

JobsOhio is a prime example of why government functions should not be privatized.

JobsOhio was created by the Kasich Administration to perform many of the functions of the State's Department of Development.

JobsOhio is funded by state money, but because of its nonprofit status JobsOhio is not subject to rules for public records or open meetings. In other words, JobsOhio operates on funds provided to the state, but the public is not entitled to know how the funds are spent.

The salaries of JobsOhio personnel are multiple times of what such would be if they were state employees.

JobsOhio website states: We are private, which means less red tape—Less red tape most assuredly means less public transparency and accountability.

Without regard to objections from the Attorney General and House Minority leadership, the General Assembly recently gave JobsOhio a 15-year extension on the state contract.

JobsOhio leaders and political supporters indicate that the organization is effective, but how can the public be assured of that? If the same amount of funds was allocated to the Ohio Department of Development would the results be better or not as good? Since there is little or no transparency, the public is in the dark on the matter. Has there been a study regarding the effectiveness of JobsOhio?

The movement to privatize governmental functions results in keeping the public in the dark regarding operation and results. The governmental function to provide education is a parallel example. Public money is put in private hands via EdChoice private school vouchers with very limited accountability and transparency back to the public.

THE EDCHOICE VOUCHER SYSTEM AND THE JOBSOHIO OPEATION SPRING FROM THE SAME POLITICAL PHILOSOPHY THAT SAYS GOVERNMENT FUNCTIONS ARE BEST ACCOMPLISHED IF HIDDEN FROM PUBLIC VIEW.

JobsOhio's spending cast into spotlight

Group invested \$60K in podcast tied to Carter

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JobsOhio, the state's private economic development arm, is under renewed scrutiny after it invested \$60,000 in a podcast tied to the resignation of former Ohio State University President Ted Carter.

That money was only a drop in the bucket.

JobsOhio doled out more than \$164 million to businesses and universities in 2023, according to the organization's most recent tax filing.

That included a \$21.8 million grant to Cleveland Clinic, \$18.1 million for the biotech company Amgen and \$10.7 million for Honda.

In total, JobsOhio spent more than \$240 million during the 2024 fiscal year and reported \$817 million in assets. The organization approved another \$430 million in grants and loans last year, according to its public reports.

JobsOhio is a private nonprofit funded by the state's liquor profits.

Former Gov. John Kasich created the organization in 2011 to help Ohio attract new businesses and development without the bureaucracy of government.

But Kasich said he was disappointed by JobsOhio's decision to sponsor a podcast that struck him as a "misguided and weak attempt to deal with workforce issues."

"What concerns me most is the possibility of mission drift," Kasich said in a Facebook post. "JobsOhio was created for one purpose and one purpose only: to create jobs for Ohio. I fully understand the importance of building a strong workforce, but this was clearly a failed attempt."

Carter abruptly resigned from Ohio State on March 7 after university officials said he disclosed "an inappropriate relationship with someone seeking state resources to support her personal business."

JobsOhio indicated that person is KriSanthe Vlachos, who hosts a podcast for military veterans.

JobsOhio paid Vlachos \$60,000 to sponsor four episodes of the podcast, including one that featured Carter and JobsOhio President J.P. Nauseef. Three of the episodes were never completed, and JobsOhio is now trying to get its money back.

John Kulewicz, a Democrat running for Ohio attorney general, filed a complaint March 17 asking the state inspector general to investigate JobsOhio and Carter over the podcast.

In a previous statement, JobsOhio said Carter recommended the podcast "as an opportunity to build and engage a military and veteran audience in Ohio" and connect them with job opportunities in aerospace, defense and energy. A spokesperson declined to comment further.

Is JobsOhio transparent?

This isn't the first time JobsOhio has faced backlash. Critics contend the nonprofit isn't transparent because it isn't subject to rules for public records or open meetings that government agencies must follow. Funding for companies like Intel was approved behind closed doors.

JobsOhio got a 15-year extension on its lease of liquor profits last year – which takes the contract through February 2053 – despite concerns from Democrats and Attorney General Dave Yost. House Minority Leader Dani Isaacsohn, D-Cincinnati, said it's difficult to assess the organization's performance without great access to data.

"They play an important role in the ecosystem, but I do think we need more transparency into the work they're doing," Isaacsohn said March 18.

Proponents of JobsOhio say the results speak for themselves.

During his final State of the State address, Gov. Mike DeWine touted companies that agreed to do business in Ohio, including the defense contractor Anduril. JobsOhio plans to give Anduril \$310 million for a weapons factory in Pickaway County.

"The governor has said numerous times that JobsOhio is an asset towards business recruitment in the state that other states don't have," DeWine spokesperson Dan Tierney said.

That recruitment isn't cheap.

How does JobsOhio spend money?

JobsOhio spent more than \$164 million on grants to 312 companies in 2023, tax filings show. It doled out nearly \$312 million the year prior, including \$123 million for Intel's delayed semiconductor factory in central Ohio.

Other top grant recipients from 2022 and 2023 include:

- Sherwin-Williams, which built its new headquarters in Cleveland: \$42 million.
- Cleveland Clinic: \$21.8 million.

- Ultium Cells, which makes electric vehicle batteries in Lordstown: \$20 million.
- Amgen, which plans to expand its New Albany manufacturing facility: \$18.1 million.
- Ohio State University: \$14.5 million.
- Honda, which is building a battery plant in Fayette County: \$10.7 million.

Not all support from JobsOhio is at that scale. A mushroom farm in New Lebanon, for instance, received \$30,000 for its business in 2023.

It's unclear whether the podcast will prompt lawmakers to take another look at JobsOhio. House Speaker Matt Huffman, R-Lima, said he doesn't intend to grill its leaders about their spending – but he also thinks the Legislature has a say in the nonprofit's future.

“We should look at JobsOhio and say, what are all the things you're doing?” Huffman said. “Why aren't you doing this? Why should you do more on that?”

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