OHIO AUDITOR OF STATE
KEITH FABER

OHIO TUITION TRUST AUTHORITY

FOR THE YEARS ENDED JUNE 30, 2021 - 2020

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OHIO AUDITOR OF STATE
KEITH FABER

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INDEPENDENT AUDITOR'S REPORT

Ohio Tuition Trust Authority
35 E. Chestnut St., 8th Floor
Columbus, Ohio 43215-2541

To the Ohio Tuition Trust Authority:

Report on the Financial Statements

We have audited the accompanying financial statements of the Enterprise Fund and Private Purpose Trust Fund of the Ohio Tuition Trust Authority, (the Authority), a department of the State of Ohio, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We did not audit the financial statements of the Private Purpose Trust Fund. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amount included for the Private Purpose Trust Fund, is based solely on the report of other auditors. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Enterprise Fund and Private Purpose Trust Fund of the Authority, as of June 30, 2021, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financials statements of the Authority present only the financial position, changes in financial position, and where applicable cash flows, thereof of the State of Ohio attributable to the Authority. They do not present the financial position of the State of Ohio as of June 30, 2021 and 2020, the changes in financial position, or where applicable, cash flows thereof of the State of Ohio for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified regarding this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *management's discussion and analysis*, and schedules of proportionate share of the net pension and other post-employment benefit liabilities (asset) and pension and other post-employment benefit contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Prior Period Financial Statements Audited by a Predecessor Auditor

The financial statements of the Ohio Tuition Trust Authority, a department of the State of Ohio, as of and for the year ended June 30, 2020, were audited by a predecessor auditor whose report dated September 25, 2020, expressed an unmodified opinion on those statements.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2021, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on 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 Authority's internal control over financial reporting and compliance.

Keith Faber
Auditor of State
Columbus, Ohio

September 30, 2021

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OHIO TUITION TRUST AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021, 2020 AND 2019
(UNAUDITED)

As management of the Ohio Tuition Trust Authority (OTTA), part of the primary government of the State of Ohio, we offer readers of OTTA's financial statements this narrative overview and analysis of OTTA's financial activities for the fiscal years ended June 30, 2021, 2020 and 2019. We encourage readers to consider the information presented here in conjunction with OTTA's financial statements for the years ended June 30, 2021 and 2020, which begin on Page 11 of this report.

The primary objective of OTTA is to help make higher education affordable by providing tax-advantaged investment opportunities to save in advance for higher education expenses. This program offers two variable college savings plans and the Guaranteed Savings Plan. Plans are collectively called CollegeAdvantage. The variable college savings plans consist of two separate and distinct sales channels: direct and advisor. OTTA outsources recordkeeping and fund accounting services for the direct plan to Ascensus College Savings Recordkeeping Services, LLC and for the advisor plan to BlackRock Advisors, LLC. Recordkeeping and distributions for the Guaranteed Savings Plan are handled by OTTA. Sales of new units of the Guaranteed Savings Plan were suspended on December 31, 2003.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to OTTA's basic financial statements, which consist of two components: 1) financial statements and 2) notes to the financial statements.

Financial statements: OTTA follows enterprise fund accounting, which means these statements are presented in a manner similar to a private-sector business. These statements offer short-term and long-term financial information about activities.

The *statement of net position* presents information on all OTTA assets and liabilities, including information about the nature and amounts of investments in resources (assets), obligations (liabilities) and OTTA's net position. Over time, increases or decreases in the net position may serve as a useful indicator of whether OTTA's financial position is improving or deteriorating.

The *statement of revenues, expenses and changes in fund net position* presents information showing how OTTA's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that affect cash flows in prior and future fiscal periods (e.g., depreciation and earned but unused vacation leave).

The *statement of cash flows* provides information about OTTA's cash receipts and cash payments during the reporting period. This statement summarizes the net changes resulting from operating, investing and capital and related financing activities.

Each of the financial statements highlights the OTTA plans, which are designed to recover all costs through fees or investment earnings (business-type activities).

The *statement of fiduciary net position* and the *statement of changes in fiduciary net position* present information on the net position and changes in net position of the options offered in the variable savings plans. Those options are available in the CollegeAdvantage Direct 529 Savings Plan and the CollegeAdvantage Advisor 529 Savings Plan. The two variable savings plans are classified in the Private Purpose Trust Fund.

*Notes to the financial statements***:** The notes provide additional information essential to a full understanding of the data provided in the financial statements and individual schedules. A summary comparison of the Enterprise Fund's financial position and operations is presented below:

Condensed Comparative Statements of Net Position for the Enterprise Fund at June 30, 2021, 2020 and 2019:

	2021	2020	2019
Current assets, excluding securities	$ 13,572,593	$ 15,413,540	$ 37,991,412
Restricted securities	213,654,790	231,155,801	237,292,655
Other assets	271,100	55,604	53,981
Total Assets	227,498,483	246,624,945	275,338,048
Deferred outflows	229,227	507,077	903,676
Current liabilities, excluding liabilities related to tuition benefits	1,572,238	1,368,999	1,692,696
Net pension and other post-employment benefits liability	1,622,300	3,832,523	4,548,501
Tuition benefits liability	108,900,000	132,600,000	163,900,000
Total Liabilities	112,094,538	137,801,522	170,141,197
Deferred inflows	1,387,104	742,110	158,113
Total Net Position	$ 114,246,068	$ 108,588,390	$ 105,942,414

OHIO TUITION TRUST AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021, 2020 AND 2019
(UNAUDITED)

Statement of Revenues, Expenses and Changes in Fund Net Position - Years Ended June 30, 2021, 2020 and 2019:

	2021	2020	2019
Operating revenue:			
Investment income	$ 7,597,994	$ 10,573,682	$ 11,462,305
Basis points revenue	6,261,309	5,585,832	6,251,236
Total Operating Revenue	13,859,303	16,159,514	17,713,541
Operating expenses, excluding tuition benefits expense	7,947,062	9,192,885	9,225,249
Tuition benefits expense	23,954,563	35,620,653	41,551,562
Actuarial tuition benefits expense	(23,700,000)	(31,300,000)	(41,600,000)
Total Operating Expenses	8,201,625	13,513,538	9,176,811
Change In Net Position	5,657,678	2,645,976	8,536,730
Beginning Net Position	108,588,390	105,942,414	97,405,684
Ending Net Position	$ 114,246,068	$ 108,588,390	$ 105,942,414

Analysis of OTTA's Financial Position and Results of Operations
Enterprise Fund

OTTA's assets restricted for tuition benefits and administrative expenses decreased $17,501,011 (7.6%) and $6,136,854 (2.6%), while investment returns realized were 3.6% and 4.7% during the years ended June 30, 2021 and 2020, respectively. The assets restricted for tuition benefits and administrative expenses continues to decrease as tuition payouts for the Guaranteed Savings Plan are ongoing as well as administrative expenses for each respective plan, net of investment returns. In addition, the tuition benefits payable decreased $23,700,000 (17.9%) and $31,300,000 (19.1%) during the same time periods. The tuition benefits liability decrease is a result of the continued redemption of units and credits by plan participants, net of actuarial changes.

OTTA's primary source of operating revenue is investment income and a small administrative fee that was assessed to each credit or unit sold to the CollegeAdvantage participants, while the significant operating expense is tuition benefits expense. For fiscal years ended June 30, 2021 and 2020, OTTA's net position increased $5,657,679 and $2,645,976, respectively, primarily due to variability in investment returns and actuarial tuition benefit expense.

The Guaranteed Savings Plan has been closed to new investments since 2003. Since the plan has the full faith and credit backing of the State of Ohio, OTTA continually evaluates the investments of the plan to de-risk investments through asset allocation changes, with the goal of protecting the assets through the final disbursement of the Plan.

