                             | Campus Partners for Community Urban Redevelopment and Subsidiaries (Campus Partners) | Completed                          |                                                                                                                                                                            |
|                                                             | Transportation Research Center, Inc.                                                 | Completed                          |                                                                                                                                                                            |
| Single Audit                                                | OSU and certain related entities                                                     | In process – see status on page 15 | Title 2 US Code of Federal Regulations Part 200, <i>Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)</i> |

# Single Audit Status

The Single Audit in accordance with the Uniform Guidance (UG) is required annually by federal regulation and is focused on compliance and internal control over compliance for programs that are federally funded. Major programs selected for audit are based on quantitative and qualitative risk considerations prescribed by federal regulations. While certain major program testing has commenced, risk assessments are still in progress. Below is a summary of recently audited major programs and planned 2026 major programs:

| <b>FY24</b><br><b>Major programs – audited</b>                                                                                                                                                                                                                                                                                                    | <b>FY25</b><br><b>Major programs – audited</b>                                                                                              | <b>FY26</b><br><b>Major programs – in process</b>                                                                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• R&amp;D</li> <li>• SFA</li> <li>• Supplemental Nutrition Assistance Program (SNAP)</li> <li>• Disaster Grants – Public Assistance (Presidentially Declared Disasters)</li> <li>• Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs</li> </ul> | <ul style="list-style-type: none"> <li>• R&amp;D</li> <li>• SFA</li> <li>• Medicaid Cluster</li> <li>• Fish and Wildlife Cluster</li> </ul> | <ul style="list-style-type: none"> <li>• R&amp;D</li> <li>• SFA</li> <li>• Smith Lever</li> <li>• Head Start Cluster</li> </ul> |

Final major program determination will depend upon management's completion of the final schedule of expenditures of federal awards, program risk assessment procedures, and requirements in the final 2026 Compliance Supplement (a draft Compliance Supplement has been issued by OMB to allow auditors to continue to perform 2026 audits until issuance of the final version, which is TBD).

Compliance test work over direct and material compliance requirements is planned based upon reliance on internal control over compliance. While we may test and report on internal control over compliance, we do not express an opinion on the effectiveness of internal control over compliance.

# Required Inquiries

- What are your views about fraud risks, including management override of controls, at the entity and whether you have taken any actions to respond to these risks?
- Are you aware of, or have you identified, any instances of actual, suspected or alleged fraud, including misconduct or unethical behavior related to financial reporting or misappropriation of assets? If so, have the instances been appropriately addressed and how have they been addressed?
- Are you aware of or have you received tips or complaints regarding the entity's financial reporting (including those received through the internal whistleblower program, if such program exists) and, if so, what was your response to such tips and complaints?
- How do you exercise oversight over management's assessment of fraud risk and the establishment of controls to address/mitigate fraud risks?
- Has the entity entered into any significant unusual transactions?
- Are you aware of any matters relevant to the audit, including, but not limited to, any instances of actual or possible violations of laws and regulations, including illegal acts (irrespective of materiality threshold)?
- Has the entity complied with all covenants during the financial statement period and before the date of the auditor's report? Have there been any events of default during the financial statement period and before the dates of the auditor's report?
- What is the committee's understanding of the entity's relationships and transactions with related parties that are significant to the entity?
- Does any member of the committee have concerns regarding relationships or transactions with related parties and, if so, what is the substance of those concerns?
- Have any subsequent events occurred that might affect the financial statements?
- Has there been any correspondence with regulators or licensing authorities?

# Appendix

Management Representation Letter

Pages 18-23

# Appendix I – Rep Letter

October 28, 2026

KPMG LLP  
191 West Nationwide Boulevard  
Columbus, Ohio 43215

To whom it may concern:

We are providing this letter in connection with your audits of the financial statements of the business-type activities, the aggregate discretely presented component units, and the related notes to the financial statements of The Ohio State University (the University) as of and for the years ended June 30, 2026 and 2025, for the purpose of expressing opinions as to whether these financial statements present fairly, in all material respects, the respective financial position, changes in financial position, and, where applicable, cash flows thereof in conformity with U.S. generally accepted accounting principles (US GAAP). We are also providing this letter to confirm our understanding that the purpose of your testing of transactions and records relating to the University's federal programs, in accordance with Title 2 US Code of Federal Regulations Part 200 (2 CFR 200), *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), was to obtain reasonable assurance that the University had complied, in all material respects, with the requirements of federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2026.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves, as of October 28, 2026:

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated April 17, 2026, for the preparation and fair presentation of the financial statements in accordance with US GAAP.

2. We have made available to you:
  - a. All records, documentation, and information that is relevant to the preparation and fair presentation of the financial statements;
  - b. Additional information that you have requested from us for the purpose of the audit;
  - c. All minutes of the meetings of the University's Board of Trustees and its committees, or summaries of actions of recent meetings for which minutes have not yet been prepared. All significant board and committee actions are included in the summaries; and
  - d. Unrestricted access and the full cooperation of personnel within the entity from whom you determined it necessary to obtain audit evidence.
3. Except as disclosed to you in writing, there have been no communications from regulatory agencies, governmental representatives, employees or others concerning investigations or allegations of noncompliance with laws and regulations in any jurisdiction, deficiencies in financial reporting practices, or other matters that could have a material adverse effect on the financial statements.
4. We have disclosed to you, in writing, all known instances of noncompliance or suspected noncompliance with laws and regulations, contracts and grant agreements, whose effects should be considered when preparing financial statements.
5. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
6. Except as disclosed in the financial statements, there are no side agreements or other arrangements (either written or oral).
7. All events subsequent to the date of the statement of net position and through the date of this letter for which US GAAP requires adjustment or disclosure have been adjusted or disclosed.
8. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with paragraphs 96 – 113 of Governmental Accounting Standards Board (GASB) Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*.



