



**OHIO DEPARTMENT OF DEVELOPMENT
ECONOMIC DEVELOPMENT AWARDS**

**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES**

FOR THE PERIOD ENDED JUNE 30, 2024

**OHIO AUDITOR OF STATE
KEITH FABER**



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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Ohio Department of Development
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We have performed the procedures enumerated below as required by Ohio Rev. Code § 117.55, on the Ohio Department of Development's (the Department) state awards for economic development with closeout dates recorded in the cash basis accounting records for the period July 1, 2023 through June 30, 2024, and certain compliance requirements related to those transactions and balances, included in the information provided to us by the management of the Department. The Department was responsible for the listing of state awards for economic development with closeout dates recorded in the cash basis accounting records for the period July 1, 2023 through June 30, 2024, and certain compliance requirements related to these transactions and balances included in the information provided to us by the Department.

Management of the Department has agreed to and acknowledged that these procedures are appropriate to meet the requirements of Ohio Rev. Code § 117.55 to evaluate state awards for economic development with closeout dates recorded in the cash basis accounting records for the period July 1, 2023 through June 30, 2024, and certain compliance requirements related to these transactions and balances. No other party acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. These procedures may not address all the items of interest to a user of the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Procedure 1

- A. On July 30, 2024, we obtained from the Department an excel spreadsheet listing each state award for economic development whose performance period ended during the engagement period under audit (July 1, 2023 through June 30, 2024). This listing was to include, at a minimum, the program name and number, the beneficiary/borrower name, the program type (if applicable), the closeout year, and any other required information for each award listed. All required information was included on the listing. See Procedure 1.E. below for the list.
- B. We inspected the list to confirm the required information was included for each award listed. If information was missing, we were to provide the Department with the specifics needed and obtain the additional information for the list. All required information was included.
- C. For each award recipient on the list, we obtained the following from the Department, without exception:
 - 1. The agreements and any applicable amendments which document the required terms and conditions of the award, including performance metrics.
 - 2. The annual report submitted by the award recipients during the engagement period.

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- D. Using the documents obtained in 1.C. above, we confirmed both the required and reported applicable performance metrics for each award.
- E. We compared the performance metrics reported in the annual report to the required performance metrics from the agreements, as modified. We calculated the percentage of compliance for each award, as reported in the table below. Those under 100% for any metric (28 of 52 Job Creation Tax Credits and 8 of 15 Loans; N/A for Grants) were noncompliant.

Closeout List					Compliance %		Compliant
	Beneficiary/Borrower Name	Program Name	Program Type	Closeout Year	Job	Pay	
GRANTS							
1	City of Ashtabula	ODSA-GR-2019-39409	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
2	City of Canton	ODSA-GR-2020-47937	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
3	City of Columbus	ODSA-GR-2018-38078	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
4	City of Defiance	ODSA-GR-2018-38310	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
5	City of Dublin	ODSA-GR-2020-42960	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
6	City of Galion	ODSA-GR-2021-165933	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
7	City of Huron	ODSA-GR-2021-165061	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
8	City of North Canton	ODSA-GR-2021-186933	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
9	City of Tiffin	ODSA-GR-2020-43005	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
10	City of Trenton	ODSA-GR-2020-138032	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
11	City of Wapakoneta	ODSA-GR-2017-32099	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
12	City of Wapakoneta	ODSA-GR-2017-32101	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
13	Clinton County Port Authority	ODSA-GR-2021-165034	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
14	Etna Township	ODSA-GR-2018-38188	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
15	Etna Township	ODSA-GR-2020-42949	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		

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Closeout List					Compliance %		Compliant
	Beneficiary/Borrower Name	Program Name	Program Type	Closeout Year	Job	Pay	
GRANTS (CONTINUED)							
16	Fulton County Board of Commissioners	ODSA-GR-2020-41924	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
17	Fulton County Board of Commissioners	ODSA-GR-2020-42878	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
18	Jackson Township Trustees	ODSA-GR-2021-177839	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
19	Montgomery County Transportation Improvement District	ODSA-GR-2021-166353	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
20	Perry Township	ODSA-GR-2020-47934	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
21	Toledo Lucas County Port Authority	ODSA-GR-2017-29940	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
22	Union Township	ODSA-GR-2020-150042	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
23	Village of Evendale	ODSA-GR-2020-41963	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
24	Village of Greenfield	ODSA-GR-2020-42945	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
25	Village of Lordstown	ODSA-GR-2021-185836	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
26	Village of Navarre	ODSA-GR-2019-38860	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
27	Wood County Port Authority	ODSA-GR-2019-40826	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
28	Zanesville-Muskingum County Port Authority	ODSA-GR-2019-39690	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
29	Zanesville-Muskingum County Port Authority	ODSA-GR-2020-42950	Roadwork Development (629) Grant	2023	N/A - Roadwork Dev. Grants do not contain commitments.		
LOANS							
1	Dencan Holdings, LLC	ODSA-LN-2018-38479	Regional 166 Direct Loan	2023	120%	N/A	Y
2	East Ohio Hospital, LLC	ODSA-LN-2020-47915	166 Direct Loan	2023	135%	N/A	Y
3	East Ridge Group, LLC	ODSA-LN-2019-38918	Regional 166 Direct Loan	2023	67%	295%	N
4	First Chair Properties, LLC	ODSA-LN-2018-38577	Regional 166 Direct Loan	2023	1200%	N/A	Y
5	Hudson Extrusions, Inc.	ODSA-LN-2019-40083	Regional 166 Direct Loan	2023	81%	443%	N
6	Krendl Machine Company, The	ODSA-LN-2019-39852	Regional 166 Direct Loan	2023	95%	N/A	N