OHIO TUITION TRUST AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021, 2020 AND 2019
(UNAUDITED)

Private Purpose Trust Fund
Financial Summary

A summary comparison of the Private Purpose Trust Fund's fiduciary net position and statement of changes is presented below:

Condensed Statement of Fiduciary Net Position
At June 30, 2021, 2020 and 2019:

	2021	2020	2019
Total assets	$ 16,170,087,207	$ 13,065,440,166	$ 12,401,961,301
Total liabilities	(60,193,332)	(127,100,681)	(190,295,000)
Net Position Held In Trust For Plan Participants	$ 16,109,893,875	$ 12,938,339,485	$ 12,211,666,301

Condensed Statement Of Changes in Fiduciary Net Position
Years Ended June 30, 2021, 2020 and 2019

	2021	2020	2019
Additions:			
Units sold	$ 1,641,549,054	$ 1,438,914,981	$ 1,288,308,857
Exchanges in	4,361,611,064	2,448,517,306	1,605,128,878
Net investment earnings	2,886,378,348	578,235,463	703,364,903
Total Additions	8,889,538,466	4,465,667,750	3,596,802,638
Deductions:			
Units redeemed	1,356,373,012	1,290,477,260	1,164,930,081
Exchanges out	4,361,611,064	2,448,517,306	1,605,128,878
Total Deductions	5,717,984,076	3,738,994,566	2,770,058,959
Change In Net Position	3,171,554,390	726,673,184	826,743,679
Beginning Net Position	12,938,339,485	12,211,666,301	11,384,922,622
Ending Net Position	$ 16,109,893,875	$ 12,938,339,485	$ 12,211,666,301

Analysis of OTTA's Financial Position and Results of Operations
Private Purpose Trust Fund

As noted previously, OTTA offers two variable college savings plans. The variable college savings plans consist of two separate and distinct sales channels: direct and advisor.

The benefits available in both plans are as follows:

- Earnings grow tax-free at both the state and federal level.
- Withdrawals are tax-free when used for Internal Revenue Code 529-qualified education expenses.
- Effective January 1, 2018, Ohio taxpayers may deduct up to $4,000 a year for contributions, per beneficiary, from their Ohio taxable income. Contributions over $4,000 in a year may be carried over to future tax years until fully deducted. The previous deduction was $2,000 a year.
- Funds can be used at any qualified educational institution in the country (2-4 yr., graduate or technical; schools that are eligible for federal financial aid).
- Effective January 1, 2018, the term "qualified education expense" includes up to $10,000 in annual expenses for tuition in connection with enrollment or attendance at an elementary or secondary public, private or religious school.

The Direct Plan is, in general, a lower-cost option than the Advisor Plan, since customers are not receiving professional investment advice and are choosing to select their own investment strategy and manage their own accounts. The OTTA administers and has overall program management responsibility for the day-to-day operations of the CollegeAdvantage Direct Plan. As of June 30, 2021, the plan offers 24 low-cost options from The Vanguard Group, Dimensional Fund Advisors and Fifth Third Bank.

The CollegeAdvantage Advisor Plan is for customers working with an investment advisor. The Advisor Plan offers different investment options and fund managers than the Direct Plan. As of June 30, 2021, there are 27 investment options available through the BlackRock CollegeAdvantage Plan.

The assets under management for the Direct and Advisor Plans for the three years ended June 30, 2021, 2020 and 2019 are as follows:

	2021	2020	2019
Assets under management			
Direct	$ 9,310,545,240	$ 7,247,132,372	$ 6,643,387,874
Advisor	6,798,793,202	5,690,699,946	5,568,233,272
Total	$ 16,109,338,442	$ 12,937,832,318	$ 12,211,621,146

The asset growth (decline) is attributable to investment returns (net of fees) and net contributions (net of withdrawals) in fiscal years ended June 30, 2021, 2020 and 2019 as follows:

	2021	2020	2019
Direct			
Investment returns	22.7%	4.4%	6.4%
Net contributions	5.8%	4.7%	4.7%

	2021	2020	2019
Advisor			
Investment returns	20.8%	4.8%	5.7%
Net withdrawals	(1.3%)	(2.6%)	(2.7%)

Contacting OTTA's Financial Management

This financial report is designed to provide a general overview of OTTA's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Chief Financial Officer, Ohio Tuition Trust Authority, 35 East Chestnut St., 8th Floor, Columbus, Ohio 43215 or call (800) 233-6734 or visit OTTA's website at www.collegeadvantage.com.

OHIO TUITION TRUST AUTHORITY

STATEMENTS OF NET POSITION
ENTERPRISE FUND
AS OF JUNE 30, 2021 AND 2020

	2021	2020
CURRENT ASSETS		
Cash and cash equivalents	$ 12,423,292	$ 14,806,846
Collateral on loaned securities	252,797	163,775
Basis points receivable	896,504	442,919
Securities restricted for tuition benefits payable	24,000,000	28,400,000
Total Current Assets	37,572,593	43,813,540
RESTRICTED SECURITIES		
Administrative expenses	91,018,669	74,728,269
Tuition benefits payable	98,636,121	128,027,532
OTHER ASSETS		
Fixed assets	19,748	28,095
Net pension and other post employment benefits asset	251,352	27,509
Total Assets	$ 227,498,483	$ 246,624,945
DEFERRED OUTFLOW OF RESOURCES	$ 229,227	$ 507,077
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 755,566	$ 740,118
Accrued compensation and compensated leave	563,875	465,106
Obligation under securities lending	252,797	163,775
Liabilities payable from restricted assets		
Tuition Benefits Payable	24,000,000	28,400,000
Total Current Liabilities	25,572,238	29,768,999
LIABILITIES PAYABLE FROM RESTRICTED ASSETS:		
Tuition benefits payable	84,900,000	104,200,000
NET PENSION AND OTHER POST EMPLOYMENT BENEFITS LIABILITY	1,622,300	3,832,523
Total Liabilities	$ 112,094,538	$ 137,801,522
DEFERRED INFLOW OF RESOURCES	$ 1,387,104	$ 742,110
NET POSITION	$ 114,246,068	$ 108,588,390

See notes to financial statements.

OHIO TUITION TRUST AUTHORITY

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
ENTERPRISE FUND
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
OPERATING REVENUES		
Interest and dividend income	$ 244,137	$ 669,453
Basis points revenue	6,261,309	5,585,832
Net increase in fair value of marketable securities	7,353,857	9,904,229
Total Revenues	13,859,303	16,159,514
OPERATING EXPENSES		
Tuition benefits expense (payouts)	23,954,563	35,620,653
Actuarial tuition benefits expense, net of payouts	(23,700,000)	(31,300,000)
Payroll and employee benefits	1,293,498	2,968,568
Other operating expenses	6,653,564	6,224,317
Net Operating Expenses	8,201,625	13,513,538
Change In Net Position	5,657,678	2,645,976
NET POSITION		
Beginning of year	108,588,390	105,942,414
End of year	$ 114,246,068	$ 108,588,390

See notes to financial statements.

OHIO TUITION TRUST AUTHORITY

STATEMENTS OF CASH FLOWS
ENTERPRISE FUND
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash payments for payroll and employee benefits	$ (2,705,950)	$ (2,650,248)
Cash payments for operating expenses	(6,629,768)	(6,205,209)
Cash payments for tuition benefits	(23,954,563)	(35,620,653)
Cash receipts from basis points	5,807,722	5,890,522
Net Cash Used In Operating Activities	(27,482,559)	(38,585,588)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from the sales and maturities of securities	64,617,252	111,992,529
Purchase of securities	(39,763,014)	(96,022,300)
Interest and dividends received	244,767	740,306
Net Cash Provided By Investing Activities	25,099,005	16,710,535
Net (Decrease) Increase In Cash And Cash Equivalents	(2,383,554)	(21,875,053)
CASH AND CASH EQUIVALENTS		
Beginning of year	14,806,846	36,681,899
End of year	$ 12,423,292	$ 14,806,846
RECONCILIATION OF CHANGE IN NET POSITION TO NET CASH USED IN OPERATING ACTIVITIES		
CHANGE IN NET POSITION	$ 5,657,678	$ 2,645,976
Adjustment to reconcile change in net position to net cash used in operating activities:		
Investment income	(7,597,994)	(10,573,682)
Pension and other post employment benefits	(1,511,221)	255,060
Change in operating assets and liabilities		
Basis points receivable	(453,586)	304,691
Other assets	8,347	7,934
Accounts payable and accrued liabilities	15,448	11,174
Accrued compensation and compensated leave	98,769	63,259
Tuition benefits payable	(23,700,000)	(31,300,000)
Net Cash Used In Operating Activities	$ (27,482,559)	$ (38,585,588)

See notes to financial statements.