# Appendix I – Rep Letter (continued)

9. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
10. We have disclosed to you all known concentrations and constraints, as defined in GASB Statement No. 102, *Certain Risk Disclosures*, that should be considered when preparing the financial statements.
11. The effects of the uncorrected financial statement misstatements summarized in the accompanying schedules are immaterial, both individually and in the aggregate, to the financial statements for each respective opinion unit.
12. We acknowledge our responsibility for the design, implementation, and maintenance of programs and controls to prevent, deter, and detect fraud; for adopting sound accounting policies; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements and to provide reasonable assurance against the possibility of misstatements that are material to the financial statements, whether due to error or fraud. We understand that the term ‘fraud’ is defined as an intentional act by one or more individuals among management, those charged with governance, employees, or third parties, involving the use of deception that results in a misstatement in financial statements that are the subject of an audit.
13. We have disclosed to you all deficiencies in the design or operation of internal control over financial reporting of which we are aware, which could adversely affect the University’s ability to initiate, authorize, record, process, or report financial data. We have separately disclosed to you all such deficiencies that we believe to be significant deficiencies or material weaknesses in internal control over financial reporting, as those terms are defined in AU-C Section 265.07, *Communicating Internal Control Related Matters Identified in an Audit*.
14. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
15. We have no knowledge of any fraud or suspected fraud affecting the entity involving:
  - a. Management,
  - b. Employees who have significant roles in internal control, or
  - c. Others where the fraud could have a material effect on the financial statements.
16. We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity’s financial statements communicated by employees, former employees, analysts, regulators, or others.
17. We have no knowledge of any officer or Trustee of the University, or any other person acting under the direction thereof, having taken any action to fraudulently influence, coerce, manipulate, or mislead you during your audit.
18. The methods, data, and significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with US GAAP and appropriately reflect our intent and ability to carry out specific courses of action on behalf of the entity, where relevant to the fair value measurement and/or disclosure.
19. We have disclosed to you the identity of all our related parties and all the related party relationships and transactions of which we are aware.
20. The following have been properly recorded or disclosed in the financial statements:
  - a. Related party relationships and transactions, of which we are aware, in accordance with US GAAP, including sales, purchases, loans, transfers, leasing arrangements, guarantees, ongoing contractual commitments and amounts receivable from or payable to related parties.

The term ‘related party’ refers to government’s related organizations, joint ventures, and jointly governed organizations, as defined in GASB Statement No. 14, *The Financial Reporting Entity*, as amended; elected and appointed officials of the government; its management; members of the immediate families of elected or appointed officials of the government and its management; and other parties with which the government may deal if one party can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests. Another party also is a related party if it can significantly influence the management or operating policies of the transacting parties or if it has an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

We have provided to you support for any assertion that a transaction with a related party was conducted on terms equivalent to those prevailing in an arm’s-length transaction.

# Appendix I – Rep Letter (continued)

- b. Guarantees, whether written or oral, under which the University is contingently liable.
  - c. The existence of and transactions with joint ventures and other related organizations.
- 21. Except as disclosed in the financial statements, the University has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets, nor has any asset been pledged as collateral.
- 22. The University has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 23. The University's reporting entity includes all entities that are component units of the University.
- 24. We have disclosed to you all accounting policies and practices we have adopted that, if applied to significant items or transactions, would not be in accordance with US GAAP. We have evaluated the impact of the application of each such policy and practice, both individually and in the aggregate, on the University's current period financial statements, and the expected impact of each such policy and practice on future periods' financial reporting. We believe the effect of these policies and practices on the financial statements is not material. Furthermore, we do not believe the impact of the application of these policies and practices will be material to the financial statements in future periods.
- 25. To the best of our knowledge and belief, we have provided you with a complete and accurate listing of our affiliates as defined by the AICPA Code of Professional Conduct interpretation ET 1.224.020, State and Local Government Client Affiliates. We have also provided you with information about events, which may result in changes to the University's affiliates. We have also provided you with a list of officers, Trustees, directors, individuals with significant influence over the University, and individuals in key positions with respect to the preparation or oversight of the financial statements. The term 'key position' means position in which an individual has primary responsibility for significant accounting functions that support material components of the financial statements; primary responsibility for the preparation of the financial statements; or the ability to exercise influence over the contents of the financial statements, including when the individual is a member of the board of directors or similar governing body, chief executive officer, president, chief financial officer, chief operating officer, general counsel, chief accounting officer, controller, director of internal audit, director of financial reporting, treasurer, or any equivalent position. To the best of our knowledge and belief, we are not aware of any former KPMG partners in a key position with respect to the preparation or oversight of the University's financial statements and who have a prohibited financial or business relationship with KPMG (as defined under Section ET 1.279.020 of the AICPA Code of Professional Conduct) during the period covered by this letter.
- 26. We acknowledge our responsibility for the presentation of the required supplementary information (RSI) which includes, management's discussion and analysis, RSI on GASB 68 Pension Liabilities and GASB 75 Net OPEB Liabilities and related Notes to such RSI, in accordance with the applicable criteria and prescribed guidelines established by the Governmental Accounting Standards Board and:
  - a. Believe the RSI, including its form and content, is fairly presented in accordance with the applicable criteria and prescribed guidelines.
  - b. The methods of measurement or presentation of the RSI have not changed from those used in the prior period.
  - c. The significant assumptions or interpretations underlying the measurement or presentation of the RSI are reasonable and appropriate.
- 27. We acknowledge our responsibility for the presentation of the supplementary information (SI) on the Long-Term Investment Pool in accordance with the applicable criteria and:
  - a. Believe the SI, including its form and content, is fairly presented in accordance with the applicable criteria.
  - b. The methods of measurement or presentation of the SI have not changed from those used in the prior period.
  - c. The significant assumptions or interpretations underlying the measurement or presentation of the SI are reasonable and appropriate in the circumstances.
- 28. We agree with the findings of specialists in evaluating self-insurance reserves and have adequately considered the qualifications of the specialists and the entity that employs the specialists in determining the amounts and disclosures used in the basic financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.