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Closeout List					Compliance %		Compliant
	Beneficiary/Borrower Name	Program Name	Program Type	Closeout Year	Job	Pay	
LOANS (CONTINUED)							
7	MBH Acres, LLC	ODSA-LN-2017-30570	Regional 166 Direct Loan	2023	50%	N/A	N
8	Northern Stamping Co.	ODSA-LN-2021-166738	Ohio Enterprise Bond Fund	2023	104%	111%	Y
9	Red House HQ, LLC	ODSA-LN-2019-39706	Regional 166 Direct Loan	2023	135%	N/A	Y
10	REK Partners	ODSA-LN-2019-40592	Regional 166 Direct Loan	2023	58%	242%	N
11	Southern Ohio Port Authority	ODSA-LN-2021-163670	Rural Industrial Park Loan	2023	0%	N/A	N
12	The J.M. Smucker Company	LN-2009-0522	Research and Development Investment Loan	2023	0%	N/A	N
13	Village of Greenfield	ODSA-LN-2021-185752	166 Direct Loan	2023	0%	N/A	N
14	Village of Lordstown	ODSA-LN-2020-48236	166 Direct Loan	2023	100%	N/A	Y
15	White Castle Distributing LLC	SFPN-2020-491126-NA	Ohio Enterprise Bond Fund	2023	339%	366%	Y
JCTC							
1	AddUp Inc.	ODSA-TI-2020-48078	JCTC	2023	110%	143%	Y
2	Airgas USA, LLC	ODSA-TI-2020-155825	JCTC	2023	138%	179%	Y
3	Amazon.com Services, Inc.	ODSA-TI-2019-39426	JCTC	2023	294%	263%	Y
4	American Craft Brewery LLC.	ODSA-TI-2020-45061	JCTC	2023	122%	129%	Y
5	AMG Vanadium, LLC	ODSA-TI-2019-39433	JCTC	2023	101%	132%	Y
6	Ardagh Metal Packaging USA Corp.	ODSA-TI-2021-165060	JCTC	2023	119%	140%	Y
7	Ardent Technologies, Inc.	ODSA-TI-2020-47912	JCTC	2023	0%	0%	N
8	AxoGen Processing Corporation	ODSA-TI-2018-38196	JCTC	2023	34%	57%	N
9	BBI Logistics, LLC	ODSA-TI-2020-47947	JCTC	2023	94%	116%	N
10	Belcan, LLC	ODSA-TI-2019-39390	JCTC	2023	97%	142%	N
11	Big Tex Trailer Manufacturing, LLC	ODSA-TI-2020-159734	JCTC	2023	67%	88%	N
12	Bold Penguin, Inc.	ODSA-TI-2021-166164	JCTC	2023	37%	71%	N
13	Carvana, LLC	ODSA-TI-2019-39370	JCTC	2023	58%	86%	N
14	Charles River Laboratories, Inc.	ODSA-TI-2019-39766	JCTC	2023	101%	121%	Y
15	CoverMyMeds, LLC	ODSA-TI-2018-37322	JCTC	2023	88%	139%	N
16	CrossCountry Mortgage, LLC	ODSA-TI-2020-47940	JCTC	2023	352%	122%	Y
17	Digital Room, LLC	ODSA-TI-2020-153403	JCTC	2023	99%	117%	N
18	DIS-TRAN Steel Pole, LLC	ODSA-TI-2020-47941	JCTC	2023	127%	141%	Y
19	Dolgencorp, LLC	ODSA-TI-2020-42492	JCTC	2023	15%	21%	N
20	Dorel Home Furnishings, Inc.	ODSA-TI-2020-41950	JCTC	2023	60%	87%	N
21	Hendrickson USA, LLC	ODSA-TI-2019-38863	JCTC	2023	65%	51%	N
22	Integrity Express Logistics, LLC	ODSA-TI-2020-152211	JCTC	2023	74%	126%	N
23	Intelliteach, Inc.	ODSA-TI-2020-41322	JCTC	2023	102%	99%	N
24	Interlink Cloud Advisors, Inc.	ODSA-TI-2021-164242	JCTC	2023	89%	158%	N