OHIO TUITION TRUST AUTHORITY

STATEMENTS OF FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUND
AS OF JUNE 30, 2021 AND 2020

	2021	2020
ASSETS		
Investments in securities, at value	$ 15,803,346,179	$ 12,617,888,139
Cash equivalents	296,839,924	320,726,555
Dividends, interest, and other receivable	2,103,505	2,419,784
Receivable for units sold	13,372,314	11,534,756
Receivable for securities sold	54,425,285	112,870,932
Total Assets	$ 16,170,087,207	$ 13,065,440,166
LIABILITIES		
Cash overdraft	$ 1,477,941	$ 1,646,667
Payable for securities purchased	46,806,951	115,918,473
Payable for units redeemed	7,600,961	6,423,486
Accrued management and administrative fees	2,468,665	1,496,435
Accrued sales fees	1,838,814	1,615,620
Total Liabilities	60,193,332	127,100,681
NET POSITION HELD IN TRUST FOR PLAN PARTICIPANTS	$ 16,109,893,875	$ 12,938,339,485

See notes to financial statements.

OHIO TUITION TRUST AUTHORITY

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUND
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
ADDITIONS		
Contributions:		
Units sold	$ 1,641,549,054	$ 1,438,914,981
Exchanges in	3,945,053,064	2,448,517,306
Transfers in	416,558,000	-
Total Contributions	6,003,160,118	3,887,432,287
Investment earnings:		
Investment income	532,713,844	415,721,868
Net realized/unrealized appreciation on underlying fund shares	2,394,275,634	199,733,187
Total Investment Earnings	2,926,989,478	615,455,055
Less: Investment expenses	40,611,130	37,219,592
Net Investment Earnings	2,886,378,348	578,235,463
Total Additions	8,889,538,466	4,465,667,750
DEDUCTIONS		
Units redeemed	1,356,373,012	1,290,477,260
Exchanges out	3,945,053,064	2,448,517,306
Transfers out	416,558,000	-
Total Deductions	5,717,984,076	3,738,994,566
Change In Net Position	3,171,554,390	726,673,184
NET POSITION		
Held in trust for plan participants - beginning of year	12,938,339,485	12,211,666,301
Held in trust for plan participants - end of year	$ 16,109,893,875	$ 12,938,339,485

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

NOTE 1 - ORGANIZATION

The Ohio Tuition Trust Authority (OTTA) was established in 1989 by Chapter 3334 of the Ohio Revised Code and is part of the legal reporting entity of the State of Ohio within the Ohio Department of Higher Education. The governing body consists of an 11-member board, of which no more than six can be from the same political party. This board consists of six members appointed by the Governor with the advice and consent of the Senate. In December 2016, Ohio House Bill 471 passed and required gubernatorial appointees to have “significant experience in finance, accounting or investment management.” The OTTA Investment board, following the passage of Ohio House Bill 471, is collectively now known as the OTTA Investment Board. The speaker of the House of Representatives and the president of the Senate shall appoint four members: one member of the House of Representatives from each political party, and one member of the Senate from each political party. The chancellor of the Ohio Department of Higher Education, or the chancellor’s designee, is an ex officio voting member.

The primary objective of OTTA is to help make higher education affordable by providing tax-advantaged investment opportunities to save in advance for qualified educational expenses. The program consists of two variable college savings plans and maintaining recordkeeping and distributions for the Guaranteed Savings Plan (Guaranteed Plan). Sales of new units of the Guaranteed Plan were suspended on December 31, 2003. All available plans are collectively called CollegeAdvantage.

All funds invested in CollegeAdvantage may be used at any qualified educational institution in the country, with refund and transfer options available. They offer advantages for Ohio residents, including the state income tax deduction on contributions. Since these funds are part of a Section 529 Qualified State Tuition Program, earnings on the funds are federally tax-exempt if the funds are used for qualified educational expenses upon withdrawal.

Except as otherwise specified in Chapter 3334, Ohio Revised Code, OTTA is not required to adhere to the provisions of Chapters 123 *Department of Administrative Services - Public Works* and 4117 *Public Employees’ Collective Bargaining* of the Ohio Revised Code. Effective September 29, 2015, OTTA became subject to Chapter 125 of the Ohio Revised Code, except with respect to investment contracts approved under the powers of the OTTA Investment Board under Section 3334.03 of the Ohio Revised Code. The Department of Administrative Services, upon the request of OTTA, shall act as OTTA’s agent for the purchase of equipment, supplies, insurance and services or the performance of administrative services pursuant to Chapter 125, Ohio Revised Code.

Enterprise Fund

The accompanying enterprise financial statements report the financial position, results of operations and cash flows for the fiscal years ended June 30, 2021 and 2020 of the Enterprise Fund consisting of the Guaranteed Savings Plan and the administrative portion of the Variable Savings plans. These funds are part of the State of Ohio’s reporting entity. The accompanying statements are not intended to present all enterprise activities of the State of Ohio. The **State of Ohio Comprehensive Annual Financial Report** provides more extensive disclosures regarding the significant accounting policies of the State as a whole.

NOTE 1 - ORGANIZATION (Continued)

The Guaranteed Plan is guaranteed by the full faith and credit of the State of Ohio. Either the owner or beneficiary were required to be Ohio residents at the time the account was established. The Guaranteed Plan sold credits from March 1990 to June 1994 and sold units from July 1994 to December 2003. A unit can be redeemed at a value equal to 1% of the weighted average tuition (WAT) of the 13 four-year Ohio public universities, while credit values are equal to 115% of a unit value in the year redeemed. The redemption value changes proportionately in relation to the changes in WAT. The redemption of 100 tuition units generally will provide the beneficiary with one year of in-state, undergraduate tuition at an average-priced Ohio public four-year university, if units are held on account until the beneficiary is 18 or older. The actual number of tuition units needed to cover tuition will vary based on the actual tuition being charged at an individual institution. Additional tuition units are necessary to cover room and board, graduate or professional school, or other educational expenses.

Private Purpose Trust Fund

In June 2000, Governor Bob Taft signed into law Senate Bill 161, creating a variable return college savings option. In October 2000, OTTA launched Ohio's 529 Plan, CollegeAdvantage, offering market-based investment options. The CollegeAdvantage Direct Plan (Direct Plan) and the CollegeAdvantage Advisor Plan (Advisor Plan) coupled with the CollegeAdvantage Guaranteed Plan comprise the CollegeAdvantage Program.

The CollegeAdvantage Direct Plan is for customers who are comfortable selecting and managing their own investments. The Direct Plan is, in general, a lower-cost option, since the customer is not receiving professional investment advice, and customers are choosing to select their own investment strategy and manage their own accounts. The OTTA administers and has overall program management responsibility for the day-to-day operations of the CollegeAdvantage Direct Plan. The Direct Plan is open to investors in Ohio and across the country.

At June 30, 2021, the Direct Plan offers 24 options from The Vanguard Group, Dimensional Fund Advisors, and Fifth Third Bank, including four age-based/college enrollment date options, five risk-based options and 15 individual options.

Ascensus College Savings Recordkeeping Services, LLC provides recordkeeping and fund accounting services for the Direct Plan. The Ascenus contract was renegotiated July 1, 2020 for five years with an option to renew for a subsequent five-year term. Fifth Third Bank maintains, on OTTA's behalf, separate records for each account involving Savings Products; these services include recordkeeping and accounting for each individual account.

Contributions to Vanguard and Dimensional investment options are evidenced through the issuance of units in a particular portfolio. Subject to terms and limitations defined in the participation agreement, contributions are invested in units of the assigned portfolio on the same day the contribution is credited to the participant's account and withdrawals are based on the unit value calculated for such portfolio on the date the withdrawal request is accepted in good order. Unit values are determined daily based on the total value of each portfolio's assets, less its liabilities, divided by the number of its outstanding units.

NOTE 1 - ORGANIZATION (Continued)

Contributions to Fifth Third Bank are evidenced through the establishment of a savings account or certificate of deposit. Subject to the terms and limitations defined in the participation agreement, contributions are invested in the savings account or CD on the same day the contribution is credited to the participant's account and withdrawals are based on the value of the savings account or CD on the date the withdrawal request is accepted. An early withdrawal penalty can be assessed to a CD if it is withdrawn prior to its stated maturity date.

The CollegeAdvantage Advisor Plan is for customers working with an investment advisor. It offers the same 529 tax-saving benefits but has different investment options and fund managers than the Direct Plan. On October 1, 2009, BlackRock Advisors, LLC launched the BlackRock CollegeAdvantage Plan through financial advisors. As of June 30, 2021, there are 27 investment options, including seven target-date options, three target-risk options and 17 single strategy options. The BlackRock contract was renegotiated March 1, 2021 for seven years with an option to renew for a subsequent five-year term.