# Appendix I – Rep Letter (continued)

29. The basis for our proportion of the collective pension and other postemployment benefit plan amounts is appropriate and consistent with the manner in which future contributions to the plan are expected to be made.
30. We have received opinions of counsel upon each issuance of tax-exempt bonds that the interest on such bonds is exempt from federal income taxes under section 103 of the Internal Revenue Code of 1986, as amended. There have been no changes in the use of property financed with the proceeds of tax-exempt bonds, or any other occurrences, subsequent to the issuance of such opinions, that would jeopardize the tax-exempt status of the bonds. Provision has been made, where material, for the amount of any required arbitrage rebate.
31. There have been no circumstances that have resulted in communications from the University's external legal counsel to the University reporting evidence of a material violation of securities law or breach of fiduciary duty, or similar violation by the University or any agent thereof.
32. There have been no triggering events, as described in 34 CFR 668.171, that have occurred during or subsequent to the period covered by the auditors' report.
33. We confirm that the University is a public institution that meets the requirements of financial responsibility defined in 34 CFR 668.171.
34. The University has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, and deferred inflows of resources.
35. The University has classified net position resulting from donor-restricted contributions as nonexpendable or expendable based on our assessment of the donor's intention, as specified in original donor correspondence where available. Where not available, we used other corroborating evidential matter including minutes of the Board, accounting records, and financial statements. To the extent that we were unable to review original donor correspondence to determine the amount of the original gift and donor additions, our determination of such amount was based on our best estimate considering the relevant facts and circumstances. In addition, we have classified appreciation and income related to such contributions in accordance with relevant donor or statutory restrictions.
36. We are planning to issue other information in an Annual Report that includes the audited financial statements. The information is currently not available but the final version will be provided to you when available, and prior to its issuance.
37. In accordance with *Government Auditing Standards*, we have identified to you and provided copies of all previous audits, attestation engagements, and other studies that relate to the objectives of this audit, including whether findings have been addressed and related recommendations have been implemented.
- We confirm having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves, as of October 28, 2026, the following representations made to you during your single audit:
38. We are responsible for the design, implementation, and maintenance of effective internal control over compliance for federal programs that provides reasonable assurance that the University is managing federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal award.
39. We are responsible for understanding and complying with the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of the University's federal programs.
40. We are responsible for taking corrective action on audit findings of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.
41. We are responsible for the design, implementation, and maintenance of internal controls to prevent and detect fraud in the administration of federal programs. We have no knowledge of any fraud or suspected fraud affecting the University's federal programs involving:
- a. Management, including management involved in the administration of federal programs.
  - b. Employees who have significant roles in internal control over the administration of federal programs.
  - c. Others where the fraud could have a material effect on compliance with federal statutes, regulations, and the terms and conditions of federal awards related to its federal programs.

# Appendix I – Rep Letter (continued)

42. We are responsible for the presentation of the schedule of expenditures of federal awards (SEFA) in accordance with the Uniform Guidance and:

- a. The SEFA, including its form and content, is fairly presented in accordance with the requirements of the Uniform Guidance.
- b. The SEFA includes all expenditures made during the year ended June 30, 2026 for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, cooperative agreements, interest subsidies, insurance, noncash assistance (such as free rent, food commodities, donated property or donated surplus property), direct appropriations, and other assistance.
- c. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period.
- d. The significant assumptions or interpretations underlying the measurement or presentation of the SEFA are reasonable and appropriate in the circumstances.
- e. We will make the audited financial statements readily available to the intended users of the SEFA no later than the date of issuance by the entity of the SEFA and the auditors' report thereon.

Additionally, we confirm, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves, as of October 28, 2026, the following representations made to you during your single audit:

43. The University is responsible for complying, and has complied, with the requirements of the Uniform Guidance.
44. We have identified and disclosed all of our government programs and related activities subject to the Uniform Guidance compliance audit.
45. The University has designed, implemented, and maintained effective internal control over compliance for federal programs that provides reasonable assurance that the University is managing federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal award that could have a material effect on its federal programs.
46. We have communicated to you all significant deficiencies and material weaknesses in the design or operation of internal control over compliance that we have identified, which could adversely affect the University's ability to administer a major federal program in accordance with the applicable requirements of federal statutes, regulations, and the terms and

conditions of federal awards. Under standards established by the American Institute of Certified Public Accountants, a deficiency in internal control over compliance 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 on a timely basis, noncompliance with a type of compliance requirement of a federal program. A 'material weakness' is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected on a timely basis. A 'significant deficiency' is a deficiency, or a combination of deficiencies, in internal control over compliance with a compliance requirement that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

47. The University has complied with requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of its major federal programs.
48. The University has charged costs to federal awards in accordance with the applicable cost principles.
49. Federal program financial reports and claims for advances and reimbursements are supported by the accounting records from which the financial statements have been prepared.
50. The copies of federal program financial reports provided to you are true copies of the reports submitted, or electronically transmitted, to the federal agency or pass-through entity, as applicable.
51. We have monitored subrecipients, as necessary, to determine that they have expended subawards in compliance with federal statutes, regulations, and the terms and conditions of the subaward and have met the other pass-through entity requirements of the Uniform Guidance.
52. We have issued management decisions on a timely basis (within six months of acceptance of the audit report by the FAC) for audit findings that relate to federal awards made to subrecipients. Additionally, we have followed up ensuring that the subrecipient takes timely and appropriate action on all deficiencies detected through audits, on-site reviews, and other means that pertain to the federal award provided to the subrecipient by the University.
53. We have considered the results of subrecipient audits and have made any necessary adjustments to the University's accounting records.