Closeout List					Compliance %		Compliant
	Beneficiary/Borrower Name	Program Name	Program Type	Closeout Year	Job	Pay	
JCTC (CONTINUED)							
25	International Technical Coatings, Inc.	ODSA-TI-2021-165191	JCTC	2023	71%	77%	N
26	IronUnits, LLC	SFPR 2017 4191473	JCTC	2023	142%	116%	Y
27	Lewco, Inc.	ODSA-TI-2020-152213	JCTC	2023	115%	139%	Y
28	Luma Financial Technologies, LLC	ODSA-TI-2020-47939	JCTC	2023	32%	55%	N
29	Macy's Corporate Services, LLC	ODSA-TI-2021-165058	JCTC	2023	65%	69%	N
30	MAI Wealth Management, Inc.	ODSA-TI-2021-165558	JCTC	2023	154%	160%	Y
31	Menard, Inc.	ODSA-TI-2019-38790	JCTC	2023	102%	113%	Y
32	Mix Talent, LLC	ODSA-TI-2020-45389	JCTC	2023	87%	88%	N
33	Nexus Engineering Group, Inc.	ODSA-TI-2021-166653	JCTC	2023	106%	107%	Y
34	NSG Glass North America, Inc	ODSA-TI-2018-38143	JCTC	2023	106%	143%	Y
35	NX Automotive Logistics USA, Inc.	ODSA-TI-2018-38331	JCTC	2023	87%	114%	N
36	PACCAR, Inc.	ODSA-TI-2018-38399	JCTC	2023	106%	111%	Y
37	Plug Power, Inc.	ODSA-TI-2020-47251	JCTC	2023	89%	91%	N
38	Pratt Paper (OH), LLC	ODSA-TI-2017-32098	JCTC	2023	106%	144%	Y
39	Quantum Health, Inc.	ODSA-TI-2019-38862	JCTC	2023	139%	171%	Y
40	SAEC/Kinetic Vision, Inc.	ODSA-TI-2019-39833	JCTC	2023	96%	111%	N
41	Sarepta Therapeutics, Inc.	ODSA-TI-2020-42947	JCTC	2023	63%	97%	N
42	Satco, Inc.	ODSA-TI-2019-39768	JCTC	2023	76%	118%	N
43	Speedway, LLC	SFPR 2014 3176823	JCTC	2023	106%	133%	Y
44	Stakes Manufacturing, LLC	ODSA-TI-2020-152212	JCTC	2023	32%	39%	N
45	Sugar Creek Packing Co.	ODSA-TI-2019-40057	JCTC	2023	56%	93%	N
46	Surgere, LLC	ODSA-TI-2019-40676	JCTC	2023	37%	54%	N
47	The Kroger Co.	ODSA-TI-2018-38400	JCTC	2023	208%	224%	Y
48	The Rovisys Company	ODSA-TI-2020-42946	JCTC	2023	112%	125%	Y
49	Tiger Pistol, Inc.	ODSA-TI-2020-43066	JCTC	2023	36%	50%	N
50	Tri Tech Laboratories, LLC	ODSA-TI-2020-48069	JCTC	2023	187%	125%	Y
51	Two Labs, LLC	ODSA-TI-2020-45393	JCTC	2023	101%	103%	Y
52	Williams Lea, LLC	ODSA-TI-2019-39682	JCTC	2023	103%	100%	Y

Note: For Roadwork Development grants, outside of completing the roadwork project, contract language for these awards do not require commitments such as job creation or retention. Instead, they contain aspirational commitments. Annual report submissions do not require disclosure of aspirational commitment progress. Project status is evaluated from project updates with grantee and review of the reimbursement request details, which are typically at the end of the project.

Procedure 2

- A.** We sorted the list obtained in Procedure 1 by type of economic development awards provided (the three types are Grants, Loans, and Tax Credits). We identified 96 total awards comprised of 52 Tax Credits, 29 Grants, and 15 Loans. See the listing in Procedure 1.E. above.
- B.** We selected awards recipients equal to 10% of the items from each award type category, which resulted in a sample of less than 20 awards. Therefore, we selected additional awards from each category resulting in a sample of 10 Tax Credits, seven Grants, and three Loans for a total sample size of 20. See Procedure 3.A. through 3.C. below for the related sample items.

- C. We obtained from the Department the necessary documentation to support the performance metrics each selected award recipient reported in their annual report submitted to the Department. All required documentation was provided, except for one of the three Loan recipients, as noted in procedure 3.B. below.

Procedure 3

We inspected the supporting documentation obtained from the Department for each award recipient selected in Procedure 2 to confirm the following, based on the applicable award type (as listed below), and agreed the information to the annual report:

A. Grants (including Roadwork Development)

<i>Closeout List</i>			<i>Agreement & Amendments</i>		
	Beneficiary/Borrower Name	Program Type	Job Commitments		Loan/Grant Amount
			Created	Retained	
1	City of Columbus	Roadwork Development (629) Grant	1,032	592	\$1,000,000
2	City of Tiffin	Roadwork Development (629) Grant	100	0	\$125,000
3	City of Trenton	Roadwork Development (629) Grant	20	45	\$80,000
4	City of Wapakoneta	Roadwork Development (629) Grant	300	0	\$1,275,000
5	Etna Township	Roadwork Development (629) Grant	85	0	\$800,000
6	Village of Evendale	Roadwork Development (629) Grant	60	123	\$438,371
7	Zanesville-Muskingum County Port Authority	Roadwork Development (629) Grant	102	0	\$700,000

1. Funds were only used for costs incurred to complete the project. No exceptions were noted.
2. Project costs were paid prior to disbursement of grant funds and consisted only of eligible reimbursable costs. No exceptions were noted.
3. Reimbursement was based on the appropriate percentage of the actual eligible costs. Costs in excess of grant funds were secured from non-public sources. No exceptions were noted.
4. If applicable, grantee met the prevailing wage requirement under Ohio Rev. Code § 4115. However, wage rate requirements were not applicable to all seven of the items selected.
5. Grantee expended funds and completed the project within the time period set forth in the agreement. No exceptions were noted.
6. Grantee met the job requirements per the Agreement. For workforce development, this would include training the agreed-upon new and incumbent employees. No exceptions were noted.