The Variable Savings Plan is recorded as a Private Purpose Trust Fund in these financial statements, which report the financial position and results of operations for the years ended June 30, 2021 and 2020 of the Fiduciary Fund consisting of the Variable Savings Plan.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of significant accounting policies consistently applied by management in the preparation of the accompanying financial statements follows:

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting - Enterprise Fund

Fund accounting uses a self-balancing set of funds to account for all activity. An enterprise fund is part of the proprietary group of funds within a governmental organization. In an enterprise fund, operations are financed and operated in a manner similar to private businesses, where the intent of the governing body is to provide goods or services to the general public on a continuing basis while recovering cost through the sales price. This fund type is accounted for using the full accrual basis of accounting. Accrual accounting attempts to record the financial effects of transactions, events and circumstances in the period in which they occur rather than in the period in which cash is received or paid by the organization. The activities of OTTA are reported as an enterprise fund, since the cost of providing the CollegeAdvantage Program is recovered through revenues of the program. Administrative costs associated with the Variable Savings Plan are recovered through fees charged on customer accounts and revenue sharing agreements between OTTA and some of the investment managers. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are investment income and basis points charged to customers for investments in CollegeAdvantage options. Operating expenses for the enterprise funds include tuition benefits expense, the cost of marketing products and services, and administrative expenses. All revenues and expenses not meeting this definition would be reported as non-operating revenues and expenses.

Pursuant to Governmental Accounting Standards Board (GASB) Statement No. 20: *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting*, the OTTA follows GASB guidance as applicable to proprietary funds.

OTTA classifies fund resources into four separate sub funds for accounting purposes. These sub funds are authorized by Ohio Revised Code Section 3334.11 and are described below:

Trust Sub Fund - Used to account for the assets and the actuarial liability related to providing tuition payments for participants. This fund is restricted in its use, and can only be used to pay claims pursuant to tuition payment contracts, make refunds, pay investment fees and other costs in administering the Trust Sub Fund. Funds are transferred from the Reserve Sub Fund, as necessary, to fund the obligations of the plan.

Reserve Sub Fund - Used to account for administrative revenues related to the plan, such as enrollment fees and the administrative portion of each tuition unit (approximately $5 for each tuition unit purchased). The Reserve Sub Fund is governed by the same limitations as prescribed for the Trust Sub Fund.

Operating Sub Fund - Used to account for administrative expenses of the Guaranteed Savings Plan. Funds are transferred from the Reserve Sub Fund, as necessary, to fund the obligations of the plan.

Variable Savings Operating Sub Fund - Used to account for the administrative revenues and administrative costs of the Variable Savings Plan.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting - Private Purpose Trust Fund

The Private Purpose Trust Fund is used to report the Fiduciary Net Position and Changes in the Fiduciary Net Position of the Variable Savings Plan managed by BlackRock, The Vanguard Group, Dimensional Fund Advisors and Fifth Third Bank. GASB Statement No. 34 recommends the use of a Private Purpose Trust Fund in situations in which principal and income benefit individuals, private corporations or other governments. The Variable Savings Plan is set up for the benefit of its customers and involves no commitment on the part of the State of Ohio.

Cash and Cash Equivalents

Cash and cash equivalents include amounts on deposit with the State of Ohio and amounts on deposit with financial institutions. OTTA considers cash deposits with a maturity of three months or less when purchased to be cash equivalents, except for STAR Ohio and repurchase agreements. At June 30, 2021, the portion of OTTA's deposits held by the Ohio Treasurer of State was not exposed to custodial credit risk. Of the portion on deposit with a banking institution, $250,000 was FDIC insured and the remainder collateralized with securities held by pledging financial institutions' trust department or agent but not in OTTA's name.

Collateral on Loaned Securities/Obligation under Securities Lending

During fiscal year 2021, the Treasurer of State routinely lent securities from the State's investment portfolio under securities lending agreements. For the State's securities out on loan, the Treasurer received cash collateral from the borrower. The State is obligated to return the cash to the borrower when the security lending agreement terminates. The Treasurer reinvested the collateral in various types of investments, including U.S. government and agency obligations, repurchase agreements, commercial paper, corporate bonds, asset-backed securities, master notes, variable rate notes and money market funds. Also, cash collateral may have been placed with financial institutions. For cash collateral the Treasurer received for securities out on loan as of June 30, 2021, the State reported assets and liabilities arising from the securities lending transactions on the financial statements of the funds that had the risk of loss on the collateral assets.

Securities

Securities consist of equity and debt securities. OTTA categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are valued using prices quoted in active markets for those securities. Level 2 inputs are values using quoted prices for similar assets in active markets and are valued by averaging three bid-side quotes from broker/dealers. Level 3 inputs are valued using the best information available (OTTA does not hold any securities valued using Level 3 inputs).

Net increase in fair value of securities includes both realized and unrealized gains. In accordance with Ohio Revised Code Section 3334.11 certain securities, that the Authority determines to be actuarially necessary, are restricted by statute for payment of obligations of OTTA pursuant to tuition payment contracts are held in the Trust Sub Fund.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Securities Restricted for Administrative Expenses are held in the Reserve and Variable Savings Operating Sub Funds. These are the administrative, operating and payroll expenses that are allocated to the respective programs.

Revenue

Administrative revenue for the Variable Savings Operating Sub Funds is derived from basis points revenue, which is received on assets of the Variable Savings Plan as follows:

CollegeAdvantage Direct Plan

All Direct Plan customers pay two basis points (0.02%) on assets under management invested in options offered through The Vanguard Group and Dimensional Fund Advisors. The amount is calculated daily and payment is received by OTTA monthly.

OTTA receives 15 basis points (0.15%) on all Fifth Third Bank assets under management. This amount, paid by Fifth Third as a revenue share, is calculated daily and payment is received by OTTA monthly.

BlackRock CollegeAdvantage Plan

All Advisor customers pay seven basis points (0.07%). Effective June 1, 2021 OTTA is waiving 0.5 bps that can be discontinued without any advance notice to investors. The amount collected from the customer is calculated daily and payment is received by OTTA monthly.

Expenses

Tuition Benefit Expense (Payouts) is recognized when the Guaranteed Plan units are redeemed. The actuarial tuition benefits expense reflects the amount used to adjust the tuition benefit payable as determined by the actuarial valuation.

The OTTA has conducted internal studies of operating expenses. Based on the results of those studies, the OTTA has determined that certain common expenses should be allocated between the Guaranteed and Variable Savings Plans based on criteria established for the various types of operating expenses. Specific expenses that can be directly attributed to the Guaranteed and Variable Savings Plans are expensed to the respective programs.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Self-Insurance

The State of Ohio serves as the OTTA's primary government and is self-insured for claims covered under its traditional healthcare plan, vehicle liability, public fidelity blanket bonds, property losses and tort liability. Additionally, the State of Ohio participates in a public entity risk pool that covers liabilities associated with claims submitted to the Bureau of Workers' Compensation.

Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liability/asset, deferred outflows and inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the Ohio Public Employees Retirement System (OPERS) and additions to/deductions from OPERS' fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB investments are reported at fair value.

Income Taxes

Because OTTA is a department of the State, the income of OTTA is not subject to federal or state income tax.

Accounting Pronouncements

The GASB recently issued the following new accounting pronouncements that will be effective in future years and may be relevant to OTTA:

- GASB 87, Leases (effective fiscal year 2022)
- GASB 89, Accounting for Interest Cost Incurred before the End of a Construction Period (effective fiscal year 2022)
- GASB 97, Certain *Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*-an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32 (effective fiscal year 2022)

Management has not yet evaluated the impact that the adoption of these statements will have on its financial statements.

NOTE 3 - DEPOSITS

The carrying amount of OTTA's deposits in the Enterprise Fund was approximately $12,423,000 and $14,807,000, and the bank balance was approximately $13,331,000 and $15,669,000 at June 30, 2021 and 2020, respectively.

	2021	2020
State of Ohio's pooled cash and investments held by the Ohio Treasurer of State	$ 1,135,000	$ 1,142,000
Custodial accounts held by the Ohio Treasurer of State	12,196,000	14,527,000
	$ 13,331,000	$ 15,669,000

NOTE 4 - SECURITIES

Guaranteed Savings Fund investment managers are authorized to invest in domestic equities, international equities, global fixed income, global balanced strategies, short-term investments and securities lending. Managers of separately managed accounts are not permitted to borrow money; pledge, hypothecate, mortgage or encumber assets; loan money; purchase or sell real estate; purchase or sell commodities; or invest in 144a securities and nonmarketable securities. The Variable Savings Operating Fund investment managers are authorized to invest in laddered certificates of deposit and other FDIC insured products. Other investment strategies may be permitted if approved by the OTTA Investment Board to be a prudent investment decision.