# Appendix I – Rep Letter (continued)

54. We have identified and disclosed to you the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major federal program.
55. We have provided to you our interpretations of any compliance requirements that are subject to varying interpretations.
56. We have made available all documentation related to the compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements, for major federal programs.
57. We have made available all federal awards (including amendments, if any) and any other correspondence relevant to federal programs and related activities that have taken place with federal agencies or pass-through entities related to major federal programs.
58. We have identified and disclosed to you all questioned costs and any known noncompliance with the requirements of federal awards.
59. We have disclosed to you any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the compliance requirements over federal programs, including communications received from the end of the period covered by the compliance audit to the date of the auditors' report.
60. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditors' report.
61. We have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
62. We are responsible for, and have accurately prepared, the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance.
63. We have advised you of all contracts or other agreements with service organizations.
64. We have disclosed to you all communications from the University's service organizations relating to noncompliance at the service organizations.
65. We have disclosed to you whether any changes in internal control over compliance or other factors that might significantly affect internal control over major federal programs, including any corrective action taken by management with regard to significant deficiencies and material weaknesses in internal control over compliance, have occurred subsequent to the period covered by the auditors' report.
66. We have disclosed to you all known noncompliance relating to major federal programs occurring subsequent to the period covered by the auditors' report.
67. We have disclosed to you the nature of any subsequent events that provide additional evidence with respect to conditions that existed at the end of the reporting period that affect noncompliance over major federal programs during the reporting period.

Very truly yours,

The Ohio State University

---

**Ravi V. Bellamkonda**

*President*

---

**Michael Papadakis**

*Senior Vice President and Chief Financial Officer*

---

**Kristine Devine**

*Vice President of Operations and Deputy Chief Financial Officer*

---

**Lisa Plaga**

*Associate Vice President, Shared Services and Controller*





Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates or related entities.

Learn about us:



[kpmg.com](https://kpmg.com)

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation.

© 2026 KPMG LLP, a Delaware limited liability partnership, and its subsidiaries are part of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.



## **SUMMARY OF ACTIONS TAKEN**

*September 3, 2026 – Finance and Investment Committee Meeting*

### **Members Present:**

Tomislav B. Mitevski  
Pierre Bigby  
Gary R. Heminger

George A. Skestos  
Patrick C. Arp

Amy Chronis  
Jeff M.S. Kaplan (ex officio)

### **Members Present via Zoom:**

Kent M. Stahl

### **Members Absent:** N/A

## **PUBLIC SESSION**

The Finance and Investment Committee of The Ohio State University Board of Trustees convened on Thursday, September 3, 2026, virtually and in person at Longaberger Alumni House on Ohio State's Columbus campus. Committee Chair Tomislav Mitevski called the meeting to order at 7:59 a.m.

### **Items for Discussion:**

1. Annual University Financial Overview: Senior Vice President and Chief Financial Officer Michael Papadakis reviewed Ohio State's preliminary, year-end financial performance. The university's overall position remains strong. This is due to a variety of factors, including diverse operations and a continued focus on operating and capital efficiencies, along with a strategic focus on growing new revenue streams. Net position increased \$1.8 billion during FY26 to \$14.4 billion in total.

Total revenue increased by \$1.2 billion year over year, driven primarily by strong growth in healthcare and solid investment returns. Nearly \$225 million in administrative efficiencies enabled the university to redirect funds to its core missions of access, affordability, academic excellence and patient care. Net investment income grew by \$306 million compared to FY25, reflecting strong investment performance across the portfolio, including a +16.03% return from the Long-Term Investment Pool and solid returns from the short- and intermediate-term operating fund portfolio of +3.93%.

The university holds the second-highest rating from each rating agency with a stable outlook despite a deteriorating outlook on higher education as an industry.

(See Attachment X for background information, page XX)

2. FY27 Capital Investment Plan and FY27 Ohio State Energy Partners Capital Plan: Mr. Papadakis gave a high-level overview of the university's capital plan for the coming fiscal year. It includes \$785 million of new projects, which is higher than the \$613 million interim plan shared in June. Additional projects in the Student Life space are a significant driver of this increase. Approximately \$521 million of the plan is being funded by cash, and \$160 million will be funded by debt. The plan also includes roughly \$200 million to address deferred maintenance. These funds will be spent down over the next 3-5 years.



The capital plan for Ohio State Energy Partners includes nine projects. Seven of these are lifecycle projects and two are expansion projects.

3. Advancement Update: Michael Eicher, senior vice president for external affairs, shared year-end fundraising and engagement results for FY26. The university had its second-best year for new fundraising activity, recording \$774 million in new contributions from 243,138 donors. The university also engaged with 294,392 constituents during this time.