B. Loans

<i>Closeout List</i>			<i>Agreement & Amendments</i>		
	Beneficiary/Borrower Name	Program Type	Job Commitments		Loan/Grant Amount
			Created	Retained	
1	East Ridge Group, LLC	Regional 166 Direct Loan	4	5	\$500,000
2	MBH Acres, LLC	Regional 166 Direct Loan	20	0	\$1,322,500
3	The J.M. Smucker Company	Research & Development Investment Loan	0	85	\$1,800,000

1. We inquired with the borrowers of the loans listed to confirm the proceeds were only used for payment of allowable project costs relating to the project. No exceptions were noted.
2. We were unable to confirm the Borrower provided the required equity funding by the completion date for one of three loans listed because no such information was provided for The J.M. Smucker Company.
3. All wages paid to laborers & mechanics employed were paid at the prevailing rate of wages or above. No exceptions were noted.
4. The Borrower made all loan repayments timely. No exceptions were noted.
5. The Borrower did not meet the job requirements per the Agreement for all loans listed.
6. The Borrower maintained proper insurance coverage. No exceptions were noted.
7. The Borrower received an environmental audit of the project facilities, if applicable. No exceptions were noted.

C. Tax Credits

<i>Closeout List</i>		<i>Annual Report (2023)</i>				Agreed to Support
	Beneficiary/Borrower Name	Jobs Reported	Reported Payroll	Reported Ohio Payroll	Income Tax Paid (rounded)	
1	American Craft Brewery	272	\$21,375,731	\$18,537,742	\$554,993	Y
2	BBI Logistics, LLC	190	\$18,295,119	\$14,260,330	\$429,598	Y
3	CoverMyMeds, LLC	1,422	\$154,200,745	\$153,435,589	\$0	N
4	Hendrickson USA, LLC	347	\$16,350,039	\$16,193,957	\$421,844	Y
5	Lewco, Inc.	382	\$23,860,911	\$23,860,911	\$701,649	N
6	Menard, Inc.	124	\$6,668,021	\$6,668,021	\$175,889	Y
7	Plug Power, Inc.	39	\$2,741,868	\$2,741,868	\$78,477	N
8	Sarepta Therapeutics, Inc.	150	\$26,966,953	\$26,390,126	\$906,348	Y
9	Sugar Creek Packing Co.	418	\$31,621,537	\$29,167,348	\$870,809	Y
10	Tiger Pistol, Inc.	13	\$2,057,104	\$2,057,104	\$51,428	Y

1. The award recipient's total payroll, Ohio payroll, Ohio income tax paid, and total jobs (created and/or retained) reported agreed to supporting documentation for seven of the 10 JCTC award recipients (70%), without exception. For the remaining three of 10 JCTC award recipients (30%), supporting documentation did not agree to the amounts reported in the beneficiaries' annual reports, as noted in the table above.

Procedure 4

- A. Based on the results of procedures 1, 2, and 3 above, we compiled a listing of each award recipient who was not in compliance with the performance metrics, as specified in the terms and conditions of the award.
- B. We provided the listing from 4.A. above to the Attorney General, as required by Ohio Rev. Code § 117.55, under separate cover on November 21, 2024.

Procedure 5

- A. We obtained the prior AUP reports and identified the Economic Development Award recipients who were determined noncompliant. We inquired with the Department if any action or follow-up had taken place. Limited support was provided for actions taken by the Department and support was not provided for determinations of rate reduction, cancelations, amendments, or substantial compliance with the agreements for the noncompliance items identified.

The Department was able to obtain seven beneficiaries'/borrowers' annual reports for closeout years 2021 and 2022 as part of their follow-up to the noncompliance noted in the prior AUP reports. We received six of the seven beneficiaries'/borrowers' annual reports to corroborate the submission and Department's response (as indicated by an "*" below). All six annual reports pertained to the 2022 review.

<i>Prior Year AUPs</i>					<i>Department Responses</i>	
	Beneficiary / Borrower Name	Program Name	Program Type	Reason for Non-Compliance	Loan Status as of 6/30/24	Remedial Action
LOANS – CLOSEOUT YEAR 2021						
1	ASW.Pengg, LLC	SFPR_2017_4232485	166 Direct Loan	Failure to retain jobs and generate new payroll	Current	No action taken
2	Blizzard Ranch Properties, LLC	ODSA-LN-2017-31465	Regional 166 Direct Loan	Failure to create and retain jobs	Current	No action taken
3	Environmental Data Systems, LLC	SFPR_2016_4158907	Innovation Ohio Loan Fund	Failure to create jobs and generate new payroll	Current	Remedial action in process
4	Sunrise Foods, Inc.	ODSA-LN-2018-35643	Regional 166 Direct Loan	Failure to create jobs	Current	Substantial compliance determined. No further action necessary.
5	Port of Greater Cincinnati Development Authority	ODSA-LN-2018-38393	166 Direct Loan	No documentation was available concerning use of loan proceeds, payment of prevailing wage rates, confirming jobs created or retained, or confirmation of insurance coverage	Current	No action taken