The Guaranteed Savings Fund also has funds invested in the State Treasury Asset Reserve of Ohio (STAR Ohio), an investment pool managed by the State Treasurer's office that allows governments within the state to pool their funds for investment purposes. STAR Ohio is not registered with the Securities Exchange Commission as an investment company, but has adopted GASB Statement No. 79, *Accounting and Financial Reporting for Certain External Investment Pools and Pool Participants*. Investments in STAR Ohio are valued on the basis of the amortized cost valuation technique. The investment objectives of STAR are preserving capital, maintaining liquidity and providing current income. Standard & Poor's has assigned an "AAAm" money market rating (its highest rating) to STAR. By obtaining a triple A rating, STAR Ohio is considered to have a superior capacity to maintain principal ($1.00 per share value) and limit exposure to loss. The rating is based on an analysis of the pool's management, investment guidelines, portfolio holdings and market price exposure. For the year ended June 30, 2021, there were no limitations on any participant withdrawals due to redemption notice periods, liquidity fees or redemption gates.

NOTE 4 - SECURITIES (Continued)

	Balance (Fair Value @ 6/30/21)	Credit Quality Rating AAA	AA	A	BBB	BB	B	Not Rated
U.S. Government Obligations - ◊	$ 151,790,428	$ 151,790,428	-	-	-	-	-	-
U.S. Government Obligations - ƫ	2,752,491	2,752,491	-	-	-	-	-	-
Negotiable certificates of deposit - ƫ (at cost)	17,969,300	-	-	-	-	-	-	$ 17,969,300
Total Fixed Maturities	172,512,219	154,542,919	-	-	-	-	-	17,969,300
Equity mutual funds - ◊	26,025,232	-	-	-	-	-	-	26,025,232
STAR Ohio - ◊	5,204,499	5,204,499	-	-	-	-	-	-
Restricted cash - ◊*	4,817,782	-	-	-	-	-	-	4,817,782
Restricted cash - ƫ*	16,586	-	-	-	-	-	-	16,586
Repurchase agreements - ◊	5,078,472	-	-	-	-	-	-	5,078,472
	$ 213,654,790	$ 159,747,418	-	-	-	-	-	$ 53,907,372

	Balance (Fair Value @ 6/30/20)	Credit Quality Rating AAA	AA	A	BBB	BB	B	Not Rated
U.S. Government Obligations - ◊	$ 159,733,835	$ 159,733,835	-	-	-	-	-	-
U.S. Government Obligations - ƫ	5,023,312	5,023,312	-	-	-	-	-	-
Negotiable certificates of deposit - ƫ (at cost)	14,933,304	-	-	-	-	-	-	$ 14,933,304
Total Fixed Maturities	179,690,451	164,757,147	-	-	-	-	-	14,933,304
Equity mutual funds - ◊	24,301,961	-	-	-	-	-	-	24,301,961
STAR Ohio - ◊	10,146,865	10,146,865	-	-	-	-	-	-
Restricted cash - ◊*	7,747,461	-	-	-	-	-	-	7,747,461
Restricted cash - ƫ*	584,794	-	-	-	-	-	-	584,794
Repurchase agreements - ◊	8,684,269	-	-	-	-	-	-	8,684,269
	$ 231,155,801	$ 174,904,012	-	-	-	-	-	$ 56,251,789

◊ Securities restricted for the Guaranteed Savings Plan
ƫ Securities restricted for the Variable Savings Plan

* Cash restricted for tuition benefits and administrative expenses

NOTE 4 - SECURITIES (Continued)

Custodial Credit Risk - Custodial risk for securities is the risk that, in the event of failure of a counter-party to a transaction, OTTA will not be able to recover the value of the security that is in the possession of an outside party. Ohio law provides that OTTA's assets shall be held in the custody of the Treasurer of State but not comingled with any other state funds. Instruments of title are delivered to the Treasurer's office or to a qualified custodial bank designated by the Treasurer, as provided in Section 135.18 of the Ohio Revised Code.

Credit Risk - Fixed-Income Securities - The risk that an issuer of an investment will not satisfy its obligation. This risk is measured by ratings assigned by a nationally recognized statistical rating organization. OTTA's Investment Policy states that the fixed income portfolio will consist primarily of domestic investment grade bonds. A portion of the domestic fixed income portfolio may be invested in below-investment grade (high-yield) bonds in order to improve overall returns and to provide diversification. Any below-investment grade portfolio shall have the vast majority of its portfolio invested in BB- and B-rated securities, the highest two credit quality tiers of this asset class.

Concentration of Credit Risk - The risk of loss that may be attributed to the magnitude of OTTA's investment in a single issuer. In 2021 and 2020, there is no single issuer comprising 5% or more of the overall portfolio.

Interest Rate Risk - The risk that changes in market interest rates will adversely affect the fair value of an investment. OTTA has established an asset allocation policy designed to obtain investment returns sufficient to allow assets to meet statutory and contractual obligations of the agency and its programs to participants and defray reasonable expenses of administering program operations. The policy requires the fixed income portfolio to be invested with duration characteristics that are within a range consistent with Barclay's Aggregate Index.

Foreign Currency Risk - The securities in the Enterprise Fund portfolio are indirectly exposed to foreign currency risk through underlying investments in mutual funds that hold international securities. These investments involve risks not normally associated with investing in securities of U.S. corporations, such as foreign currency exchange rate fluctuation and adverse political and economic developments in foreign countries.

OHIO TUITION TRUST AUTHORITY

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

NOTE 4 - SECURITIES (Continued)

	Balance (Fair Value @ 6/30/21)	Securities Maturities (In Years) Less than 1	1-5	6-10	More than 10
U.S. Government obligations - ◊	$ 151,790,428	$ 39,945,774	$ 82,900,434	$ 23,926,819	$ 5,017,401
U.S. Government obligations - ɫ	2,752,491	501,330	2,251,161	-	-
Negotiable certificates of deposit - ɫ (at cost)	17,969,300	2,786,446	15,182,854	-	-
Equity mutual funds - ◊	26,025,232	26,025,232	-	-	-
Star Ohio - ◊	5,204,499	5,204,499	-	-	-
Restricted cash - ◊ *	4,817,782	4,817,782	-	-	-
Restricted cash - ɫ *	16,586	16,586	-	-	-
Repurchase agreements - ◊	5,078,472	5,078,472	-	-	-
	$ 213,654,790	$ 84,376,121	$ 100,334,449	$ 23,926,819	$ 5,017,401

	Balance (Fair Value @ 6/30/20)	Securities Maturities (In Years) Less than 1	1-5	6-10	More than 10
U.S. Government obligations - ◊	$ 159,733,835	$ 39,220,980	$ 95,948,659	$ 21,080,424	$ 3,483,772
U.S. Government obligations - ɫ	5,023,312	4,257,714	765,598	-	-
Negotiable certificates of deposit - ɫ (at cost)	14,933,304	1,984,100	12,949,204	-	-
Equity mutual funds - ◊	24,301,961	24,301,961	-	-	-
Star Ohio - ◊	10,146,865	10,146,865	-	-	-
Restricted cash - ◊ *	7,747,461	7,747,461	-	-	-
Restricted cash - ɫ *	584,794	584,794	-	-	-
Repurchase agreements - ◊	8,684,269	8,684,269	-	-	-
	$ 231,155,801	$ 96,928,144	$ 109,663,461	$ 21,080,424	$ 3,483,772

◊ Securities restricted for the Guaranteed Savings Plan
ɫ Securities restricted for the Variable Savings Plan

* Cash restricted for tuition benefits and administrative expenses

NOTE 4 - SECURITIES (Continued)

OTTA's categorization of investments within the fair value hierarchy are as follows:

	Balance (Fair Value @ 6/30/21)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Government obligations - ◊	$ 151,790,428	-	$ 151,790,428	-
U.S. Government obligations -ƚ	2,752,491	-	2,752,491	-
Negotiable certificates of deposit - ƚ (at cost)	17,969,300	-	17,969,300	-
Equity mutual funds - ◊	26,025,232	$ 26,025,232	-	-
Star Ohio - ◊	5,204,499	5,204,499	-	-
Restricted cash - ◊*	4,817,782	4,817,782	-	-
Restricted cash - ƚ*	16,586	16,586	-	-
Repurchase agreements - ◊	5,078,472	5,078,472	-	-
	$ 213,654,790	$ 41,142,571	$ 172,512,219	-

	Balance (Fair Value @ 6/30/20)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Government obligations - ◊	$ 159,733,835	-	$ 159,733,835	-
U.S. Government obligations -ƚ	5,023,312	-	5,023,312	-
Negotiable certificates of deposit - ƚ (at cost)	14,933,304	-	14,933,304	-
Equity mutual funds - ◊	24,301,961	$ 24,301,961	-	-
Star Ohio - ◊	10,146,865	10,146,865	-	-
Restricted cash - ◊*	7,747,461	7,747,461	-	-
Restricted cash - ƚ*	584,794	584,794	-	-
Repurchase agreements - ◊	8,684,269	8,684,269	-	-
	$ 231,155,801	$ 51,465,350	$ 179,690,451	-

◊ Securities restricted for the Guaranteed Savings Plan
ƚ Securities restricted for the Variable Savings Plan

* Cash restricted for tuition benefits and administrative expenses

NOTE 5 - PRIVATE PURPOSE TRUST FUND

Investments are reported at fair value and are accounted for accordingly. Investments in the Mutual Fund-Based Options represent units in Private Purpose Trust Fund portfolios, which in turn invest in underlying mutual funds rather than individual securities. Security transactions, normally units of the portfolios of the BlackRock Funds, the Vanguard Funds and Dimensional Fund Advisors, are accounted for on the trade date (date the order to buy or sell is executed). Income and capital gain distributions from the Funds, if any, are recorded on the ex-dividend date.

Investments in the Fifth Third options (Banking Options) are bank deposits; they are accounted for on the date the contribution is accepted by Fifth Third. Interest is compounded continuously and credited monthly on the Fifth Third options, based on the stated rate of interest for the product.

Investments in the Private Purpose Trust Fund are valued in the fair value hierarchy as Level 1 inputs, using quoted prices in active markets for identical assets.

At June 30, 2021 and 2020, cash equivalents and investments of the Private Purpose Trust Fund options were as follows:

	2021		2020	
	Cash and Cash Equivalents	Investments	Cash and Cash Equivalents	Investments
CollegeAdvantage Advisor Plan	-	$ 6,792,318,179	-	$ 5,693,791,139
CollegeAdvantage Direct Plan	$ 296,839,924	9,011,028,000	$ 320,726,555	6,924,097,000
	$ 296,839,924	$ 15,803,346,179	$ 320,726,555	$ 12,617,888,139

NOTE 6 - TUITION BENEFITS PAYABLE

Tuition benefits payable represents the actuarially determined present value (APV) of future tuition obligations of the Guaranteed Savings Plan. This valuation reflects the present value of estimated tuition benefits that will be paid in future years and is adjusted for the effects of projected tuition increases and the termination of OTTA contracts. The results are as follows:

	2021	2020
APV of future tuition benefits and expenses payable	$ 108,900,000	$ 132,600,000
Actuarial net position available in guaranteed savings fund	192,900,000	210,600,000
Assets as a percentage of tuition and expense obligation	177%	159%

Individual fund net position balances at June 30 were as follows:	2021	2020
Guaranteed savings fund:		
Operating sub fund	$ (9,940,136)	$ (9,429,033)
Reserve sub fund	120,206,141	117,834,941
Trust sub fund	(27,033,330)	(31,432,750)
Total Guaranteed Savings Fund	83,232,675	76,973,158
Variable savings operating sub fund	31,013,393	31,615,232
Total Net Position - Enterprise Fund	$ 114,246,068	$ 108,588,390

As mentioned in Note 2, included in the statement of net position of the Enterprise Fund is the Variable Savings Operating Fund.

The following assumptions were used in the actuarial determination of tuition benefits payable as of June 30, as follows:

Economic assumptions set by the OTTA Investment Board FY21:
Tuition Inflation Assumption:
Fall 2021: An amount equal to the maximum amount of tuition and mandatory fee increases permitted by the State of Ohio biennial budget, as signed into law by Governor Mike Dewine; and Fall 2022 and thereafter: 4.00%
Rate of return (investment of current and future assets) Fall 2021 and thereafter: 1.4%

Economic assumptions set by the OTTA Investment Board FY20:
Tuition Inflation Assumption:
Fall 2020: An amount equal to the maximum amount of tuition and mandatory fee increases permitted by the State of Ohio biennial budget, as signed into law by Governor Mike Dewine; and Fall 2021 and thereafter: 4.25%
Rate of return (investment of current and future assets) Fall 2020 and thereafter: 1.5%

In addition to the assumptions set by the OTTA Investment Board, the actuarial determination includes the assumption that the Consumer Price Index inflation rate will be 2.5%.

NOTE 7 - PENSIONS

General Information about the Pension Plan

Employees of OTTA are provided with pensions through the Ohio Public Employees Retirement System (OPERS), which administers three separate pension plans as described below:

1. The Traditional Pension Plan - a cost-sharing, multiple-employer defined-benefit pension plan.

2. The Member-Directed Plan - a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings.

3. The Combined Plan - a cost-sharing, multiple-employer defined-benefit pension plan. Under the Combined Plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the Traditional Pension Plan benefit. Member contributions, the investment of which is self-directed accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits.

The authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

OPERS issues a standalone financial report. Interested parties may obtain a copy by visiting https://www.opers.org/financial/reports.shtml#CAFR/, by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 1-614-222-5601 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2021 and 2020, member and employer contribution rates were consistent across all three plans.

The 2021 and 2020 employee contribution rates were 10.0% of covered payroll for members in state and local classifications. The 2021 and 2020 employer contribution rate for state and local employers was 14.0% of covered payroll. Total required employer contributions for all plans are equal to 100% of employer charges.

Required employee and employer contributions to OPERS are established under the Ohio Revised Code and are based on percentages of covered employees' gross salaries, with the contribution rate percentages being calculated annually by the Retirement Board's actuaries. Employer contributions required and made to OPERS for the fiscal years ended June 30, 2021, 2020, and 2019 were approximately $251,000, $257,000, and $248,000, respectively.

NOTE 7 - PENSIONS (Continued)

Pension Liabilities and Assets, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

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

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

GASB Statement No. 68 assumes the net pension asset solely belongs to the employer and the net pension liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) state statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires pension plans to amortize overfunded assets and unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the state legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension asset/liability. Resulting adjustments to the net pension asset/liability would be effective when the changes are legally enforceable.

In accordance with GASB 68 and 71, OTTA's statements include the proportionate share of each plan's over/under-funded benefits presented as a long-term net pension asset or long-term net pension liability on the accrual basis of accounting as well as an annual pension expense (income) for its proportionate share of each plan's change in net pension liability or asset.

At June 30, 2021, OTTA reported a net pension liability of $1,622,300 for its proportionate share of the Traditional Plan's net pension liability and a net pension asset of $38,239 for its proportionate share of the Combined Plan's net pension asset. The net pension liability/asset was measured as of December 31, 2020 and represents OTTA's proportionate share of the relevant pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of the pension plan's fiduciary net position.

At December 31, 2020, OTTA's proportion was 0.010956% of the Traditional Plan's net pension liability and 0.013248% of the Combined Plan's net pension asset.