Mr. Eicher shared one example of engagement success: the “Adventures with Brutus” campaign, in which members of the Ohio State community take photos with a mini Brutus Buckeye during their travels, significant life events and other moments. More than 7,500 Buckeyes participated this summer, submitting photos from destinations in all 50 states, 92 countries and six continents.

Fundraising and engagement in FY27 are off to a strong start. The university is ahead of plan in terms of new fundraising activity, receipts and donors. It is behind plan in the number of activated constituents, but this is a function of timing.

(See Attachment X for background information, page XX)

**Items for Action:**

4. Approval of Minutes: No changes were requested to the June 2, 2026, meeting minutes; therefore, a formal vote was not required, and the minutes were considered approved.
5. Resolution No. 2027-44, Approval of Fiscal Year 2027 Capital Investment Plan:

Synopsis: Authorization and acceptance of the Capital Investment Plan for the fiscal year ending June 30, 2027, as proposed.

WHEREAS the university has presented the recommended capital expenditures for the fiscal year ending June 30, 2027; and

WHEREAS the recommended capital expenditures are the result of the university’s comprehensive annual capital planning process; and

WHEREAS only those projects outlined in these recommendations will be approved for funding:

NOW THEREFORE

BE IT RESOLVED, That the Board of Trustees hereby approves that Capital Investment Plan for the fiscal year ending June 30, 2027, as described in the accompanying documents, be approved; and

BE IT FURTHER RESOLVED, That any request for authorization to proceed with any project contained in these recommendations must be submitted individually by the university for approval by the Board of Trustees, as provided for by board policy.

(See Appendix X for background information, page XX)

6. Resolution No. 2027-43, Approval of Ohio State Energy Partners Utility System Capital Improvements Plan for Fiscal Year 2027:

Utility System Lifecycle and Expansion Projects



## THE OHIO STATE UNIVERSITY

Synopsis: Approval of Ohio State Energy Partners LLC ("OSEP") fiscal year 2027 capital improvements plan and authorization for OSEP to make capital improvements pursuant to the terms of the First Amended and Restated Long-Term Lease and Concession Agreement for The Ohio State University Utility System dated July 20, 2018, and as amended (the "Agreement"), is proposed.

WHEREAS the Agreement requires, OSEP to submit annually a utility system Capital Improvement Projects plan ("OSEP CIP") for university approval; and

WHEREAS the OSEP CIP includes requested approval of these utility system capital improvement projects for the fiscal year beginning July 1, 2026; and

WHEREAS OSEP has provided detailed descriptions of the proposed capital improvement projects, supporting technical data and analysis, pursuant to Section 4.3(c) of the Agreement; and

WHEREAS the utility system capital improvement projects will be delivered pursuant to the terms of the Agreement; and

WHEREAS the capital expenditures for the approved utility system projects will be added to the utility fee pursuant to the Agreement; and

WHEREAS the university has reviewed and considered the financial, technical, and operational aspects of the projects and the projects' alignment with university plans and sustainability goals; and

WHEREAS the Master Planning and Facilities Committee has reviewed the projects for alignment with all applicable campus plans and guidelines; and

WHEREAS the Finance and Investment Committee has reviewed the projects for alignment with the Capital Investment Plan and other applicable financial plans:

NOW THEREFORE

BE IT RESOLVED, That the Board of Trustees hereby approves that the fiscal year 2027 OSEP CIP as outlined in the attached materials; and

BE IT FURTHER RESOLVED, That the Board of Trustees authorizes OSEP to proceed with these fiscal year 2027 capital improvements to the Utility System as outlined in the attached materials.

(See Appendix X for background information, page XX)

7. Resolution No. 2027-49, Approval of the Settlement Agreement and Amendments to the Concession Agreement with Ohio State Energy Partners:

Synopsis: Authorization to execute a settlement agreement and amendments to the Long-Term Lease and Concession Agreement for The Ohio State University Utility System.

WHEREAS, The Ohio State University ("University") and Ohio State Energy Partners, LLC ("OSEP") are parties to that certain First Amended and Restated Long-Term Lease and Concession Agreement for The Ohio State University Utility System, dated as of July 20, 2018, as amended (the "Concession Agreement");

WHEREAS, as a result of partial audit of OSEP's Utility Fee submissions and financial records conducted by the University pursuant to the Concession Agreement, disputes arose between the University and OSEP regarding (i) certain markups and charges included in OSEP's calculation of the Utility Fee for the period through and including June 30, 2025, (ii) the University's right to be



## THE OHIO STATE UNIVERSITY

reimbursed for and to withhold payment from OSEP for such markups and charges, and (iii) the pace at which OSEP supplied its financial records to the University for purposes of carrying out its contractual audit rights (the "Audit Disputes");

WHEREAS, following a mediation of the Audit Disputes conducted on June 30, 2026, the University and OSEP reached an agreement in principle to resolve the Audit Disputes, as well as certain related clarifications and modifications to Concession Agreement, the terms of which settlement have been presented to the Board in the form of a Settlement Agreement and Amendment to Concession Agreement with an effective date of July 1, 2026 (the "Settlement Agreement").

WHEREAS, the Board of Trustees (the "Board") of The Ohio State University, deems it to be in the best interest of the University to enter into the proposed Settlement Agreement:

NOW, THEREFORE

BE IT RESOLVED, That the Board hereby approves the settlement of the Audit Dispute with OSEP on the terms and in the format of the Settlement Agreement and Amendment to Concession Agreement presented to the Board and contingent upon the University's receipt of final, timely and executed letters of consent from OSEP's lenders; and

BE IT FURTHER RESOLVED, That the Senior Vice President for Business and Finance and Chief Financial Officer is hereby authorized and empowered, in the name and on behalf of the University, to execute and deliver the Settlement Agreement and corresponding CA Amendment.