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<i>Prior Year AUPs</i>					<i>Department Responses</i>
	Beneficiary / Borrower Name	Program Name	Program Type	Reason for Non-Compliance	Remedial Action
JCTC – CLOSEOUT YEAR 2021					
1	Air Waves, LLC	ODSA-TI-2018-35966	JCTC	Failure to create jobs	Substantial compliance determined. No further action necessary.
2	Alpont, LLC	SFPR_2016_4097992	JCTC	Failure to create jobs and generate new payroll	Rate reduced to 1.126%
3	American Retail Corporation	SFPR_2016_4165018	JCTC	Failure to create jobs and generate new payroll	Substantial compliance determined. No further action necessary.
4	Ascensus, LLC (Chard, Snyder & Associates, Inc.)	SFPR_2016_4158948	JCTC	Failure to create jobs. Also, documentation provided did not agree to total payroll, Ohio payroll, Ohio income tax paid, and total jobs created and/or retained that was reported in the beneficiary's annual report	No action taken
5	AssureCare, LLC	ODSA-TI-2019-38988	JCTC	Failure to create jobs and generate new payroll	Rate reduced to 2.150%
6	BDO USA, LLP	SFPR_2016_4158427	JCTC	Failure to create jobs and generate new payroll	Rate reduced to .600%
7	BoxCast Inc.	ODSA-TI-2017-31259	JCTC	Failure to create jobs	Rate reduced to 1.100%
8	Boyd Watterson Asset Management, LLC	ODSA-TI-2018-34665	JCTC	Failure to create jobs	Substantial compliance determined. No further action necessary.
9	Covia Holdings, LLC (Fairmount Santrol Inc.)	ODSA-TI-2018-34045	JCTC	Failure to generate new payroll	Substantial compliance determined. No further action necessary.
10	Custom Pro Logistics, LLC	SFPR_2016_4158418	JCTC	Failure to create jobs and generate new payroll	Rate reduced to 0.850%
11	Dayton Freight Lines, Inc.	SFPR_2017_4180615	JCTC	Failure to create jobs	Substantial compliance determined. No further action necessary.
12	Equator Design, Inc.	ODSA-TI-2018-34036	JCTC	Failure to create jobs and generate new payroll	Substantial compliance determined. No further action necessary.
13	First Solar, Inc.	ODSA-TI-2018-37192	JCTC	Failure to create jobs	Substantial compliance determined. No further action necessary based on 2020 annual report.
14	GB Food, Inc	SFPN_2016_433372-NA	JCTC	Failure to create jobs and generate new payroll	No action taken
15	Inogen, Inc.	SFPR_2017_4180539	JCTC	Failure to create jobs and generate new payroll	Rate reduced to 0.850%
16	JAC Products, Inc.	ODSA-TI-2018-36435	JCTC	Failure to create jobs and generate new payroll	No action taken
17	JSW Steel USA Ohio, Inc.	ODSA-TI-2018-37965	JCTC	Failure to create jobs and generate new payroll Also, no documentation was available to support total payroll, Ohio payroll, Ohio income tax paid, and total jobs created and/or retained that was reported in the beneficiary's annual report	Rate reduced to 1.350%
18	King Memory, LLC	SFPR_2017_4188947	JCTC	Failure to create jobs and generate new payroll	Rate reduced to 1.000%
19	LSI Industries, Inc.	ODSA-TI-2019-38967	JCTC	Failure to create and retain jobs and generate new payroll	2021 Report Amended to evidence substantial compliance. No action taken.