For the years ended June 30, 2021 and 2020, OTTA recognized pension expense of $30,696 and $325,893, respectively. OTTA reported deferred outflows of resources and deferred inflows of resources related to the two pension plans from the following sources:

NOTE 7 - PENSIONS (Continued)

	June 30, 2021		June 30, 2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	-	$ 77,255	$ -	$ 36,517
Net difference between projected and actual earnings on pension plan investments	-	638,881	-	433,759
Assumption changes	$ 3,261	-	118,980	-
Change in proportionate share	8,412	14,805	3,283	34,745
OTTA contributions subsequent to the measurement date	111,530	-	113,217	-
	$ 123,203	$ 730,941	$ 235,480	$ 505,021

Included in deferred outflows of resources at June 30, 2021 is $111,530 related to pensions resulting from OTTA contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability/asset in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	Net Deferred Inflows/ (Outflows)
2022	$ 270,863
2023	91,840
2024	262,817
2025	89,206
2026	1,916
Thereafter	2,626
	$ 719,268

NOTE 7 - PENSIONS (Continued)

The following table outlines the key assumptions OPERS used in the December 31, 2020 valuation:

Key Methods and Assumptions Used in Valuation of Total Pension Liability		
Actuarial Information	**Traditional Pension Plan**	**Combined Plan**
Measurement and valuation date	December 31, 2020	December 31, 2020
Experience study	5-Year period ended December 31, 2015	5-Year period ended December 31, 2015
Actuarial cost method	Individual entry age	Individual entry age
Actuarial assumptions:		
Investment rate of return	7.20%	7.20%
Wage inflation	3.25%	3.25%
Projected salary increases	3.25% - 10.75% (includes wage inflation at 3.25%)	3.25% - 8.25% (includes wage inflation at 3.25%)
Cost-of-living adjustments	Pre-1/7/2013 retirees: 3.00% simple Post-1/7/2013 retirees: 0.5% simple through 2021, then 2.15% simple	Pre-1/7/2013 retirees: 3.00% simple Post-1/7/2013 retirees: 0.5% simple through 2021, then 2.15% simple

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjustment for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study for the five-year period ended December 31, 2015. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

NOTE 7 - PENSIONS (Continued)

The allocation of investment assets within the Pension Plan portfolio is approved by the OPERS Board. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the Plans. The following table displays the OPERS Board-approved asset allocation policy for 2020 and the long-term expected real rates of return.

Asset Class	**Target Allocation for 2020**	**Weighted Average Long-Term Expected Real Rate of Return**
Fixed income	25.0%	1.32%
Domestic equities	21.0	5.64
Real estate	10.0	5.39
Private equity	12.0	10.42
International equities	23.0	7.36
Other investments	9.0	4.75
Total	100.0%	5.43%

The long-term expected rate of return on defined benefit investment assets was 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 percentages, adjusted for inflation.

The discount rate used to measure the total pension liability was 7.2% for both the Traditional Pension Plan and the Combined 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 for both the Traditional Pension Plan and the Combined Plan was applied to all periods of projected benefit payments to determine the total pension liability.

The following table represents OTTA's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.2%, as well as its proportionate share of the net pension liability (asset) if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

Sensitivity of Net Pension Liability/ (Asset) to Changes in the Discount Rate			
Employers' net pension liability/(asset)	1% Decrease 6.2%	Current Discount 7.2%	1% Increase 8.2%
Traditional pension plan	$ 3,094,547	$ 1,622,300	$ 398,130
Combined pension plan	(26,628)	(38,239)	(46,898)

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

General Information About Post-Employment Benefits

OPERS maintains a cost-sharing, multiple-employer defined-benefit post-employment health care trust, which funds multiple healthcare plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the Traditional Pension and the Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including OPERS sponsored healthcare coverage. OPERS funds a Retiree Medical Account (RMA); participants can be reimbursed for qualified medical expenses from their vested RMA balance. Healthcare coverage provided by OPERS meets the definition of another post-employment benefit (OPEB) as described in the GASB Statement 45. Please see the Plan Statement in the OPERS 2020 CAFR for details.

The Ohio Revised Code permits, but does not require, OPERS to provide healthcare to its eligible benefit recipients. Authority to establish and amend healthcare coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

OPERS issues a standalone financial report. Interested parties may obtain a copy by visiting https://www.opers.org/financial/reports.shtml#CAFR/ , by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 1-614-222-5601 or 1-800-222-7377.

Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of post-employment healthcare benefits. No employer contributions were allocated to health care for the Traditional and Combined Plans in calendar years 2020 and 2019, and it is expected to remain at that level. The employer contribution as a percent of covered payroll deposited for participants in the Member-Directed Plan was 4.0% for calendar years 2020 and 2019. Due to the discretionary nature of healthcare funding and the potential for frequent changes in allocations, including no funding to healthcare for some plans, the calculation of proportionate shares of employers is based on total employer contributions.

OPEB Liabilities and Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

In accordance with GASB 75, OTTA's statements prepared on an accrual basis of accounting include an annual OPEB expense (income) for its proportionate share of the plan's change in net OPEB liability/(asset). OPEB is a component of exchange transactions, between an employer and its employees, of salaries and benefits for employee services. OPEB are provided to an employee, on a deferred-payment basis, as part of the total compensation package offered by an employer for employee services each financial period.

At June 30, 2021, OTTA reported a net OPEB asset of $213,113 for its proportionate share of the Healthcare Plan's net OPEB asset. The net OPEB asset was determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020. At December 31, 2020, OTTA's proportion was 0.011962% of the Healthcare Plan's net OPEB liability/(asset). The net OPEB liability/(asset) calculation is dependent on critical long-term variables, including estimated average life expectances, earnings on investments, cost-of-living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

For the years ended June 30, 2021 and 2020, OTTA recognized OPEB expense (income) of ($1,289,729) and $188,097, respectively. OTTA reported deferred outflows of resources and deferred inflows of resources related to the healthcare plan from the following sources:

	June 30, 2021		June 30, 2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	-	$ 114,232	$ 45	$ 151,710
Net difference between projected and actual earnings on pension plan investments	-	192,577	-	85,379
Assumption changes	$ 105,189	345,306	262,647	-
Change in proportionate share	836	4,048	8,905	-
	$ 106,025	$ 656,163	$ 271,597	$ 237,089

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

Year ended June 30:	OPEB Net Deferred Outflows
2022	$ 287,248
2023	200,045
2024	49,470
2025	13,375
2026	-
Thereafter	-
	$ 550,138

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

Key Methods and Assumptions Used in Valuation of Total OPEB Liability	
Actuarial Information:	
Actuarial valuation date	December 31, 2019
Rolled-forward measurement date	December 31, 2020
Experience study	5-Year period ended December 31, 2015
Actuarial cost method	Individual entry age
Actuarial assumptions:	
Single discount rate	6.00%
Investment rate of return	6.00%
Municipal bond rate	2.00%
Wage inflation	3.25%
Projected salary increases	3.25% - 10.75% (includes wage inflation at 3.25%)
Health care cost trend rate	8.50% initial, 3.50% ultimate in 2035

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjustment for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively.

The total OPEB liability/(asset) was determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020. The actuarial assumptions used were based on the results of an actuarial experience study for the five-year period ended December 31, 2015. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

The allocation of investment assets within the Health Care portfolio is approved by the OPERS Board. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable healthcare program for current future retirees. The System's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined pension plans. Healthcare is a discretionary benefit. The following table displays the OPERS Board-approved asset allocation policy for 2020 and the long-term expected real rates of return.

Asset Class	**Target Allocation for 2020**	**Weighted Average Long-Term Expected Real Rate of Return**
Fixed income	34.0%	1.07%
Domestic equities	25.0	5.64
REITs	7.0	6.48
International equities	25.0	7.36
Other investments	9.0	4.02
Total	100.0%	4.43%

The long-term expected rate of return on healthcare investment assets was 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 percentages, adjusted for inflation.

A single discount rate of 6.00% was used to measure the OPEB liability/(asset) on the measurement date of December 31, 2020. 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 healthcare fiduciary net position is projected to be sufficient to pay benefits), and (2) 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). This single discount rate was based on an expected rate of return on the healthcare investment portfolio of 6.00% and a municipal bond rate of 2.00%. 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 healthcare fiduciary net position and future contributions were sufficient to finance healthcare costs through the year 2120. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2120, and the municipal bond rate was applied to all healthcare costs after that date.

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

The following table represents OTTA's proportionate share of the net OPEB liability or asset as of December 31, 2020, calculated using the current discount rate of 6.00%, as well as its proportionate share of the net OPEB liability or asset if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

Sensitivity of Net OPEB Liability/(Asset) to Changes in the Discount Rate			
	1% Decrease 5.00%	Current Discount 6.00%	1% Increase 7.00%
Employers' Net OPEB Liability/(Asset)	$ (52,992)	$ (213,113)	$ (344,745)

The following table represents OTTA's proportionate share of the net OPEB liability or asset as of December 31, 2020, calculated using the assumed healthcare cost trend rates, as well as it proportionate share of the net OPEB liability or asset if it were calculated using a rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

Sensitivity of Net OPEB Liability/(Asset) to Changes in the Healthcare Cost Trend Rate			
	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Employers' Net OPEB Liability/(Asset)	$ (218,307)	$ (213,113)	$ (207,301)

Retiree healthcare valuations use a healthcare cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2021 is 8.50%. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for healthcare. A more reasonable alternative is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries' project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

NOTE 9 - OPERATING LEASES

The OTTA uses office space in a State of Ohio-owned building. There is no lease agreement between the State and OTTA. The OTTA is billed monthly by the State. Office space expense for fiscal 2021 and 2020 was $227,000 and $155,000, respectively.