BE IT FURTHER RESOLVED, That any actions taken by such Officer prior to the date of the foregoing resolutions adopted herein that are within the authority conferred herein are hereby ratified, confirmed and approved as the acts and deeds of the University.

8. Resolution No. 2027-50, Approval of University Foundation Report:

Synopsis: Approval of the University Foundation Report as of July 31, 2026, is proposed.

WHEREAS monies are solicited and received on behalf of the university from alumni, industry, and various individuals in support of research, instructional activities, and service; and

WHEREAS such gifts are received through The Ohio State University Foundation; and

WHEREAS this report includes: (i) the establishment of two (2) endowed chairs as part of the Provost's Endowed Chair Matching Program: the James Mitchell Endowed Chair, the Barbara and Al Siemer Chair in Functional Medicine; one (1) endowed professorship: the Jim and Christina Grote Professorship in Integrative Health Education; one (1) endowed professorship fund: the Dr. Martha S. Pitzer Professorship Fund in Nursing; one (1) fellowship: the Morell Family Fellowship; one (1) scholarships as part of the Scarlet and Gray Advantage Endowed Matching Gift Program; and twenty-three (23) additional named endowed funds; (ii) the revision of twenty-six (26) named endowed funds:

NOW THEREFORE

BE IT RESOLVED, That the Board of Trustees hereby approves The Ohio State University Foundation Report as of July 31, 2026.

(See Appendix X for background information, page XX)

9. Resolution No. 2027-51, Naming of the Oklo Nuclear Reactor Laboratory:



# THE OHIO STATE UNIVERSITY

## IN THE COLLEGE OF ENGINEERING

Synopsis: Approval for the naming of the Nuclear Reactor Laboratory, located at 1298 Kinnear Road, is proposed.

WHEREAS The Ohio State University Nuclear Reactor Laboratory (NRL) is an interdisciplinary research facility providing students in introductory nuclear science courses experiential learning; and

WHEREAS the NRL is used in collaboration with researchers across the nation from institutions such as NASA and other universities; and

WHEREAS Oklo Inc has provided significant contributions to the NRL; and

WHEREAS the naming has been reviewed according to the approval process outlined in the Naming of University Spaces and Entities policy:

NOW THEREFORE

BE IT RESOLVED, That in acknowledgement of Oklo Inc's philanthropic support, the Board of Trustees hereby approves, in accordance with paragraph (D) of rule 3335-1-08 of the Ohio Administrative Code, that for the life of the physical facility the aforementioned space be named the Oklo Nuclear Reactor Laboratory.

### 10. Resolution No. 2027-52, Naming of the Christine Coultrip Dwarf Conifer Collection:

#### IN CHADWICK ARBORETUM AND LEARNING GARDENS

Synopsis: Approval for the naming of the dwarf conifer garden in the Chadwick Arboretum and Learning Gardens, located at 2001 Fyffe Court, is proposed.

WHEREAS The Chadwick Arboretum and Learning Gardens honor the Land-Grant tradition of the Ohio State University by providing extensive and diverse plant collections for education, research, and enjoyment; and

WHEREAS a space focused on the growth and preservation of dwarf conifer varieties of trees is currently being constructed, adding additional opportunities for education and enjoyment; and

WHEREAS Robert and Christine Coultrip have provided significant contributions to the Chadwick Arboretum and Learning Gardens; and

WHEREAS the naming has been reviewed according to the approval process outlined in the Naming of University Spaces and Entities policy:

NOW THEREFORE

BE IT RESOLVED, That in acknowledgement of Robert and Christine Coultrip's philanthropic support, the Board of Trustees hereby approves, in accordance with paragraph (D) of rule 3335-1-08 of the Ohio Administrative Code, that for the life of the physical garden, the aforementioned space be named the Christine Coultrip Dwarf Conifer Collection.

### 11. Resolution No. 2027-53, Naming of CVS Health Innovation Hub:



IN THE RIFFE BUILDING

Synopsis: Approval for the naming of room R235 in the Riffe Building, located at 496 W 12th Ave, is proposed.

WHEREAS The Ohio State University College of Pharmacy drives transformative education, research, practice and community engagement, empowering innovators to advance health for all; and

WHEREAS the Riffe Building has been undergoing renovations by the college to create a new learning center to include active learning classrooms, individual study spaces, meeting rooms and a new student lounge to better serve and support students and staff within the college; and

WHEREAS CVS Health has provided significant contributions to the College of Pharmacy; and

WHEREAS the naming has been reviewed according to the approval process outlined in the Naming of University Spaces and Entities policy:

NOW THEREFORE

BE IT RESOLVED, That in acknowledgement of CVS Health's philanthropic support, the Board of Trustees hereby approves, in accordance with paragraph (D) of rule 3335-1-08 of the Ohio Administrative Code, that for the life of the physical facility the aforementioned space be named the CVS Health Innovation Hub.

12. Resolution No. 2027-54, Naming of Internal Spaces – Engineering Research and Education Laboratories:

IN ENGINEERING RESEARCH AND EDUCATION LABORATORIES

Synopsis: Approval for the naming of internal spaces in Engineering Research and Education Laboratories, located at the corner of Woodruff Avenue and College Road, is proposed.