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<i>Prior Year AUPs</i>					<i>Department Responses</i>
	Beneficiary / Borrower Name	Program Name	Program Type	Reason for Non-Compliance	Remedial Action
JCTC – CLOSEOUT YEAR 2021 (CONTINUED)					
20	MCPc, Inc.	ODSA-TI-2017-31880	JCTC	Failure to create jobs and generate new payroll	Rate reduced to 0.600%
21	MetalX, LLC	ODSA-TI-2017-31687	JCTC	Failure to create jobs and generate new payroll	No rate or term reduction due to adverse market conditions
22	Modular Assembly Innovations, LLC	ODSA-TI-2018-34456	JCTC	No Annual Report provided detailing total payroll, Ohio payroll, Ohio income tax paid, and total jobs created and/or retained.	Annual Reports submitted so no action taken
23	Ohio Pack, LLC	SFPR_2016_4159318	JCTC	Failure to retain jobs and generate new payroll	Rate reduced to 1.200%
24	QuEST Global Services-NA, Inc.	ODSA-TI-2018-38370	JCTC	Failure to create jobs and generate new payroll	Rate reduced to 1.700%
25	Relink Medical, LLC	ODSA-TI-2018-38349	JCTC	Failure to create jobs	Substantial compliance determined. No further action necessary.
26	Rimeco Products, Inc.	ODSA-TI-2018-38151	JCTC	Failure to create jobs and generate new payroll	No action taken
27	Sauder Woodworking Co.	SFPR_2014_3105600	JCTC	Failure to create jobs and generate new payroll Also, no documentation was available to support total payroll, Ohio payroll, Ohio income tax paid, and total jobs created and/or retained that was reported in the beneficiary's annual report	JCTC extension was cancelled and term reduced to seven years
28	SEA, Ltd.	SFPR_2017_4190031	JCTC	Failure to create jobs	Substantial compliance determined. No further action necessary.
29	Search Discovery, Inc.	ODSA-TI-2018-37244	JCTC	Failure to create jobs and generate new payroll	Rate reduced to 1.000%
30	Sims-Lohman, Inc.	ODSA-TI-2018-37896	JCTC	Failure to create jobs	Substantial compliance determined. No further action necessary.
31	SJN Data Center, LLC	SFPR_2016_4159331	JCTC	Failure to create jobs	Substantial compliance determined. No further action necessary.
32	St. Bernard Soap Company	ODSA-TI-2018-34034	JCTC	Failure to create jobs Also, no documentation was available to support total payroll, Ohio payroll, Ohio income tax paid, and total jobs created and/or retained that was reported in the beneficiary's annual report	Remedial action in process
33	Tarkett USA, Inc.	ODSA-TI-2018-37583	JCTC	Failure to generate new payroll	No action taken
34	TPAM, Inc.	ODSA-TI-2018-35639	JCTC	Failure to create jobs and generate new payroll Also, no documentation was available to support total payroll, Ohio payroll, Ohio income tax paid, and total jobs created and/or retained that was reported in the beneficiary's annual report	No action taken
35	Trelleborg Sealing Profiles US, Inc.	ODSA-TI-2017-31326	JCTC	Failure to create jobs and generate new payroll	No action taken

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<i>Prior Year AUPs</i>					<i>Department Responses</i>	
	Beneficiary / Borrower Name	Program Name	Program Type	Reason for Non-Compliance	Remedial Action	
JCTC – CLOSEOUT YEAR 2021 (CONTINUED)						
36	Trinity Health Corporation	ODSA-TI-2018-38402	JCTC	Failure to create jobs	Substantial compliance determined. No further action necessary.	
37	Venture Products, Inc.	ODSA-TI-2017-32113	JCTC	Failure to create jobs	Substantial compliance determined. No further action necessary.	
38	Waypoint Aviation, LLC	SFPR_2015_3800647	JCTC	Failure to create jobs and generate new payroll Also, no documentation was available to support total payroll, Ohio payroll, Ohio income tax paid, and total jobs created and/or retained that was reported in the beneficiary's annual report	Term reduced by one year	
39	Zaner-Bloser, Inc.	SFPR_2016_4141955	JCTC	Failure to create jobs	No action taken	
40	Universal Windows Direct, Inc	SFPR_2016_4158412	JCTC	No documentation was available to support total payroll, Ohio payroll, Ohio income tax paid, and total jobs created and/or retained that was reported in the beneficiary's annual report	No action taken	
<i>Prior Year AUPs</i>					<i>Department Responses</i>	
LOANS – CLOSEOUT YEAR 2022						
	Beneficiary / Borrower Name	Program Name	Program Type	Reason for Non-Compliance	Loan Status as of 6/30/24	Remedial Action
1	100 Kurzen, Ltd.	ODSA-LN-2019-38736	Regional 166 Direct Loan	No Annual Report providing detail over total jobs created and/or retained	Current	None. Annual report subsequently submitted and borrower deemed compliant (*)
2	1400 Vine, LLC	ODSA-LN-2020-41952	166 Direct Loan	No follow-up was deemed necessary due to no metrics applicable to entity. Matter is considered resolved.		
3	BEF Enterprises, LLC	ODSA-LN-2018-37973	Regional 166 Direct Loan	Failure to create jobs	Current	No action taken
4	Bloom Land Company, LLC	ODSA-LN-2018-38363	Regional 166 Direct Loan	Failure to create and retain jobs Also, no documentation was available to confirm proceeds were used only for payment of allowable project costs	Current	No action taken
5	Confluence Community Authority	ODSA-LN-2020-47910	166 Direct Loan	Annual Report did not provide detail over total jobs created and/or retained.	Current	Revised annual report submitted (*)
6	Eric L Walls Trust	ODSA-LN-2017-31306	Regional 166 Direct Loan	Failure to create jobs	Current	No action taken
7	NanoSpere, LLC	ODSA-LN-2018-34251	Regional 166 Direct Loan	Failure to create and retain jobs	Current	Remedial action in process
8	Nosterra, LLC	ODSA-LN-2018-34172	Regional 166 Direct Loan	Failure to generate new payroll Also, no documentation was available to confirm proceeds were used only for payment of allowable project costs	Current	No action taken, requesting company correct annual report