NOTE 10 - CONTINGENCIES

State agencies and their employees are parties to numerous legal proceedings, which normally occur in governmental operations. Cases resulting in an unfavorable outcome are either absorbed in OTTA's subsequent-year budget or are funded through the General Assembly. There are no legal proceedings that, in the opinion of management, are likely to have a material effect on any of OTTA's funds.

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SUPPLEMENTARY FINANCIAL INFORMATION

OHIO TUITION TRUST AUTHORITY

REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET POSITION/OPEB LIABILITY (ASSET)
(SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT)
(AMOUNTS PRESENTED DETERMINED AS OF DECEMBER 31)

	Traditional Pension Plan				
	2020	2019	2018	2017	2016
OTTA's proportion of net pension liability	0.010956%	0.010997%	0.010900%	0.010716%	0.009319%
OTTA's proportionate share of net pension liability	$ 1,622,300	$ 2,173,631	$ 2,985,289	$ 1,681,133	$ 2,116,186
OTTA's covered payroll	1,538,000	1,547,000	1,457,000	1,354,000	1,203,000
OTTA's proportionate share of net pension liability as a percentage of its covered payroll	105%	141%	205%	124%	176%
Plan fiduciary net position as a percentage of the total pension liability	86.9%	82.2%	74.7%	84.7%	77.3%

	Traditional Pension Plan		
	2015	2014	2013
OTTA's proportion of net pension liability	0.009231%	0.009231%	0.009231%
OTTA's proportionate share of net pension liability	$ 1,478,889	$ 1,113,362	$ 1,088,215
OTTA's covered payroll	1,063,000	1,375,000	1,405,000
OTTA's proportionate share of net pension liability as a percentage of its covered payroll	139%	81%	77%
Plan fiduciary net position as a percentage of the total pension liability	81.1%	86.5%	86.4%

	Combined Pension Plan				
	2020	2019	2018	2017	2016
OTTA's proportion of net pension asset	0.013248%	0.013193%	0.016056%	0.025717%	0.021377%
OTTA's proportionate share of net pension liability (asset)	$ (38,239)	$ (27,509)	$ (17,952)	$ (35,007)	$ (11,898)
OTTA's covered payroll	58,000	59,000	68,000	101,000	83,000
OTTA's proportionate share of net pension asset as a percentage of its covered payroll	66%	47%	26%	35%	14%
Plan fiduciary net position as a percentage of the total pension asset	157.7%	145.1%	126.7%	137.3%	116.7%

	Combined Pension Plan		
	2015	2014	2013
OTTA's proportion of net pension asset	0.011580%	0.023878%	0.023878%
OTTA's proportionate share of net pension liability (asset)	$ (5,635)	$ (9,193)	$ (2,506)
OTTA's covered payroll	42,000	92,000	94,000
OTTA's proportionate share of net pension asset as a percentage of its covered payroll	13%	10%	3%
Plan fiduciary net position as a percentage of the total pension asset	117.0%	114.6%	104.6%

(OHIO TUITION TRUST AUTHORITY

REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET POSITION/OPEB LIABILITY (ASSET)
(SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT)
(AMOUNTS PRESENTED DETERMINED AS OF DECEMBER 31)
(CONTINUED)

	Other Post-Employment Benefits			
	2020	2019	2018	2017
OTTA's proportion of net OPEB liability (asset)	0.011962%	0.012010%	0.011990%	0.012190%
OTTA's proportionate share of net OPEB Liability (asset)	$ (213,113)	$ 1,658,892	$ 1,563,213	$ 1,323,744
OTTA's covered payroll	1,597,000	1,606,000	1,525,000	1,455,000
OTTA's proportionate share of net OPEB Liability (asset) as a percentage of its covered payroll	13%	103%	103%	91%
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	115.6%	47.8%	46.3%	54.1%

* This schedule is required to show information for 10 years. However, until a full 10-year trend is compiled, governments are required to only present information for those years for which information is available.

OHIO TUITION TRUST AUTHORITY

REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS AND CONTRIBUTIONS SUBSEQUENT TO MEASUREMENT DATE
(SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT)
(AMOUNTS PRESENTED AS OF JUNE 30)

	Traditional Pension Plan				
	2021	2020	2019	2018	2017
Contractually required contribution	$ 213,731	$ 219,236	$ 210,030	$ 180,038	$ 153,393
Contributions in relation to the contractually required contribution	(213,731)	(219,236)	(210,030)	(180,038)	(153,393)
Contribution deficiency (excess)	-	-	-	-	-
OTTA's covered payroll	1,526,648	1,565,971	1,500,215	1,384,904	1,278,271
Contributions as a percentage of covered payroll	14%	14%	14%	13%	12%

	Traditional Pension Plan		
	2016	2015	2014
Contractually required contribution	$ 116,718	$ 128,977	$ 151,130
Contributions in relation to the contractually required contribution	(116,718)	(128,977)	(151,130)
Contribution deficiency (excess)	-	-	-
OTTA's covered payroll	972,650	1,074,809	1,162,537
Contributions as a percentage of covered payroll	12%	12%	13%

	Combined Pension Plan				
	2021	2020	2019	2018	2017
Contractually required contribution	$ 8,088	$ 8,321	$ 9,797	$ 13,390	$ 10,596
Contributions in relation to the contractually required contribution	(8,088)	(8,321)	(9,797)	(13,390)	(10,596)
Contribution deficiency (excess)	-	-	-	-	-
OTTA's covered payroll	57,770	59,438	69,979	103,002	88,299
Contributions as a percentage of covered payroll	14%	14%	14%	13%	12%

	Combined Pension Plan		
	2016	2015	2014
Contractually required contribution	$ 4,625	$ 8,598	$ 10,075
Contributions in relation to the contractually required contribution	(4,625)	(8,598)	(10,075)
Contribution deficiency (excess)	-	-	-
OTTA's covered payroll	38,544	71,654	77,502
Contributions as a percentage of covered payroll	12%	12%	13%

OHIO TUITION TRUST AUTHORITY

REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS AND CONTRIBUTIONS SUBSEQUENT TO MEASUREMENT DATE
(SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT)
(AMOUNTS PRESENTED AS OF JUNE 30)

	Other Post-Employment Benefits				
	2021	2020	2019	2018	2017
Contractually required contribution	-	-	-	$ 14,559	$ 26,696
Contributions in relation to the contractually required contribution	-	-	-	(14,559)	(26,696)
Contribution deficiency (excess)	-	-	-	-	-
OTTA's covered payroll	$ 1,584,417	$ 1,625,409	$ 1,570,194	1,487,906	1,366,570
Contributions as a percentage of covered payroll	0%	0%	0%	1%	2%

	Other Post-Employment Benefits		
	2016	2015	2014
Contractually required contribution	$ 20,424	$ 22,396	$ 12,100
Contributions in relation to the contractually required contribution	(20,424)	(22,396)	(12,100)
Contribution deficiency (excess)	-	-	-
OTTA's covered payroll	1,011,194	1,146,463	1,240,039
Contributions as a percentage of covered payroll	2%	2%	1%

* This schedule is required to show information for 10 years. However, until a full 10-year trend is compiled, governments are required to only present information for those years for which information is available.

OHIO AUDITOR OF STATE
KEITH FABER

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

Ohio Tuition Trust Authority
35 E. Chestnut St., 8th Floor
Columbus, Ohio 43215-2541

To the Ohio Tuition Trust Authority:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the Ohio Tuition Trust Authority, (the Authority) as of and for the year ended June 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated September 30, 2021. Our report refers to other auditors who audited the financial statements of the Private Purpose Trust Fund, as described in our report on the Authority's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that those auditors separately reported.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Authority's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Authority's financial statements. 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the Authority's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the financial statements. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Keith Faber
Auditor of State
Columbus, Ohio

September 30, 2021

OHIO AUDITOR OF STATE
KEITH FABER

OHIO TUITION TRUST AUTHORITY

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 10/19/2021

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