WHEREAS The College of Engineering's new Engineering Research and Education Laboratories (EREL) will capitalize on the momentum and gains in education, research, innovation and economic well-being; and

WHEREAS EREL creates collaborative spaces for the university's highly ranked Departments of Materials Science and Engineering, Biomedical Engineering and the William G. Lowrie Department of Chemical and Biomolecular Engineering, spurring new ways of conducting research, new improvements to human health and new partnerships to advance Ohio businesses; and

WHEREAS the donors listed below have provided significant contributions to the construction of EREL; and:

- Dr. Ayanna Howard
- Google LLC
- Air Transport Services Group Inc

WHEREAS the naming has been reviewed according to the approval process outlined in the Naming of University Spaces and Entities policy:

NOW THEREFORE



BE IT RESOLVED, That in acknowledgement of the aforementioned donors' philanthropic support, the Board of Trustees hereby approves, in accordance with paragraph (D) of rule 3335-1-08 of the Ohio Administrative Code, that for the life of the physical facility the aforementioned spaces named the following:

- Ayanna Howard Innovation Space (rm. 2241)
- Google Foundations Lab (rm. 1250)
- Air Transport Services Group Charitable Foundation Office (rm. 2203)

13. Resolution No. 2027-55, Naming of Roadways – College of Food, Agricultural, and Environmental Sciences:

IN THE COLLEGE OF FOOD, AGRICULTURAL, AND ENVIRONMENTAL SCIENCES

Synopsis: Approval for the renaming of the east-west portion of Carmack Road in the Waterman Agricultural and Natural Resources Laboratory is proposed.

WHEREAS construction and growth of Waterman Agricultural and Natural Resources Laboratory has changed traffic patterns and increased visitors to the area; and

WHEREAS the renaming of a portion of Carmack Road to Hess Road will allow for more efficient navigation of the Waterman Agricultural and Natural Resources Laboratory; and

WHEREAS the College of Food, Agricultural, and Environmental Sciences recommends and Planning, Architecture and Real Estate reviewed this change; and

WHEREAS the naming has been reviewed according to the approval process outlined in the Naming of University Spaces and Entities policy:

NOW THEREFORE

BE IT RESOLVED, That the Board of Trustees hereby approves, in accordance with paragraph (D) of rule 3335-1-08 of the Ohio Administrative Code, that for the life of the physical facilities the aforementioned portion of the roadway be named Hess Road.

14. Resolution No. 2027-29, Approval to Enter Into/Increase Professional Services and Enter Into/Increase Construction Contracts:

**APPROVAL TO ENTER INTO/INCREASE PROFESSIONAL SERVICES CONTRACTS**

EAST HOSPITAL – ENDOSCOPY EXPANSION AND CATH LAB  
HUGHES HALL RENOVATION  
WEXNER MEDICAL CENTER – COMMUNITY FACILITIES  
RAMSEYER HALL RENOVATION  
RESEARCH CENTER DEFERRED MAINTENANCE – PHASE 1

**APPROVAL TO ENTER INTO/INCREASE PROFESSIONAL SERVICES AND CONSTRUCTION CONTRACTS**

AIRPORT CAPITAL IMPROVEMENTS  
BAKER HALL AC & ELECTRICAL UPGRADES  
BLANKENSHIP HALL UPGRADES  
FAWCETT CENTER RENOVATIONS  
HOWLETT DEFERRED MAINTENANCE  
KNOWLTON ROOF REPLACEMENT  
NORTH TOWERS RENOVATIONS



# THE OHIO STATE UNIVERSITY

## OUTPATIENT CARE EAST – CLINIC RENOVATIONS AND RELOCATIONS

### APPROVAL TO ENTER INTO/INCREASE CONSTRUCTION CONTRACTS

#### TUNNEL REHABILITATION PHASE 1

#### UNIVERSITY HOSPITAL PAVILION AHU REVIEW/REPAIR

Synopsis: Authorization to enter into/increase professional services and construction contracts, as detailed in the attached materials, is proposed.

WHEREAS in accordance with the attached materials, the university desires to enter into/increase professional services contracts for the following projects; and

|                                                     | Prof. Serv.<br>Approval<br>Requested | Total<br>Requested |                                                                 |
|-----------------------------------------------------|--------------------------------------|--------------------|-----------------------------------------------------------------|
| East Hospital – Endoscopy<br>Expansion and Cath Lab | \$3.6M                               | \$3.6M             | Auxiliary funds                                                 |
| Hughes Hall Renovation                              | \$5.2M                               | \$5.2M             | University funds, State<br>funds, Partner funds<br>(OSEP/ENGIE) |
| Wexner Medical Center –<br>Community Facilities     | \$20.0M                              | \$20.0M            | Auxiliary funds                                                 |
| Ramseyer Hall Renovation                            | \$3.1M                               | \$3.1M             | University funds, State<br>funds                                |
| Research Center Deferred<br>Maintenance – Phase 1   | \$4.0M                               | \$4.0M             | University funds                                                |

WHEREAS in accordance with the attached materials, the university desires to enter into/increase professional services contracts and enter into/increase construction contracts for the following projects; and

|                                                 | Prof. Serv.<br>Approval<br>Requested | Construction<br>Approval<br>Requested | Total<br>Requested |                                                    |
|-------------------------------------------------|--------------------------------------|---------------------------------------|--------------------|----------------------------------------------------|
| Airport Capital<br>Improvements                 | \$0.8M                               | \$0.5M                                | \$1.3M             | University funds,<br>Partner funds<br>(FAA, ODOT)  |
| Baker Hall Portable AC &<br>Electrical Upgrades | \$0.6M                               | \$4.1M                                | \$4.7M             | Auxiliary funds                                    |
| Blankenship Hall Upgrades                       | \$0.1M                               | \$1.4M                                | \$1.5M             | University funds,<br>Partner funds<br>(OSEP/ENGIE) |
| Fawcett Center<br>Renovations                   | \$0.9M                               | \$5.6M                                | \$6.5M             | Auxiliary funds                                    |
| Howlett Deferred<br>Maintenance                 | \$1.6M                               | \$9.4M                                | \$11.0M            | University funds,<br>Grant funds                   |



## THE OHIO STATE UNIVERSITY

|                                                           |        |          |          |                  |
|-----------------------------------------------------------|--------|----------|----------|------------------|
| Knowlton Roof Replacement                                 | \$0.6M | \$5.0M   | \$5.6M   | University funds |
| North Towers Renovations                                  | \$5.3M | \$139.7M | \$145.0M | University debt  |
| Outpatient Care East – Clinic Renovations and Relocations | \$0.6M | \$13.6M  | \$14.2M  | Auxiliary funds  |

WHEREAS in accordance with the attached materials, the university desires to enter into/increase construction contracts for the following projects; and

|                                                | Construction Approval Requested | Total Requested |                                                                            |
|------------------------------------------------|---------------------------------|-----------------|----------------------------------------------------------------------------|
| Tunnel Rehabilitation Phase 1                  | \$6.1M                          | \$6.1M          | University debt, University funds, State funds, Partner funds (OSEP/ENGIE) |
| University Hospital Pavilion AHU Review/Repair | \$37.8M                         | \$37.8M         | Auxiliary funds                                                            |

WHEREAS the Master Planning and Facilities Committee has reviewed the projects listed above for alignment with all applicable campus plans and guidelines; and

WHEREAS the Finance and Investment Committee has reviewed the projects listed above for alignment with the Capital Investment Plan and other applicable financial plans:

NOW THEREFORE

BE IT RESOLVED, That the Board of Trustees hereby approves that the president and/or senior vice president for business and finance be authorized to enter into/increase professional services and construction contracts for the projects listed above in accordance with established university and State of Ohio procedures, with all actions to be reported to the board at the appropriate time.

(See Appendix X for background information, page XX)

**Action:** Upon motion of Mr. Mitevski, seconded by Mr. Bigby, the foregoing motions were adopted by roll-call vote with the following members present and voting: Mr. Mitevski, Mr. Bigby, Mr. Skestos, Mr. Arp, Ms. Chronis, Mr. Stahl and Mr. Kaplan. Mr. Heminger was not present for this vote.

### Written Reports

In the public session materials, there were four written reports for the committee to review:

- University Financial Scorecards  
(See Attachment X for background information, page X)
- Preliminary Consolidated Financial Statements for the Year Ending June 30, 2026  
(See Attachment X for background information, page X)
- FY26 Annual Waiver of Competitive Bidding Report  
(See Attachment X for background information, page X)



- d. Detailed Foundation Report  
(See Attachment X for background information, page X)

## EXECUTIVE SESSION

It was moved by Mr. Mitevski and seconded by Mr. Bigby that the committee recess into executive session to consider business-sensitive trade secrets. A roll-call vote was taken, and the committee voted to go into executive session with the following members present and voting: Mr. Mitevski, Mr. Bigby, Mr. Skestos, Mr. Arp, Ms. Chronis, Mr. Stahl and Mr. Kaplan. Mr. Heminger was not present for this vote.

The committee entered into executive session at 8:30 a.m., and the meeting adjourned at 10:03 a.m.



## **SUMMARY OF ACTIONS TAKEN**

*September 3, 2026 – Athletics Committee Meeting*

### **Members Present:**

Gary R. Heminger  
Elizabeth P. Kessler  
Pierre Bigby

Bradley R. Kastan  
George R. Skestos

Annabelle B. Feibel  
Jeff M.S. Kaplan (ex officio)

**Members Present via Zoom:** N/A

**Members Absent:** N/A

## **PUBLIC SESSION**

The Athletics Committee of The Ohio State University Board of Trustees convened on Thursday, September 3, 2026, in person at Longaberger Alumni House on Ohio State's Columbus campus. Committee Chair Gary Heminger called the meeting to order at 10:30 a.m.

### **Item for Discussion:**

1. Athletics Director's Report: Ross Bjork, senior vice president and Wolfe Foundation-Eugene Smith Endowed Athletics Director, began his report to the committee by noting the energy on campus and around the athletics program as autumn begins and fall sports return to play.

Within the football program, season tickets are sold out and revenue targets have essentially been met for the year. New sponsorship activity is also strong. In terms of infrastructure, several projects were completed at Ohio Stadium during the off season. These included the installation of a new playing surface and LED ribbon boards, the completion of the 1922 Club and new field-level suites, and significant upgrades to Wi-Fi. Former Coach Jim Tressel will be honored for his on-field success during the Buckeyes' first game on Saturday, September 5.

The department continues to monitor litigation and legislation that have the potential to shape the continually evolving collegiate athletics landscape.

### **Item for Action:**

2. Approval of Minutes: No changes were requested to the June 2, 2026, meeting minutes; therefore, a formal vote was not required, and the minutes were considered approved.

## **EXECUTIVE SESSION**

It was moved by Mr. Heminger and seconded by Mr. Skestos that the committee recess into executive session to discuss business-sensitive trade secrets and personnel matters.



A roll-call vote was taken, and the committee voted to move into executive session with the following members present and voting: Mr. Heminger, Ms. Kessler, Mr. Bigby, Mr. Kastan, Mr. Skestos, Ms. Feibel and Mr. Kaplan.

The committee entered into executive session at 10:38 a.m., and the meeting adjourned at 12:02 p.m.

DRAFT