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<i>Prior Year AUPs</i>					<i>Department Responses</i>	
	Beneficiary / Borrower Name	Program Name	Program Type	Reason for Non-Compliance	Loan Status as of 6/30/24	Remedial Action
LOANS – CLOSEOUT YEAR 2022 (CONTINUED)						
9	Ohio Utilities Protection Service	ODSA-LN-2016-20708	Regional 166 Direct Loan	Failure to create and retain jobs	Current	No action taken
10	SDCAC Properties, LLC	ODSA-LN-2016-23035	Regional 166 Direct Loan	No Annual Report providing detail over total jobs created and/or retained.	Current	Annual report submitted. (*)
11	Spradlin Brothers Welding Company	ODSA-LN-2018-38565	Regional 166 Direct Loan	Failure to create and retain jobs	Current	No action taken
12	TBT Investments, LLC	ODSA-LN-2017-31937	Regional 166 Direct Loan	Failure to create jobs	Current	Substantial compliance determined. No further action necessary.
13	West End Ventures, LLC	ODSA-LN-2019-40198	166 Direct Loan	No documentation was available to confirm proceeds were used only for payment of allowable project costs.	Current	No action taken
<i>Prior Year AUPs</i>					<i>Department Responses</i>	
	Beneficiary / Borrower Name	Program Name	Program Type	Reason for Non-Compliance	Remedial Action	
JCTC – CLOSEOUT YEAR 2022						
1	AAG Glass, LLC	ODSA-TI-2018-37894	JCTC	Failure to create jobs and generate new payroll	No action taken	
2	AHEAD, Inc.	ODSA-TI-2019-38763	JCTC	Failure to create and retain jobs and generate new payroll	Rate reduced to 1.160%	
3	Amify, Inc.	ODSA-TI-2019-40068	JCTC	Failure to create jobs and generate new payroll	Rate reduced to 1.000%	
4	Brightedge Technologies, Inc.	ODSA-TI-2019-40058	JCTC	Failure to create jobs and generate new payroll	No action taken	
5	Callibrity Solutions, LLC	ODSA-TI-2019-40670	JCTC	Failure to create jobs and generate new payroll	Rate reduced to 0.796%	
6	Candid Care Co.	ODSA-TI-2018-37752	JCTC	Failure to create jobs Also, documentation provided did not agree to total payroll, Ohio payroll, Ohio income tax paid, and total jobs created and/or retained in the beneficiary's annual report	No action taken	
7	Central Machinery Company, LLC	ODSA-TI-2018-34033	JCTC	Failure to create jobs and generate new payroll	No action taken	
8	Checkpoint Surgical, Inc.	ODSA-TI-2020-41419	JCTC	No follow-up was deemed necessary as metrics were determined to have been met. Matter is considered resolved.		
9	Colgate-Palmolive Company	ODSA-TI-2020-47560	JCTC	Failure to create and retain jobs and generate new payroll	Compliant based on 2020 annual report	
10	Complion, Inc.	ODSA-TI-2019-39678	JCTC	No Annual Report provided detailing total payroll, Ohio payroll, Ohio income tax paid, and total jobs created and/or retained.	Remedial action in process	

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<i>Prior Year AUPs</i>					<i>Department Responses</i>
	Beneficiary / Borrower Name	Program Name	Program Type	Reason for Non-Compliance	Remedial Action
JCTC – CLOSEOUT YEAR 2022 (CONTINUED)					
11	Cornerstone Research Group, Inc.	ODSA-TI-2019-40127	JCTC	Failure to create and retain jobs and generate new payroll	Correction retained job commitment. No remedial action taken
12	CPP-Cleveland, Inc.	ODSA-TI-2019-39680	JCTC	Failure to create jobs and generate new payroll	Rate reduced to 0.950%
13	CPS Solutions, LLC	ODSA-TI-2020-42361	JCTC	Failure to generate new payroll	Substantial compliance determined. No further action necessary.
14	Crown Equipment Corporation	ODSA-TI-2018-38194	JCTC	Failure to create jobs	Reduced rate to 1.981%
15	Design Within Reach, Inc.	ODSA-TI-2018-37778	JCTC	No Annual Report provided detailing total payroll, Ohio payroll, Ohio income tax paid, and total jobs created and/or retained.	Annual reports subsequently submitted and compliant so no action taken (*)
16	Dollar Tree Distribution, Inc.	ODSA-TI-2018-35963	JCTC	Failure to create jobs	No action taken
17	Everstream Solutions, LLC	ODSA-TI-2018-38355	JCTC	Failure to create jobs and generate new payroll	No action taken
18	Hagerty Insurance Agency, LLC	ODSA-TI-2020-42106	JCTC	Failure to create jobs and generate new payroll	Terminated with claw back of \$21,671.57
19	Hims Health and Wellness (Hims, Inc.)	ODSA-TI-2019-39779	JCTC	Failure to create jobs and generate new payroll	No action taken
20	HP Pelzer Automotive Systems, Inc.	ODSA-TI-2020-42637	JCTC	Failure to generate new payroll	Substantial compliance determined. No further action necessary.
21	Kohl's Department Stores, Inc.	ODSA-TI-2018-38189	JCTC	Failure to create jobs	Substantial compliance determined. No further action necessary.
22	McKesson Corporation	ODSA-TI-2019-39253	JCTC	Failure to create jobs	Substantial compliance determined. No further action necessary.
23	Mercy Health	ODSA-TI-2019-39379	JCTC	Failure to generate new payroll	Substantial compliance determined. No further action necessary.
24	Online.Cars, LLC	ODSA TI-2019-39831	JCTC	Failure to create jobs and generate new payroll. Also, no documentation was available to support total payroll, Ohio payroll, Ohio income tax paid, and total jobs created and/or retained that was reported in the beneficiary's annual report	Remedial action in process
25	Outerbox Solutions, Inc.	ODSA-TI-2019-39863	JCTC	Failure to create jobs	Rate reduced to 1.022%
26	Remesh Inc.	ODSA-TI-2020-42362	JCTC	Annual Report did not provide detail over total jobs created and/or retained or payroll.	Remedial action in process
27	RhinoSystems, Inc.	ODSA-TI-2018-37325	JCTC	Failure to create jobs and generate new payroll	Rate reduced to 0.949%
28	Rochling Glastic Composites, LP	ODSA-TI-2019-39681	JCTC	Failure to create and retain jobs and generate new payroll	Term reduced to three years

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Prior Year AUPs					Department Responses
	Beneficiary / Borrower Name	Program Name	Program Type	Reason for Non-Compliance	Remedial Action
JCTC – CLOSEOUT YEAR 2022 (CONTINUED)					
29	Rushmore Financial Services, LLC	ODSA-TI-2019-39667	JCTC	Failure to create jobs	Remedial action in process
30	ScriptDrop, Inc.	ODSA-TI-2019-40697	JCTC	Failure to create jobs and generate new payroll	Substantial compliance determined. No further action necessary.
31	Swagelok Manufacturing Company, LLC	ODSA-TI-2018-37848	JCTC	Failure to create and retain jobs	Incentive terminated without claw back of tax credits
32	TREVES, Inc.	ODSA-TI-2017-32141	JCTC	No Annual Report provided detailing total payroll, Ohio payroll, Ohio income tax paid, and total jobs created and/or retained.	Subsequent report submitted, no action taken (*)
33	Tyler Technologies, Inc.	ODSA-TI-2019-38728	JCTC	Failure to create jobs and generate new payroll	Substantial compliance determined. No further action necessary.
34	United Candle Company, LLC	ODSA-TI-2019-39434	JCTC	No Annual Report provided detailing total payroll, Ohio payroll, Ohio income tax paid, and total jobs created and/or retained.	Subsequent report submitted, no action taken (*)
35	Walgreen Co.	ODSA-TI-2018-35058	JCTC	Failure to create jobs	Substantial compliance determined. No further action necessary.
36	Xariable, Inc.	ODSA-TI-2020-41923	JCTC	Failure to create jobs	Substantial compliance determined. No further action necessary.
37	Youngstown Tool and Die Company, LLC	ODSA-TI-2019-38623	JCTC	Failure to create jobs and generate new payroll	Commitments Amended
38	City Barbeque, LLC	ODSA-TI-2019-39361	JCTC	Documentation provided did not agree to total payroll, Ohio payroll, Ohio income tax paid, and total jobs created and/or retained. in the beneficiary's annual report	No action taken
39	Essilor Laboratories of America, Inc.	ODSA-TI-2019-40663	JCTC	Documentation provided did not agree to total payroll, Ohio payroll, Ohio income tax paid, and total jobs created and/or retained. in the beneficiary's annual report	No action taken
40	Henny Penny Corporation	ODSA-TI-2019-40043	JCTC	Documentation provided did not agree to total payroll, Ohio payroll, Ohio income tax paid, and total jobs created and/or retained. in the beneficiary's annual report	No action taken
41	Midmark Corporation	ODSA TI-2020-41351	JCTC	Documentation provided did not agree to total payroll, Ohio payroll, Ohio income tax paid, and total jobs created and/or retained. in the beneficiary's annual report	No action taken

B. We identified the recipients from Procedure 5.A. above for which there had been no follow up from the Department or corrective action had not been fully implemented: this included 12 of 18 (66.7%) loan recipients and 25 of 81 (30.9%) JCTC award recipients.

- Of the six loan recipients with corrective actions taken, as noted by the Department, we were unable to verify three (50%) were fully corrected/resolved due to the limited support provided by the Department. For the other three loan recipients, the Department subsequently obtained and provided us with an Annual Report (as indicated by an “*” above); however, only two of the loans were determined to be compliant/resolved and the SDCAC Properties, LLC loan was determined to be non-compliant due to a failure to create jobs (83% job compliance).

- Of the 56 JCTC award recipients with corrective actions taken, as noted by the Department, we were unable to verify 53 (94.6%) were fully corrected/resolved due to the limited support provided by the Department. For the other three JCTC awards, the Department subsequently obtained and provided us with an Annual Report (as indicated by an "*" above); however, only two of the JCTC award recipients were determined to be compliant/resolved and the United Candle Company, LLC award was determined to be non-compliant due to a failure to create jobs and generate new payroll (27% job compliance; 27% payroll compliance).

We were engaged by the Department to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the AICPA and the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Department's state awards for economic development with closeout dates recorded in the cash basis accounting records for the period July 1, 2023 through June 30, 2024, and certain compliance requirements related to those transactions and balances. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Department and to meet our ethical responsibilities, in accordance with the ethical requirements established by the Comptroller General of the United States' *Government Auditing Standards* related to our agreed upon procedures engagement.



Keith Faber
Auditor of State
Columbus, Ohio

November 19, 2024

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OHIO AUDITOR OF STATE KEITH FABER



OHIO DEPARTMENT OF DEVELOPMENT ECONOMIC DEVELOPMENT AWARDS

FRANKLIN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 12/3/2024

65 East State Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov